Pages 8391–8451

FEDERAL REGISTER

VOLUME 29 NUMBER 130

Washington, Friday, July 3, 1964

Contents

(*Continued on next page*)

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.

A cumulative guide is published separately at the end of each month. The guide lists the parts and sections affected by documents published since January 1, 1964, and specifies how they are affected.

7 CFR

728 8393
908 8395
910 8395
1421 8396
1443 8396
PROPOSED RULES:
51 (2 documents) 8428, 8429

10 CFR

PROPOSED RULES:
40 8431

14 CFR

4b 8401
40 (2 documents) 8401, 8405
41 (2 documents) 8401, 8405
42 (2 documents) 8401, 8405
71 [New] 8417
73 [New] (2 documents) 8417
91 [New] 8401
507 8417
514 8401

16 CFR

13 (5 documents) 8397–8400

19 CFR

31 8400

26 CFR

PROPOSED RULES:
301 8422

35 CFR

4 8418

49 CFR

6 8418
95 (5 documents) 8419, 8420
191 8420
193 8420
194 8420
195 8420
500 8421

50 CFR

PROPOSED RULES:
32 8428

FEDERAL REGISTER

Area Code 202 Phone 963-3261

Published daily, Tuesday through Saturday (no publication on Sundays, Mondays, or on the day after an official Federal holiday), by the Office of the Federal Register, National Archives and Records Service, General Services Administration (mail address National Archives Building, Washington, D.C. 20408), pursuant to the authority contained in the Federal Register Act, approved July 26, 1935 (49 Stat. 500, as amended; 44 U.S.C., ch. 8B), under regulations prescribed by the Administrative Committee of the Federal Register, approved by the President (1 CFR Ch. I). Distribution is made only by the Superintendent of Documents, Government Printing Office, Washington, D.C. 20402.

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, Government Printing Office, Washington, D.C. 20402.

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. The CODE OF FEDERAL REGULATIONS is sold by the Superintendent of Documents. Prices of books and pocket supplements are listed in the first FEDERAL REGISTER issue of each month.

Rules and Regulations

Title 7—AGRICULTURE

Chapter VII—Agricultural Stabilization and Conservation Service (Agricultural Adjustment), Department of Agriculture

SUBCHAPTER B—FARM MARKETING QUOTAS AND ACREAGE ALLOTMENTS

[Amdt. 3]

PART 728—WHEAT

Farm Acreage Allotments, Small Farm Bases and Normal Yields for 1964 and Subsequent Crops and Determination of Base Acreages and Acreage Allotments for 1965 and Subsequent Crops

On pages 5804 and 5805 of the FEDERAL REGISTER of May 1, 1964, there was published a notice of proposed rule making to issue amendments to the regulations pertaining to farm acreage allotments, small farm bases and normal yields for 1964 and subsequent crops of wheat to provide for the determination of base acreages and acreage allotments for the 1965 and subsequent crops of wheat.

In addition to the comments received on the proposed amendment appearing in such notice, there have also been received recommendations to eliminate the wheat mixture provision in approved wheat mixture counties for the 1965 and subsequent crops of wheat. Due to the fact that substitution will be permitted between wheat and feed grains in the 1965 wheat and feed grain programs and 1959–60 oats and rye history as adjusted may be used in addition to the feed grain base for the farm in substituting wheat for feed grains, the wheat mixture provision is unnecessary and could if continued defeat the intent of both programs.

After consideration of views and recommendations received, the proposed regulations as submitted are adopted with the following additions: A citation of authorities; a basis and purpose paragraph; inclusion of the acreage of wheat regarded as planted to wheat pursuant to section 339 of the Agricultural Adjustment Act of 1938, as amended, as wheat history acreage; inclusion of all counties in Florida and Louisiana as approved wheat mixture counties for the crop year 1964; a closing date for Florida for disposing of excess wheat acreage as wheat cover crop; changes in the closing dates for disposing of excess wheat acreage as wheat cover crop from May 15 to May 25 in Madison County, Missouri, from June 20 to June 25 in Banner County, Nebraska, and in all counties in Rhode Island from July 1 to June 1; the discontinuance for the 1965 and subsequent crops of wheat of the classification of "wheat mixtures" in approved wheat mixture counties; and an effective date provision.

1. A citation of authority is added immediately prior to the effective date provision.

2. A paragraph of basis and purpose is added at the beginning of the document.

3. The definition of "wheat history acreage" contained in subdivisions (i) and (iii) of § 728.10(f)(2) is amended to include acreage regarded as planted to wheat pursuant to section 339 of the Agricultural Adjustment Act of 1938, as amended.

4. The definition of "wheat acreage" contained in § 728.10(m)(10) is amended so as to limit to the 1964 crop year the exclusion from wheat acreage of wheat mixtures in wheat mixture counties.

5. The definition of "wheat mixture counties" in § 728.10(p) is amended to limit its application to the 1964 crop year and to include all counties in Florida and Louisiana for the 1964 crop year.

6. The definition of "disposal dates" for disposal of excess wheat acreage as wheat cover crop contained in § 728.10(q) is amended to designate April 25 for all counties in Florida, and to change the disposal dates for Madison County, Missouri, from May 15 to May 25, Banner County, Nebraska, from June 20 to June 25, and all counties in Rhode Island from July 1 to June 1.

7. An effective date provision is added.

Basis and purpose. The amendments to the regulations contained in this document are issued pursuant to and in accordance with the Agricultural Adjustment Act of 1938, as amended, and supplemented by Public Law 88–297 (78 Stat. 178), which provides for 1964 and 1965 wheat diversion and certificate allocation programs, but which dispenses with marketing quotas on the 1965 crop of wheat.

The inclusion of acreage regarded as planted to wheat pursuant to section 339 of the Agricultural Adjustment Act of 1938, as amended, as wheat history acreage for the 1964 crop, as provided in the amendment to subdivisions (i) and (iii) of § 728.10(f)(2) is necessary because of the amendment to section 339 of the 1938 Act contained in Public Law 88–297, approved April 11, 1964. Prior to such amendment section 339 of the 1938 Act was effective only during years in which marketing quotas on wheat were in effect; under such amendment, it will apply to the 1964 crop of wheat, even though quotas are not in effect on the 1964 crop.

The States of Florida and Louisiana were included within the commercial wheat producing area for the 1964–65 marketing year for the first time since the 1955–56 marketing year. Section 728.10(p) is being amended to include all counties in the States of Florida and Louisiana as wheat mixture counties for the 1964 crop of wheat, since the production of wheat mixtures in such States is a common farming practice.

It is also necessary to establish a closing date in the State of Florida for the disposal of excess wheat acreage as wheat cover crop, as provided in one of the amendments to § 728.10(q). This date was recommended by the Florida State Committee. The changes in final dates for disposing of excess wheat acreage as wheat cover crop contained in other amendments to § 728.10(q) have been recommended by the State committees of the States involved.

It has been determined that substitution will be permitted between wheat and feed grain in the 1965 voluntary wheat and feed grain programs and that 1959–60 oats and rye history may be added to the farm feed grain base in substituting wheat for feed grains. Therefore, the need for the "wheat mixture" provision in approved "wheat mixture counties" is unnecessary and if continued would tend to defeat the intent of the program. The wheat mixture provision permitted the exclusion from the classification of wheat acreage any mixture of wheat and other small grains which (1) when seeded, contained less than 50 percent wheat by weight, and (2) when harvested, produced less than 50 percent of wheat by weight. The definitions of "wheat acreage" in § 728.10(m)(10) and of "wheat mixture counties" in § 728.10(p) are being amended to limit the application of the wheat mixture provision to the 1964 crop year.

The text of new § 728.15a was printed in full in the FEDERAL REGISTER of May 1, 1964, and is adopted with only minor changes. It provides that for the 1965 and subsequent crops the base acreage determined for the immediately preceding year will be the tentative base for each old wheat farm except where it is determined that such base does not adequately reflect the factors of past acreage of wheat and crop rotation practices. In any such case, the base acreage for the preceding year will be adjusted to reflect those factors in arriving at the tentative base for the current year. In the case of an odd and even rotation farm, the base acreage for the preceding year will be adjusted to reflect the crop-rotation system actually carried out on the farm.

In order that wheat producers may know of the provisions of these amendments and county committees may apply them in the determination of farm wheat acreage allotments for the 1965 crop of wheat prior to preparation of land for seeding the 1965 crop of wheat, it is necessary that these amendments become effective upon publication in the FEDERAL REGISTER.

The regulations are amended as follows:

1. In § 728.10 subdivisions (i) and (iii) of paragraph (f)(2), and paragraph (m)(10) are amended to read as follows:

§ 728.10 Definitions.

* * * * *

(f) * * *

(2) * * *

(i) For any old farm on which the wheat acreage allotment was not knowingly overplanted, the 1964 base acreage of wheat determined for the farm under the regulations in this part if the farm is federally owned, or in the case of farms not federally owned, if for 1964 or 1963 or 1962 the actual acreage planted to wheat plus the acreage regarded as planted to wheat under the Soil Bank Act or section 16(b) or 16(e) of the Soil Conservation and Domestic Allotment Act, as amended, or under section 339 of the Agricultural Adjustment Act of 1938, as amended, was at least 75 per centum of the farm wheat acreage allotment determined for such year under applicable regulations.

* * * * *

(iii) For any old farm other than a federally-owned farm on which less than 75 per centum of the wheat acreage allotment for 1964 and for each of the years 1963 and 1962 was actually planted to wheat or regarded as planted to wheat under the Soil Bank Act or section 16(b) or 16(e) of the Soil Conservation and Domestic Allotment Act, as amended, or section 339 of the Agricultural Adjustment Act of 1938, as amended, the smaller of the 1964 base acreage or the acreage obtained by multiplying the 1964 wheat acreage, including the acreage regarded as planted to wheat under the Soil Bank Act or section 16(b) or 16(e) of the Soil Conservation and Domestic Allotment Act, as amended, or section 339 of the Agricultural Adjustment Act of 1938, as amended, by the 1964 county wheat diversion credit factor.

* * * * *

(m) * * *

(10) For the 1964 crop year, any acreage of a wheat mixture in wheat mixture counties.

* * * * *

2. Section 728.10(p) is amended by inserting immediately following the term "'wheat mixture counties'" the language ", applicable to the 1964 crop year,"; by adding the language "Florida," between "Arkansas," and "Georgia"; and by adding the language "Louisiana," between "Kentucky," and "Minnesota".

3. Section 728.10(q) is amended by (a) adding to the list of disposal dates by States, between the dates for Delaware and Georgia, the language "Florida—April 25: all counties"; (b) deleting the county of Madison from the list of counties of the State of Missouri having a disposal date of May 15 and inserting "Madison" between "Lincoln," and "Maries," in the list of counties in the State of Missouri having a disposal date of May 25; in the State of Nebraska delete Banner County from the list of counties having a disposal date of June 20 and Furnas, Gosper and Phelps Counties from the list of counties having a disposal date of May 15 and inserting under the State of Nebraska the disposal date of "June 25" followed by "Banner" and inserting "Furnas" between "Frontier" and "Garfield", "Gosper" between "Garfield" and "Greeley", and "Phelps" between "Nance" and "Pierce" in the list of counties in the State of Nebraska having a disposal date of "June 1"; and by changing the disposal date for all counties in the State of Rhode Island from "July 1" to "June 1".

4. A new § 728.15a is added to read as follows:

§ 728.15a Determination of base acreages for old farms for 1965 and subsequent crops.

(a) *Basis for determination.* The county committee shall determine for each old farm a base acreage for the current year as provided in this section in order to reflect past acreage of wheat, tillable acreage available for production of wheat, crop-rotation practices, type of soil and topography. Subject to the provisions of paragraphs (b), (c) and (d) of this section, these factors are determined to be adequately reflected by the base acreage established for the farm for the preceding year.

(b) *Tentative base acreage.* The tentative base acreage for each old farm shall be as follows:

(1) For a regular rotation farm, the base acreage established for the preceding year.

(2) For an odd and even crop-rotation farm, the base acreage established for the preceding year, adjusted upward or downward by application of an adjustment factor. Such adjustment factor for each odd year shall be determined by dividing the 1963 base acreage established under such regulations. Conversely, the adjustment factor for each even year shall be obtained by dividing such 1964 base acreage by such 1963 base acreage. Notwithstanding the above two sentences, where a changed odd and even rotation was established beginning with the 1964 crop then the adjustment factor for each odd year shall be determined by dividing the recommended 1965 base acreage by the 1964 base acreage established under such regulations. Conversely, the adjustment factor for each even year beginning with 1966 shall be obtained by dividing such 1964 base acreage by such 1965 base acreage. If the low year base acreage for any farm is zero, the high year tentative base acreage for such farm will be the base acreage determined for the farm for the second year preceding the current year.

(3) For an old farm having a crop-rotation system under which the acreage devoted to the production of wheat for harvest as grain has varied in a set pattern from year to year over a three or four year period, the prior year base acreage selected by the county committee as applicable for the current year for such farm under the rotation system.

(4) For an odd and even crop-rotation farm which the county committee determines should be changed to a regular rotation in the current year because of past or prospective changes in crop-rotation practices, the tentative base shall be the average of the base acreage for the preceding year and the tentative base for the current year determined as provided in subparagraph (2) of this paragraph.

(c) *Limitations.* Except for farms for which the allotment is pooled because of acquisition by an agency having right of eminent domain, the tentative base acreage for any farm shall not exceed the cropland on the farm. The farm tentative base acreage shall be zero if the county committee determines that all the cropland on the farm will be devoted to non-agricultural uses in the current year other than acquisitions by an agency having right of eminent domain.

(d) *Adjustments.* The tentative base acreage determined for a farm under paragraphs (a), (b) and (c) of this section, as adjusted under this paragraph (d), shall be the base acreage for the farm.

(1) The tentative base acreage for a farm for the current year shall be adjusted downward as provided in subparagraph (2) of this paragraph if the farm wheat acreage for the second year preceding the current year was in excess of the farm wheat allotment for such year (i.e., the 1965 tentative base acreage would be so adjusted for excess acreage in 1963;) except, that such wheat acreage shall not be considered as being in excess of the farm wheat allotment if a quantity of wheat equal to the farm marketing excess was stored or delivered to the Secretary to avoid or postpone the marketing penalty. If any wheat is subsequently removed from storage and penalty becomes due, the wheat acreage on the farm in the year in which penalty becomes due shall be considered as being in excess of the farm wheat allotment and the downward adjustment prescribed in subparagraph (2) of this paragraph shall apply to the tentative base acreage next established for the farm.

(2) The adjusted base acreage shall be 80 per centum of the tentative base for the current year determined under paragraph (b) of this section plus 20 per centum of the wheat history acreage for the second year preceding the current year: Provided, That if the tentative base acreage has been determined under paragraph (b)(4) of this section, the adjusted base acreage shall be 80 per centum of such tentative base plus 20 per centum of the average of wheat allotments determined for the farm for the preceding year and the second year preceding the current year.

(3) A downward adjustment shall be made in the tentative base acreage for a farm for the current year in any case where the wheat history acreage for the second year preceding the current year was less than the base acreage established for such year because of failure to plant at least 75 per centum of the allotment in each of three consecutive years. The adjusted base acreage in any such case shall be 80 per centum of the tentative base for the current year determined under paragraph (b) of this section plus 20 per centum of the wheat history acreage for the second year preceding the current year.

(4) The county committee may adjust the tentative base acreage for a farm when it determines an adjustment is necessary to obtain a farm base acreage which is equitable when compared with base acreages established for other farms

which are similar with respect to crop-rotation practices, type of soil, topography and cropland available for the production of wheat. The amount of adjustment under this clause shall not exceed 10 percent of the tentative base acreage.

(5) In any case where a change in operation has occurred on a farm from livestock to wheat production as the primary source of income, the county committee may adjust the tentative base acreage for the farm so as to provide a more efficient farming unit but in no case shall such tentative base acreage be increased above 50 per centum of the acreage indicated by cropland.

(6) The tentative base acreage shall not be adjusted upward for the sole purpose of offsetting the effects of exceeding the farm allotment in a prior year.

(7) For a farm in a State which was not designated as a 1963 commercial wheat State, the county committee shall adjust the tentative base up or down to include the effect of 1963 wheat acreage in such base by adding 80 per centum of the 1964 base acreage to 20 per centum of the 1963 wheat history acreage when the 1964 base does not represent the current crop rotation practices being followed.

(Secs. 301, 334, 334a, 339, 375, 52 Stat. 38, as amended, 53, as amended, 76 Stat. 621, 622, as amended by 78 Stat. 179, 52 Stat. 66, as amended; 7 U.S.C. 1301, 1334, 1335–note, 1339, 1375)

Effective date: Date of publication in the FEDERAL REGISTER.

Signed at Washington, D.C., on June 30, 1964.

H. D. GODFREY,
Administrator, Agricultural Stabilization and Conservation Service.

[F.R. Doc. 64-6669; Filed, July 2, 1964; 8:52 a.m.]

Chapter IX—Agricultural Marketing Service (Marketing Agreements and Orders; Fruits, Vegetables, Tree Nuts), Department of Agriculture

[Valencia Orange Reg. 91]

PART 908—VALENCIA ORANGES GROWN IN ARIZONA AND DESIGNATED PART OF CALIFORNIA

Limitation of Handling

§ 908.391 Valencia Orange Regulation 91.

(a) *Findings.* (1) Pursuant to the marketing agreement, as amended, 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), and upon the basis of the recommendations and information submitted by the Valencia Orange 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 Valencia oranges, 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 section 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 section is based became available and the time when this section must become effective in order to effectuate the declared policy of the act is insufficient, and a reasonable time is permitted, under the circumstances, for preparation for such effective time; and good cause exists for making the provisions hereof effective as hereinafter set forth. The committee held an open meeting during the current week, after giving due notice thereof, to consider supply and market conditions for Valencia oranges and the need for regulation; interested persons were afforded an opportunity to submit information and views at this meeting; the recommendation and supporting information for regulation during the period specified herein were promptly submitted to the Department after such meeting was held; the provisions of this section, including its effective time, are identical with the aforesaid recommendation of the committee, and information concerning such provisions and effective time has been disseminated among handlers of such Valencia oranges; it is necessary, in order to effectuate the declared policy of the act, to make this section effective during the period herein specified; and compliance with this section will not require any special preparation on the part of persons subject hereto which cannot be completed on or before the effective date hereof. Such committee meeting was held on July 1, 1964.

(b) *Order.* (1) The respective quantities of Valencia oranges grown in Arizona and designated part of California which may be handled during the period beginning at 12:01 a.m., P.s.t., July 5, 1964, and ending at 12:01 a.m., P.s.t., July 12, 1964, are hereby fixed as follows:

(i) District 1: Unlimited movement;

(ii) District 2: 400,000 cartons;

(iii) District 3: Unlimited movement.

(2) As used in this section, "handled," "handler," "District 1," "District 2," and "District 3," and "carton" have the same meaning as when used in said amended marketing agreement and order.

(Secs. 1–19, 48 Stat. 31, as amended; 7 U.S.C. 601–674)

Dated: July 2, 1964

PAUL A. NICHOLSON,
Deputy Director, Fruit and Vegetable Division, Agricultural Marketing Service.

[F.R. Doc. 64-6758; Filed, July 2, 1964; 11:34 a.m.]

[Lemon Reg. 118]

PART 910—LEMONS GROWN IN CALIFORNIA AND ARIZONA

Limitation of Handling

§ 910.418 Lemon Regulation 118.

(a) *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 section 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 section is based became available and the time when this section must become effective in order to effectuate the declared policy of the act is insufficient, and a reasonable time is permitted, under the circumstances, for preparation for such effective time; and good cause exists for making the provisions hereof effective as hereinafter set forth. The committee held an open meeting during the current week, after giving due notice thereof, to consider supply and market conditions for lemons and the need for regulation; interested persons were afforded an opportunity to submit information and views at this meeting; the recommendation and supporting information for regulation during the period specified herein were promptly submitted to the Department after such meeting was held; the provisions of this section, including its effective time, are identical with the aforesaid recommendation of the committee, and information concerning such provisions and effective time has been disseminated among handlers of such lemons; it is necessary, in order to effectuate the declared policy of the act, to make this section effective during the period herein specified; and compliance with this section will not require any special preparation on the part of persons subject hereto which cannot be completed on or before the effective date hereof. Such committee meeting was held on June 30, 1964.

(b) *Order.* (1) The respective quantities of lemons grown in California and Arizona which may be handled during the period beginning at 12:01 a.m., P.s.t., July 5, 1964, and ending at 12:01 a.m.,

P.s.t., July 12, 1964, are hereby fixed as follows:

(i) District 1: Unlimited movement;

(ii) District 2: 372,000 cartons;

(iii) District 3: Unlimited movement.

(2) As used in this section, "handled," "District 1," "District 2," "District 3," and "carton" have the same meaning as when used in the said amended marketing agreement and order.

(Secs. 1–19, 48 Stat. 31, as amended; 7 U.S.C. 601–674)

Dated: July 1, 1964.

PAUL A. NICHOLSON,
Deputy Director, Fruit and Vegetable Division, Agricultural Marketing Service.

[F.R. Doc. 64–6727; Filed, July 2, 1964; 8:52 a.m.]

Chapter XIV—Commodity Credit Corporation, Department of Agriculture

SUBCHAPTER B—LOANS, PURCHASES, AND OTHER OPERATIONS

[Amdt. 2]

PART 1421—GRAINS AND SIMILARLY HANDLED COMMODITIES

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

PARTICIPATION OF OTHER ELIGIBLE FINANCIAL INSTITUTIONS

The regulations issued by Commodity Credit Corporation published in 29 F.R. 3614, as amended, containing the terms and conditions for participation in pools of CCC price support loans on certain commodities, are hereby further amended to permit financial institutions other than commercial banks to participate in such pools by adding a new § 1421.3830 as follows:

§ 1421.3830 Participation of other eligible financial institutions.

(a) *Eligibility.* Notwithstanding any other provisions of these regulations, a production credit association or an association organized pursuant to state law and supervised by state banking authorities which is not a commercial bank may participate in pools of loans pursuant to these regulations in the same manner as a commercial bank. Such organizations are hereinafter called other eligible financial institutions.

(b) *Transit number.* Other eligible financial institutions which desire to participate in pools of loans pursuant to these regulations shall apply to the Data Processing Center for a transit number. The Data Processing Center will assign a number and notify the applicant.

(c) *Applicability of other sections.* The provisions of §§ 1421.3821 through 1421.3829 shall apply to other eligible financial institutions in the same manner as they apply to commercial banks except that all references to bank ABA number shall mean the transit number assigned to the other eligible financial institution by the Data Processing Center. All references to commercial banks in §§ 1421.3821 through 1421.3829 and on the face of loan drafts and Certificates of Interest issued by the Data Processing Center shall include other eligible financial institutions.

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

Effective date: Upon publication in the FEDERAL REGISTER.

Signed at Washington, D.C., on June 29, 1964.

E. A. JAENKE,
Acting Executive Vice President, Commodity Credit Corporation.

[F.R. Doc. 64–6670; Filed, July 2, 1964; 8:52 a.m.]

[CCC Cottonseed Purchase Program Regulations, Amdt. 1]

PART 1443—OILSEEDS

Subpart—Cottonseed Purchase Program Regulations

PAYMENTS BY COOPERATIVE GINS

The regulations issued by the Commodity Credit Corporation on June 18, 1963, published in 28 F.R. 6394, and containing specific requirements of the cottonseed purchase program are hereby amended as follows:

1. Paragraph (c) of § 1443.1943 is amended to permit payment by cooperative cotton gins of a part of the purchase price of cottonseed by issuance of revolving-fund certificates so as to read as follows:

§ 1443.1943 Grade basis for purchase price.

* * * * *

(c) *Advances by cooperative gins.* If the gin is a cooperative gin and its bylaws or the membership agreements between the gin and its members provide for advances, the gin may advance a part of the purchase price at the time each lot of cottonseed is purchased and pay the balance after completion of ginning of the applicable crop but not later than July 31 of the calendar year following the year in which the crop of cotton is grown. Such payments may not be made in whole or in part by issuance of revolving-fund certificates or by any other method of retention of amounts for capital purposes: *Provided,* That a gin which meets the requirements of § 1443.1943a may pay a part of the purchase price in revolving-fund certificates as provided therein.

2. Section 1443.1943a, establishing eligibility requirements which must be met by cooperative gins desiring to issue revolving-fund certificates, is added to read as follows:

§ 1443.1943a Cooperative cotton gins.

A cooperative cotton gin which meets the eligibility requirements of this section, as determined by a Vice President, CCC, and files a Ginner's Notice of Intention to Participate, may pay a part of the purchase price of cottonseed which it purchases by issuance of revolving-fund certificates. A gin desiring to issue such certificates with respect to cottonseed of a particular crop must submit an application to the Director, Farmer Programs Division, ASCS, U.S. Department of Agriculture, Washington, D.C., 20250, on or before December 1 of the calendar year in which such cottonseed are grown, or by such later date as the Executive Vice President, CCC may determine is necessary to alleviate hardship in special cases, except that for the 1963 crop such date shall be December 1, 1964. Each gin must meet the following requirements:

(a) *Producer-owned and controlled.* The gin must be producer-owned and under the control of its producer-members. The gin shall submit with its application for determination of eligibility, information as to its method of operations showing the manner in which producer-members have control.

(b) *Articles of incorporation or bylaw provisions.* The articles of incorporation or association, or bylaws of the gin, must provide for the following except that subparagraphs (4), (5) and (6) of this paragraph may be provided by a resolution of the board of directors if not provided in the articles of incorporation or association, or bylaws:

(1) Membership in the gin to be open to all farmer-producers of cottonseed, except that producers may be denied membership on a reasonable basis, including, among other reasons, that the membership of a farmer-producer would not be in the best interest of the effective operation of the gin;

(2) Notice of any district, area, and annual meeting to be given to all members affected by such meeting;

(3) An annual membership meeting to be held at a location which will provide reasonable opportunity for all members to attend and participate;

(4) Voting on election of officers and directors by secret ballot.

(5) A single vote for each member regardless of the number of shares of stock owned or controlled by him or voting rights for each member based on the quantity of his cotton ginned or cottonseed handled by the gin during the current year or a single preceding year, but whichever of the above described methods of voting is practiced it shall be uniform for all members; and

(6) Each member to receive a summary financial report based on an annual audit of the books and accounts of the gin made by an independent public accountant.

(c) *Financial condition.* The gin shall be financially able to purchase cottonseed from its producer-members. The gin must submit with its application evidence establishing that its operation is on a financially sound basis.

(d) *Operations.* The gin must:

(1) Have been in existence and must have been conducting cotton ginning and cottonseed marketing operations for its producer-members for a period of not less than two years prior to the date of its application, or

(2) If it has not been in existence at least two years, submit evidence acceptable to CCC that it is so organized and staffed as to provide effective ginning

and marketing operations for its producer-members.

(e) *Conflict of interest.* The gin must submit with its application a detailed report concerning all association transactions (except those contracts entered into by the gin with its general membership) for the year preceding the date of the application:

(1) With any director, officer, or principal employee of the gin, or any of his close relatives. (A close relative shall be deemed to refer to a husband or wife, or a person related as child, parent, brother, or sister, by blood, adoption, or marriage, and shall include in-laws within such categories of relationship.);

(2) With any partnership in which any person specified in subparagraph (1) of this paragraph is entitled to receive a percentage of the gross profits;

(3) With any corporation in which any person specified in subparagraph (1) of this paragraph owns stock;

(4) With any business entity from which any person specified in subparagraph (1) of this paragraph received fees for transacting business with or on behalf of the gin; or

(5) With any business entity in which an agent, director, officer, or employee of the gin was an agent, director, officer, or employee.

The report shall include, but is not limited to, transactions involving purchases, sales, handling, marketing, transportation, warehousing and related activities. A statement must also be submitted indicating whether any transactions of the kind described in this paragraph are contemplated in the period between the date of the application and December 31 following the calendar year in which the cottonseed are grown, and if such transactions are contemplated, a detailed statement of the reasons therefor. The gin may not pay a part of the purchase price for cottonseed by issuance of revolving fund certificates unless it establishes that any such transactions in the two-year period ending December 31 following the calendar year in which the cottonseed are grown, will not operate to the detriment of members of the gin.

(f) *Records maintained.* The gin must maintain a record of the quantity of cottonseed purchased from producers, and such record must show the purchase price.

(g) *Distribution of proceeds.* Proceeds from eligible cottonseed disposed of by sale to CCC shall be distributed to producers on a proportionate basis according to the quantity of such eligible cottonseed acquired from each such producer. This provision shall not be construed to prohibit the gin from establishing separate pools and distributing the proceeds proportionately to the producers whose cottonseed are included in each pool.

(h) *Inspection and investigation.* CCC shall have the right, after an application is received, to examine all records of the gin and to make such investigation as deemed necessary to determine whether the gin is operating in accordance with its articles of incorporation, bylaws, and with the representations made in its application. The books and records of the gin for the years that the gin is approved must be available to any duly authorized representative of the U.S. Department of Agriculture for inspection at all reasonable times through December 31 of the fifth year following the calendar year in which the cottonseed are grown.

(Sec. 4, 5, 62 Stat. 1070, as amended, secs. 301, 401, 63 Stat. 1053, 1054, as amended, sec. 601, 70 Stat. 212; 15 U.S.C. 714 b and c, 7 U.S.C. 1447, 1421, 1446d)

The reporting and/or record-keeping requirements contained herein have been approved by the Bureau of the Budget in accordance with the Federal Reports Act of 1942.

Effective date. This amendment shall be effective upon publication in the FEDERAL REGISTER.

Signed at Washington, D.C., on June 30, 1964.

H. D. GODFREY,
Executive Vice President,
Commodity Credit Corporation.

[F.R. Doc. 64-6671; Filed, July 2, 1964; 8:52 a.m.]

Title 16—COMMERCIAL PRACTICES

Chapter I—Federal Trade Commission

[Docket No. C-763]

PART 13—PROHIBITED TRADE PRACTICES

Huneck's, Inc., and Frank A. Huneck

Subpart—Advertising falsely or misleadingly: § 13.30 *Composition of goods:* 13.30–30 Fur Products Labeling; § 13.155 *Prices:* 13.155–40 Exaggerated as regular and customary. Subpart—Concealing, obliterating or removing law required and informative marking: § 13.512 *Fur products tags or identification.* Subpart—Invoicing products falsely: § 13.1108 *Invoicing products falsely:* 13.1108–45 Fur Products Labeling Act. Subpart—Misbranding or mislabeling: § 13.1212 *Formal regulatory and statutory requirements:* 13.1212–30 Fur Products Labeling Act. Subpart—Neglecting, unfairly or deceptively, to make material disclosure: § 13.1845 *Composition:* 13.1845–30 Fur Products Labeling Act; § 13.1852 *Formal regulatory and statutory requirements:* 13.1852–35 Fur Products Labeling Act; § 13.1865 *Manufacture or preparation:* 13.1865–40 Fur Products Labeling Act; § 13.1900 *Source or origin:* 13.1900–40 Fur Products Labeling Act. 13.1900–40(b) Place. Subpart—Using misleading name—Goods: § 13.2280 *Composition:* 13.2280–30 Fur Products Labeling Act.

(Sec. 6, 38 Stat. 721; 15 U.S.C. 46. Interpret or apply sec. 5, 38 Stat. 719, as amended; sec. 8, 65 Stat. 179; 15 U.S.C. 45, 69f) [Cease and desist order, Huneck's, Inc., et al., San Diego, Calif., Docket C-763, June 18, 1964]

In the Matter of Huneck's, Inc., a Corporation, and Frank A. Huneck, Individually and as an Officer of Said Corporation

Consent order requiring retail furriers in San Diego, Calif., to cease violating the Fur Products Labeling Act by labeling fur products with fictitious prices; failing in advertising, invoicing, and labeling, to show the true animal name of fur, and when fur was "natural"; failing to disclose in advertising and labeling when fur was artificially colored and to show the country of origin of imported furs in advertising; invoicing mink as "Ermine"; failing to keep proper records as a basis for pricing claims; substituting non-conforming labels for those originally affixed to fur products; and failing in other respects to comply with requirements of the Act.

The order to cease and desist, including further order requiring report of compliance therewith, is as follows:

It is ordered, That respondent Huneck's, Inc., a corporation, and its officers, and respondent Frank A. Huneck, individually and as an officer of said corporation, and respondents' representatives, agents and employees, directly or through any corporate or other device, in connection with the introduction, into commerce, or the sale, advertising or offering for sale in commerce, or the transportation or distribution in commerce, of any fur product; or in connection with the sale, advertising, offering for sale, transportation or distribution, of any fur product which is made in whole or in part of fur which has been shipped and received in commerce, as the terms "commerce", "fur" and "fur product" are defined in the Fur Products Labeling Act, do forthwith cease and desist from:

A. Misbranding fur products by:

1. Failing to affix labels to fur products showing in words and in figures plainly legible all the information required to be disclosed by each of the subsections of section 4(2) of the Fur Products Labeling Act.

2. Setting forth information required under section 4(2) of the Fur Products Labeling Act and the rules and regulations promulgated thereunder in abbreviated form on labels affixed to fur products.

3. Failing to set forth the term "Natural" as part of the information required to be disclosed on labels under the Fur Products Labeling Act and the rules and regulations promulgated thereunder to describe fur products which are not pointed, bleached, dyed, tip-dyed, or otherwise artificially colored.

4. Failing to completely set out information required under section 4(2) of the Fur Products Labeling Act and the rules and regulations promulgated thereunder on one side of the label affixed to fur products.

5. Representing, directly or by implication on labels, that any price, when accompanied or not by descriptive terminology is the respondents former price of fur products when such amount is in

excess of the actual, bona fide price at which respondents offered the fur products to the public on a regular basis for a reasonably substantial period of time in the recent regular course of business.

6. Misrepresenting in any manner on labels or other means of identification the savings available to purchasers of respondents' products.

7. Falsely or deceptively representing in any manner, directly or by implication on labels or other means of identification that prices of respondents' fur products are reduced.

B. Falsely or deceptively invoicing fur products by:

1. Failing to furnish invoices to purchasers of fur products showing in words and figures plainly legible all the information required to be disclosed in each of the subsections of section 5(b)(1) of the Fur Products Labeling Act.

2. Setting forth on invoices pertaining to fur products any false or deceptive information with respect to the name or designation of the animal or animals that produced the fur contained in such fur product.

3. Setting forth information required under section 5(b)(1) of the Fur Products Labeling Act and the rules and regulations promulgated thereunder in abbreviated form.

4. Failing to set forth the term "Dyed Broadtail-processed Lamb" in the manner required where an election is made to use that term instead of the words "Dyed Lamb".

5. Failing to set forth the term "Natural" as part of the information required to be disclosed on invoices under the Fur Products Labeling Act and rules and regulations promulgated thereunder to describe fur products which are not pointed, bleached, dyed, tip-dyed or otherwise artificially colored.

C. Falsely or deceptively advertising fur products through the use of any advertisement, representation, public announcement or notice which is intended to aid, promote or assist, directly or indirectly, in the sale, or offering for sale of any fur product, and which:

1. Fails to set forth in words and figures plainly legible all the information required to be disclosed by each of the subsections of section 5(a) of the Fur Products Labeling Act.

2. Falsely or deceptively identifies any such fur product as to the name or designation of the animal or animals that produced the fur contained in the fur product.

3. Fails to set forth the term "Dyed Broadtail-processed Lamb" in the manner required where an election is made to use that term instead of the words "Dyed Lamb".

4. Fails to set forth the term "Natural" as part of the information required to be disclosed in advertisements under the Fur Products Labeling Act and the rules and regulations promulgated thereunder to describe fur products which are not pointed, bleached, dyed, tip-dyed or otherwise artificially colored.

5. Fails to set forth all parts of the information required under section 5(a) of the Fur Products Labeling Act and the rules and regulations promulgated thereunder in type of equal size and conspicuousness and in close proximity with each other.

6. Represents directly or by implication, that any price, when accompanied or not by descriptive terminology is the respondents former price of fur products when such amount is in excess of the actual, bona fide price at which respondents offered the fur products to the public on a regular basis for a reasonably substantial period of time in the recent regular course of business.

7. Misrepresents in any manner the savings available to purchase of respondents' fur products.

8. Falsely or deceptively represents in any manner that prices of respondents' fur products are reduced.

D. Making claims and representations of the types covered by subsections (a), (b), (c), and (d) of Rule 44 of the rules and regulations promulgated under the Fur Products Labeling Act unless there are maintained by respondents full and adequate records disclosing the facts upon which such claims and representations are based.

It is further ordered, That respondent Huneck's, Inc., a corporation, and its officers and respondent Frank A. Huneck, individually and as an officer of said corporation, and respondents' representatives, agents and employees, directly or through any corporate or other device, do forthwith cease and desist from removing or causing or participating in the removal of, prior to the time any fur product subject to the provisions of the Fur Products Labeling Act is sold and delivered to the ultimate consumer, any label required by the said Act to be affixed to such fur product.

It is further ordered, That respondent Huneck's, Inc., a corporation, and its officers and respondent Frank A. Huneck, individually and as an officer of said corporation, and respondents' representatives, agents and employees, directly or through any corporate or other device, in connection with the introduction, sale, advertising or offering for sale, in commerce, or the processing for commerce, of fur products; or in connection with the selling, advertising, offering for sale, or processing of fur products which have been shipped and received in commerce, do forthwith cease and desist from misbranding fur products by substituting for the labels affixed to such fur products pursuant to Section 4 of the Fur Products Labeling Act labels which do not conform to the requirements of the aforesaid Act and the Rules and Regulations promulgated thereunder.

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

Issued: June 17, 1964.

By the Commission.

[SEAL] JOSEPH W. SHEA, *Secretary.*

[F.R. Doc. 64-6643; Filed, July 2, 1964; 8:48 a.m.]

[Docket No. C-764]

PART 13—PROHIBITED TRADE PRACTICES

Leo Lisker and Antwerp Distributors of Belgium

Subpart—Advertising falsely or misleadingly: § 13.15 *Business status, advantages, or connections:* 13.15-30 Connections or arrangements with others; 13.15-55 Direct dealing advantages; 13.15-75 Foreign branches, operations, etc.; 13.15-165 International nature. Subpart—Using misleading name—Vendor: § 13.2375 *Foreign status;* § 13.2418 *International nature.*

(Sec. 6, 38 Stat. 721; 15 U.S.C. 46. Interpret or apply sec. 5, 38 Stat. 719, as amended; 15 U.S.C. 45) [Cease and desist order, Leo Lisker Trading as Antwerp Distributors et al., New York, N.Y., Docket C-764, June 18, 1964]

In the Matter of Leo Lisker, an Individual, Trading as Antwerp Distributors and as Antwerp Distributors of Belgium

Consent order requiring an individual in New York City engaged in the sale and distribution to retailers of set and unset diamonds which he imported or obtained from other New York City importers and wholesalers, to cease representing falsely in advertising and other promotional material and by use of his trade name that his company was organized and did business under the laws of Belgium, that he operated its New York branch and maintained an office in Antwerp from which he sold diamonds direct to retailers without incurring shipping costs or middleman's profit.

The order to cease and desist, including further order requiring report of compliance therewith, is as follows:

It is ordered, That respondent Leo Lisker, an individual, trading as Antwerp Distributors, and as Antwerp Distributors of Belgium, and respondent's representatives, agents and employees, directly or through any corporate or other device, in connection with the offering for sale, sale or distribution of set or unset diamonds in commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from:

1. Using the words "of Belgium" or any other word or words of similar import or meaning as part of respondent's trade or business name.

2. Representing, directly or by implication, that respondent is a Belgium or European business, firm or company; or misrepresenting, in any manner, the nationality or location of respondent's business.

3. Representing, directly or by implication, that respondent has an office in Antwerp, Belgium or at any other location or place outside of the United States of America; provided, however, that it shall be a defense in any enforcement proceeding instituted for violation hereof for respondent to establish affirmatively that respondent owns, operates or controls an office at such location or place wherein a substantial amount of respondent's business is conducted.

4. Representing, directly or by implication, that respondent sells or distributes

from the European diamond market direct to retailers located in the United States or that respondent eliminates any importer, wholesaler, or other middleman from such transactions.

5. Using the words "* * * eliminate shipping expenses, * * *" or any other word or words of similar import or meaning; in advertising or in any other manner; or representing, directly or by implication, that purchasers from respondent save the amount of the shipping expenses incurred in connection with the importation of such diamonds.

6. Using the words "* * * eliminate the middleman and his share of your profits * * *" or any other words or word of similar import or meaning, in advertising or in any other manner; or representing, directly or by implication, that purchasers from respondent save the amount of profits made or earned by any importer, wholesaler or other middleman.

7. Falsely representing, directly or by implication, that any savings are available to purchasers of such diamonds; or misrepresenting, in any manner, directly or by implication, any savings available to purchasers of such diamonds.

It is further ordered, That the respondent herein shall, within sixty (60) days after service upon him of this order, file with the Commission a report in writing setting forth in detail the manner and form in which he has complied with this order.

Issued: June 18, 1964.

By the Commission.

[SEAL] JOSEPH W. SHEA, *Secretary.*

[F.R. Doc. 64-6644; Filed, July 2, 1964; 8:49 a.m.]

[Docket No. C-762]

PART 13—PROHIBITED TRADE PRACTICES

Lucien Piccard Watch Corp., et al.

Subpart—Advertising falsely or misleadingly: § 13.15 *Business status, advantages, or connections:* 13.15–30 Connections or arrangements with others; 13.15–75 Foreign branches, operations, etc.; 13.15–180 Location; 13.15–278 Time in business; § 13.235 *Source or origin:* 13.235–60 Place: 13.235–60(c) Foreign, in general.

(Sec. 6, 38 Stat. 721; 15 U.S.C. 46. Interpret or apply sec. 5, 38 Stat. 719, as amended; 15 U.S.C. 45) [Cease and desist order, Lucien Piccard Watch Corp., et al., New York, N.Y., Docket C-762, June 17, 1964]

In the Matter of Lucien Piccard Watch Corp., a Corporation, and Abraham Blumstein and Stanley Blumstein, Individually and as Officers of said Corporation

Consent order requiring a New York City distributor to retailers of watches which they assembled from Swiss' movements and domestic cases, to cease representing falsely in brochures disseminated to retailers and in advertisements in magazines and newspapers that certain of its watches were "shockproof"; representing falsely on letterheads, watch boxes and inserts therein and advertisements and in brochures, advertising mats and promotional material furnished retailers, that it was a Swiss company, founded in Switzerland, owned a factory in Switzerland and had been in business there since 1837, and that its watches were designed and created in Switzerland.

The order to cease and desist, including further order requiring report of compliance therewith, is as follows:

It is ordered, That respondents Lucien Piccard Watch Corp., a corporation, and its officers, and Abraham Blumstein and Stanley Blumstein, individually and as officers of said corporation, and respondents' agents, representatives and employees, directly or through any corporate or other device, in connection with the offering for sale, sale and distribution of watches, or any other products, in commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from:

1. Representing, directly or by implication, that:

(a) Their watches are "shockproof".

(b) The Lucien Piccard Watch Corp. or its predecessor in interest was founded or established in Switzerland.

(c) The Lucien Piccard Watch Corp. is a Swiss company or is a branch of or is otherwise affiliated with a Swiss company.

(d) The Lucien Piccard Watch Corp. owns or controls a factory in Switzerland.

(e) The Lucien Piccard Watch Corp. or its predecessor in interest has been in business since 1837.

(f) Respondents' watches or parts thereof are designed, created or manufactured in Switzerland, or any other foreign country: *Provided, however,* That it shall be a defense in any enforcement proceeding instituted for violation hereof for respondents to affirmatively establish that such watches or parts were in fact designed, created or manufactured in Switzerland or such other foreign country as may have been represented by respondents.

2. Misrepresenting, in any manner, the shock resistant characteristics of respondents' watches; the date or place of organization or foundation of respondents' business; the length of time respondents have been in business; the factories or other business facilities owned, operated or controlled by respondents; the nationality or affiliations of respondents' business; or the place of design, creation or manufacture of respondents' watches.

3. Furnishing or otherwise placing in the hands of retailers or others the means or instrumentalities by or through which they may mislead or deceive the public in the manner or as to the things hereinabove prohibited.

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

Issued: June 17, 1964.

By the Commission.

[SEAL] JOSEPH W. SHEA, *Secretary.*

[F.R. Doc. 64-6645; Filed, July 2, 1964; 8:49 a.m.]

[Docket No. 8590]

PART 13—PROHIBITED TRADE PRACTICES

Platon Fabrics Corp. et al.

Subpart—Invoicing products falsely: § 13.1108 *Invoicing products falsely:* 13.1108—40 Federal Trade Commission Act. Subpart—Misbranding or mislabeling: § 13.1185 *Composition:* 13.1185–90 Wool Products Labeling Act. Subpart—Neglecting, unfairly or deceptively, to make material disclosure: § 13.1845 *Composition:* 13.1845–80 Wool Products Labeling Act; § 13.1852 *Formal regulatory and statutory requirements:* 13.1852–80 Wool Products Labeling Act.

(Sec. 6, 38 Stat. 721; 15 U.S.C. 46. Interpret or apply sec. 5, 38 Stat. 719, as amended, secs. 2–5, 54 Stat. 1128–1130; 15 U.S.C. 45, 68) [Cease and desist order, Platon Fabrics Corp. et al., New York, N.Y., Docket 8590, June 17, 1964]

In the Matter of Platon Fabrics Corp., a Corporation and Benjamin Platovsky, Nathan Platovsky, and Leo Platovsky, Individually and as Officers of Said Corporation

Order requiring a New York importer of Italian Fabrics for sale to manufacturers to cease labeling and invoicing wool fabrics falsely as to their fiber content, and failing to show on wool products labels the true generic name of the fibers present and the percentage thereof.

The order to cease and desist is as follows:

It is ordered, That respondents Platon Fabrics Corp., a corporation, and its officers, Benjamin Platovsky, Nathan Platovsky, and Leo Platovsky, individually and as officers of said corporation, and respondents' representatives, agents and employees, directly or through any corporate or other device, in connection with the introduction into commerce, or the offering for sale, sale, transportation, delivery for shipment, or distribution, in commerce, of fabrics or other wool products, as "commerce" and "wool product", are defined in the Wool Products Labeling Act of 1939 do forthwith cease and desist from misbranding wool products by:

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

2. Failing to securely affix to or place on each such product, a stamp, tag, label or other means of identification showing in a clear and conspicuous manner, each element of information required to be disclosed by section 4(a)(2) of the Wool Products Labeling Act of 1939.

It is further ordered, That respondents Platon Fabrics Corp., a corporation, and

its officers, and Benjamin Platovsky, Nathan Platovsky, and Leo Platovsky, individually and as officers of said corporation, and respondents' representatives, agents and employees, directly or through any corporate or other device, in connection with the offering for sale, sale or distribution of fabrics or other products, in commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from misrepresenting the character or amount of constituent fibers contained in such products on invoices applicable thereto, or in any other manner.

By "Decision of the Commission", etc., order requiring report of compliance is as follows:

It is ordered, That Platon Fabrics Corp., a corporation and Benjamin Platovsky, Nathan Platovsky, and Leo Platovsky individually and as officers of said corporation, shall, within sixty (60) days after service upon them of this order, file with the Commission a report in writing, setting forth in detail the manner and form in which they have complied with the order to cease and desist.

Issued: June 17, 1964.

By the Commission.

[SEAL] JOSEPH W. SHEA, *Secretary.*

[F.R. Doc. 64-6646; Filed, July 2, 1964; 8:49 a.m.]

[Docket No. 8070 o.]

PART 13—PROHIBITED TRADE PRACTICES

Universal-Rundle Corp.

Subpart—Discriminating in price under section 2, Clayton Act—Price discrimination under 2(a): § 13.715 *Charges and price differentials.*

(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, Universal-Rundle Corporation, New Castle, Pa., Docket 8070, June 12, 1964]

Order requiring a manufacturer of plumbing fixtures with main office in New Castle, Pa., and sales offices in 24 States and Canada and with net sales in 1957 approximating $24,000,000, to cease discriminating in price in violation of section 2(a) of the Clayton Act by selling its plumbing fixtures at higher prices to some purchasers than it sold goods of like grade and quality to their competitors.

The order to cease and desist is as follows:

It is ordered, That respondent Universal-Rundle Corporation, a corporation, and its officers, directors, agents, representatives and employees, either directly, or through any corporate or other device, in connection with the sale of plumbing fixtures in commerce, as "commerce" is defined by the Clayton Act, do forthwith cease and desist from:

Discriminating in price by selling "Universal-Rundle" brand or Uni-Rundle manufactured plumbing fixtures (exclusive of the "Homart" brand sold to Sears, Roebuck & Co.) of like grade and quality to any purchaser at prices higher than those granted any other purchaser, where such other purchaser competes in fact with the unfavored purchaser in the resale or distribution of such products.

And it is further ordered, That that part of Paragraph Six of the complaint which by alleging competition between respondent and respondent's competitors, may be deemed to allege primary injury as a result of alleged discrimination in price is herein and hereby dismissed:

And it is further ordered, That the charges set forth in the complaint relative to the sale by respondent of its "Homart" brand of products to Sears and Roebuck Company are herein and hereby dismissed.

By "Final Order", report of compliance is required as follows:

It is further ordered, That respondent 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 the order to cease and desist.

Issued: June 12, 1964.

By the Commission.

[SEAL] JOSEPH W. SHEA, *Secretary.*

[F.R. Doc. 64-6647; Filed, July 2, 1964; 8:49 a.m.]

Title 19—CUSTOMS DUTIES

Chapter I—Bureau of Customs, Department of the Treasury

[T.D. 56201]

PART 31—CUSTOMHOUSE BROKERS

Miscellaneous Amendments

The scope of responsibility of comptrollers of customs has been extended to include the examination and appraisal of the books, financial records and related files of customhouse brokers. This responsibility was previously divided between (1) customs agents in charge who reviewed the books and papers, and (2) comptrollers of customs who verified refunds of excessive duties and taxes owed by brokers to their clients. The customs agents in charge shall continue to have the responsibility for investigating any complaint or charge against customhouse brokers lodged with a collector of customs or other customs officer, or in any case where agency investigation is required.

The Customs Regulations are amended as follows:

§ 31.9 [Amended]

Paragraph (c) of § 31.9 is amended by substituting "customs field auditors" for "duly accredited agents of the United States" in the first sentence and by substituting "comptroller of customs" for "supervising customs agent" in the second sentence.

Paragraph (d) of § 31.9 is amended by substituting "upon an audit by a customs field auditor" for "upon investigation by a duly accredited agent of the United States".

Paragraph (e) of § 31.9 is amended by inserting "customs field auditors or customs agents" in lieu of "duly accredited agents of the United States" in the second sentence and by inserting "customs field auditors or customs agents" in lieu of "agents" in the last sentence.

Paragraphs (f) and (g) of § 31.9 are amended to read as follows:

(f) The comptroller of customs or a customs field auditor designated by him shall make such inspection of the books and papers required by this part to be kept and maintained by a customhouse broker as may be necessary to enable the comptroller of customs, the collector of customs, and other proper officials of the Treasury Department to determine whether or not the broker is complying with the requirements of this section. Furthermore, the comptroller of customs or any customs field auditor designated by him, or the customs agent in charge, may at any time, for the purpose of protecting importers or the revenue of the United States, inspect such books and papers to obtain information regarding specific customs transactions.

(g) The comptroller of customs, customs field auditor, or customs agent making any inspection contemplated by paragraph (f) of this section shall report his findings to the Commissioner and the collector.

Paragraph (h) of § 31.9 is amended by substituting "the comptroller of customs, the customs agent in charge, or their representatives" for "duly accredited agents of the United States".

§ 31.11 [Amended]

Paragraph (b)(2) of § 31.11 is amended by substituting "customs agent in charge of the area" for "supervising customs agent in charge of the district" in the first sentence and by substituting "customs agent in charge" for "supervising customs agent" in the second sentence.

(R.S. 161, as amended 251, secs. 624, 641, 46 Stat. 759, as amended; 5 U.S.C. 22, 19 U.S.C. 66, 1624, 1641)

The foregoing amendments shall become effective on July 1, 1964.

[SEAL] PHILIP NICHOLS, Jr., *Commissioner of Customs.*

Approved: June 25, 1964.

JAMES A. REED, *Assistant Secretary of the Treasury.*

[F.R. Doc. 64-6651; Filed, July 2, 1964; 8:49 a.m.]

Title 14—AERONAUTICS AND SPACE

Chapter I—Federal Aviation Agency

[Reg. Doc. No. 3008; Amdts. 4b–15, 40–48, 41–13, 42–12, 91–4, 514–73]

PART 4b—AIRPLANE AIRWORTHINESS; TRANSPORT CATEGORIES

PART 40—SCHEDULED INTERSTATE AIR CARRIER CERTIFICATION AND OPERATION RULES

PART 41—CERTIFICATION AND OPERATION RULES FOR CERTIFICATED ROUTE AIR CARRIERS ENGAGING IN OVERSEAS AND FOREIGN AIR TRANSPORTATION AND AIR TRANSPORTATION WITHIN HAWAII AND ALASKA

PART 42—AIRCRAFT CERTIFICATION AND OPERATION RULES FOR SUPPLEMENTAL AIR CARRIERS, COMMERCIAL OPERATORS USING LARGE AIRCRAFT, AND CERTIFICATED ROUTE AIR CARRIERS ENGAGING IN CHARTER FLIGHTS OR OTHER SPECIAL SERVICES

PART 91—GENERAL OPERATING AND FLIGHT RULES [NEW]

PART 514—TECHNICAL STANDARD ORDERS FOR AIRCRAFT MATERIALS, PARTS, PROCESSES, AND APPLIANCES

Installation of Cockpit Voice Recorders in Large Airplanes Used by an Air Carrier or a Commercial Operator

The purpose of these amendments is to require the installation of approved cockpit voice recorders in certain large airplanes used by air carriers or commercial operators. The requirements include rules for the operation of the recorders, standards of performance for their approval, and standards governing the method of installation on an airplane.

On December 18, 1963, the Federal Aviation Agency published a notice of proposed rule making circulated as Notice 63–46 (28 F.R. 13786), containing proposals to amend Parts 4b, 40, 41, and 42 of the Civil Air Regulations, Part 91 [New] of the Federal Aviation Regulations, and Part 514 of the Regulations of the Administrator, to accomplish this purpose. As stated in the notice, the Agency believes that cockpit voice recorders would be a valuable tool in the investigation of accidents by providing firsthand information of the flight crews' observation and analysis of conditions aboard the airplane and the procedures employed by them to cope with an emergency. This information would also facilitate the development and establishment of appropriate corrective procedures and standards by the Agency and industry.

A large number of comments were received in response to Notice 63–46. These comments have been carefully studied by the Agency and, where appropriate, changes have been made in this final rule. The following is a discussion of the major issues raised in response to the notice and the action, if any, taken by the Agency in the final rule.

1. *Crash and maintenance recorders.* The Air Transport Association urged government and industry to devote their current efforts and funds to crash and maintenance recorders and to exclude a separate voice recorder effort. This comment was based on the belief that the potential benefits of improved crash or maintenance recorders are far greater than those of the cockpit voice recorders proposed in the notice. The ATA pointed out that voice recordings could be misleading in the investigation of accidents, because the spoken words might describe one situation (e.g., approach lights are not visible) and immediately thereafter the situation might change (approach lights are seen) but with no words being spoken.

The Agency agrees that improved flight (crash) or maintenance recorders would be of great assistance in accident investigation; however, it does not believe that the development and eventual installation of such recorders will obviate the present or future need for cockpit voice recorders. Although the flight or maintenance recorder supplies information about the airplane itself, the cockpit voice recorder is needed to supply firsthand information concerning the flight crew's observation or analysis of the situation and the procedures employed by them. Fragmentary information from voice recorders may, in some instances, be misleading. Nevertheless the Agency believes that the information provided by the voice recorder will in most instances be helpful.

2. *Exemption of certain classes of airplanes.* The ATA also recommended that reciprocating twin-engine airplanes (e.g., DC–3, Convair 240, 340, 440, Martin 202, 404) be excluded from the cockpit voice recorder requirements because these airplanes have a proven safety record as shown by extensive service experience, and their remaining useful life is relatively short. The Agency finds merit in this recommendation, especially since flight recorders are not required on such aircraft and the effectiveness of the voice recorder on such aircraft may be reduced because of the high cockpit sound level. Further, the Agency considers that this reasoning applies also to nonpressurized reciprocating four-engine airplanes. The installation of cockpit voice recorders is therefore being required only for airplanes in the following classes:

(1) All large turbine powered airplanes;

(2) All large pressurized reciprocating four-engine airplanes.

3. *Restricted use of record.* Several comments recommended that the rules prohibit the use of cockpit voice recordings for any purpose other than accident investigation. One comment recommended a rule that recordings shall not be used in any civil penalty or certificate action, and shall not be disclosed publicly when such disclosure would adversely affect the interests of persons involved and is not in the interest of the public. Another comment recommended that only specified unbiased agencies (e.g., the Bureau of Standards, FBI, or Flight Safety Foundation) be authorized to perform readout of tapes.

The Agency agrees that its only purpose in requiring the recorded information is to assist in determining the cause of accidents or occurrences, and that the information should be used only in connection with the investigation of accidents or occurrences pursuant to Part 320 of the Board's Accident Investigation Regulations, (14 CFR Part 320) and not in any civil penalty or certificate action. A provision to this effect has been adopted. The Agency cannot, of course, bind the Courts or the Civil Aeronautics Board with respect to accident information and could not, even if it found it desirable, specify by rule those persons who would be authorized to read out voice recorder tapes.

4. *Bulk erasure.* Recommendations were made that a "bulk erasure" device be required in the recorder. The Agency believes that the provision of a bulk erasure feature should be a matter of individual determination by the air carriers involved and the rules being adopted neither require nor prohibit a bulk erasure feature. If bulk erasure devices are used the rules as adopted herein include a requirement that the installation minimize the probability of inadvertent operation or the actuation of the device during crash impact.

5. *Location of recorder.* The Civil Aeronautics Board recommended that the recorder unit which contains the record be located well back in the pressurized area of the fuselage (to minimize damage in a crash), since the proposed standards for the cockpit voice recorder specify an impact test of only 100g acceleration. Another comment made a similar recommendation.

The Board has supplied information concerning the damage which has occurred to flight recorders during accidents involving severe damage. This information indicates that in 13 out of 15 such accidents, the flight recorder was broken open and in 8 accidents fire also occurred. In all 15 of these accidents, flight recorders were mounted in the radio rack, wheel well, or center section. Thus service experience shows that flight recorders located in the radio rack, wheel well, or center section frequently break open during crashes, and expose the record medium to subsequent fire in about half of these crashes.

The Agency agrees with the recommendation of the Civil Aeronautics Board. Cockpit voice recorders designed to the current 100g impact standard can

reasonably be expected to break open as frequently as the presently used flight recorders. The magnetic tape used in cockpit voice recorders should be kept below 250° F., in order to preserve the record, and is, therefore, much more vulnerable to heat damage than is the metal tape used in flight recorders. Therefore, voice recorder records would probably be lost in a number of accidents if the record containers have the same crash resistance and the same location in the airplane as the currently installed flight recorders.

There is no statistical evidence to make a direct comparison of the damage suffered by flight recorders in forward and aft locations. However, accident investigators have found that the aft portion of an airplane generally suffers less damage than the forward portion during crash impact.

In accordance with the recommendation of the Board § 4b.656(e) as adopted herein requires that the recorder container be located as far aft as practicable so as to minimize the probability of rupture of the container as a result of crash impact and consequent heat damage to the record because of fire. However, it need not be located outside of the pressurized compartment and must not be located where aft mounted engines are likely to crush the container during impact.

6. *Crash resistance criteria.* A recommendation was received that the proposed standard for impact shock and fire protection tests (section 3.13 of "Minimum Performance Standards for Cockpit Voice Records" dated November 1, 1963) be revised in adopting the final rules by increasing the impact acceleration from 100g for 11 milliseconds to 1000g for 0.5 milliseconds, by adding a crushing force test of 4000 pounds for 5 minutes, and by replacing the 1100 degree C. flame test with a two-step oven test at 1100 degrees C. and 200 degrees C. respectively. It was also recommended that the immersion test specified in section 3.12 be revised to include skydrol as well as sea water. The manufacturer making these recommendations further recommended that the deadline dates for completing recorder installations be delayed six months to enable the development of a recorder meeting the higher crash resistance standards.

The impact acceleration specified in the notice is the same as that currently specified in the standards for flight recorders, except that the 11 millisecond duration has been added. This impact test was specified in the Agency's development program for cockpit voice recorders, and recorders meeting this test are now ready for production.

The Agency plans to include an investigation of crash resistance in a program to develop improved aircraft data recorders. However, before new crash resistance standards could be considered for cockpit voice recorders, it would first be necessary to conduct an experimental test program to verify that the new standards are adequate and can reasonably be met. Although this recommendation may have merit, this procedure may delay the installation program more than one year. On the other hand, the installation of presently available recorders in an aft location which provides increased crash resistance could be accomplished in a shorter time. Accordingly, the rules being adopted at this time incorporate the impact, fire, and immersion test standards that were proposed in the notice.

7. *Compliance dates.* Notice 63–46 proposed the following deadline dates for completing cockpit voice recorder installations:

(1) July 1, 1965, for all turbine powered airplanes;

(2) January 1, 1966, for all pressurized reciprocating four-engine airplanes; and

(3) July 1, 1966, for all other airplanes.

In commenting on the notice, manufacturers recommended that these dates be postponed six months to allow time for determining suitable locations for microphones and for designing and testing the complete installation. Airlines recommended that the proposed dates be postponed 18 months (setting the deadline for turbine powered airplanes at January 1, 1967), in order to avoid the severe economic and operational effects which would result from taking airplanes out of service to make the installations. One airline having 105 turbine powered airplanes estimated that it would be necessary to remove 31 of these airplanes from service to meet the proposed July 1, 1965, deadline, assuming that the rules were adopted 15 months before the deadline. It was stated that the loss of revenue from removing these airplanes from service (at other than the scheduled maintenance periods) would be about twice the cost of installing the recorders.

Using the airline's estimate that approximately 70 percent of the installations could be completed in 15 months, it appears that the entire turbine powered fleet could be completed in 22 months. Allowing two months additional engineering time for designing the aft installations, the total time from adoption of rules to completion of installations would be approximately two years. Accordingly, the following dates are prescribed in the amendments to Parts 40, 41, and 42 for completing cockpit voice recorder installations in certain large airplanes used by an air carrier or a commercial operator:

(1) July 1, 1966, for all turbine powered airplanes; and

(2) January 1, 1967, for all pressurized reciprocating four-engine airplanes.

8. *Source of electric power.* Several comments referred to the installation requirements proposed for Part 4b. One comment pointed out that the proposed requirement specifying that the cockpit voice recorder be connected to the bus of maximum reliability might jeopardize the operation of other equipment essential to the safe operation of the airplane. The Agency agrees and the adopted rule therefore specifies that the cockpit voice recorder shall receive its electric power from the bus which provides the maximum reliability for operation without jeopardizing service to essential or emergency loads.

9. *Channel priority.* Other comments pointed out the difficulties that might arise on some airplanes if more than one cockpit-mounted area microphone is connected to a single channel, or if loudspeaker systems are connected to the flight recorder. The Agency believes these comments are valid. Accordingly, the channel assignments in § 4b.656(b) have been revised to eliminate these difficulties. In particular, the cockpit-mounted area microphone most suitably located for recording voice communications originating at the first and second pilot's stations has been assigned a separate channel.

10. *Intelligibility.* A recommendation was made that a definite minimum requirement of at least 95 percent intelligibility be prescribed for recordings made under any normal flight operating condition. Studies made by the Agency have shown that this goal is not attainable in the present state of the art and achieved depends upon the cockpit noise environment of the particular airplane type. For these reasons, the rule being adopted requires that the cockpit-mounted area microphones shall be located so that the intelligibility of the recorded communications will be as high as practicable.

11. *Ejection mechanism and locator aids.* One comment recommended that the recorder: (a) Be ejectable from the airplane upon impact (to remove it from any crash fire); (b) be designed to float on water; (c) be fitted with an impact-triggered homing radio transmitter; (d) have additional channels; and (e) be painted a distinctive color as a locator aid. The Agency believes that the impact and fire test standards set forth in TSO–C84, coupled with the requirement for aft location of the recorder, will serve to preserve the voice record in the event of a ground crash fire without additional ejection features. The suggested ejecting, floating, and signal-transmitting features would apparently be helpful in preserving the voice record in the case of crashes at sea. The Agency is studying the need to require these features (which were not proposed in Notice 63–46) for both voice and flight recorders; if justifiable, further rule making along these lines will be undertaken. As to the matter of additional channels to record additional parameters, the Agency believes such a requirement would be premature in view of the program now under way for the development of improved aircraft data recorders.

The Agency agrees that the recorder container should have a bright distinc-

tive color to assist in locating it after an accident. Such a minor additional requirement should not delay the installation program and it has been included in the installation requirements. Accordingly, the amendments to Part 4b require the recorder container to be painted bright orange.

12. *Time correlation with flight recorder.* One comment noted that it would be desirable to provide time correlation between the cockpit voice recording and the flight recorder record. Such a requirement is unnecessary because a crash impact, if it occurs, should provide an adequate means of correlation between the records.

13. *Sensitivity.* A recorder manufacturer recommended that consideration be given to the need for minimum sensitivity standards for the voice recorder amplifiers. Although no sensitivity requirement is contained in TSO–C84, the Agency believes that adequate sensitivity is prescribed, in effect, by the Part 4b installation requirement (adopted with this rule making action) dealing with the play-back intelligibility of the voice record. Accordingly, sensitivity standards are not being adopted at this time. For similar reasons, the Agency is not adopting a separate recommendation that distortion limits be specified at the extremes of the frequency range.

14. *Operation with inoperative voice recorder.* The ATA also commented on the proposed amendments to §§ 91.36(c)(1) and 91.36(c)(2) concerning continuation of flight with the cockpit voice recorder inoperative. The comments apparently assumed that these provisions of Part 91 [New] would apply to all air carrier and commercial operations. This assumption is not correct. Part 91 [New] applies, in this respect, only to general operations with air carrier airplanes, such as training and ferry flights. Air carrier and commercial operations, on the other hand, are governed under Parts 40, 41, and 42, wherein the matter of proceeding with inoperative equipment is treated in the "go-no-go" section of the air carrier's or commercial operator's manual. It is anticipated that the "go-no-go" sections of the air carrier's and commercial operator's manuals, dealing with cockpit voice recorders, will be similar to those dealing with flight recorders. Since the provisions being adopted for cockpit voice recorders in Part 91 [New] are identical with corresponding requirements therein for flight recorders, they have been incorporated in § 91.35.

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

In consideration of the foregoing, effective Sept. 2, 1964, unless otherwise specified in this amendment, Parts 4b, 40, 41, and 42 of the Civil Air Regulations, Part 91 [New] of the Federal Aviation Regulations, and Part 514 of the Regulations of the Administrator are amended as follows:

1. By amending Part 4b by adding a new § 4b.656 to read as follows:

§ 4b.656 Installation of cockpit voice recorders.

(a) If a cockpit voice recorder is required by the operating rules of this chapter, it shall be of an approved type and shall be installed so that it will record all—

(1) Voice communications transmitted from or received in the airplane by radio;

(2) Voice communications of flight crewmembers on the flight deck;

(3) Voice communications of flight crewmembers on the flight deck using the airplane's interphone system;

(4) Voice communications of flight crewmembers using the airplane's loud speaker system (if such system is provided in the airplane); and

(5) Voice or audio signals identifying navigation or approach aids introduced into a headset or speaker in the airplane.

(b) The cockpit voice recorder shall be installed so that the portion of the communication or audio signals specified in paragraph (a) of this section obtained from each of the following sources is recorded on a separate channel:

(1) *First channel.* Microphones, headsets, or speakers used at the first pilot station;

(2) *Second channel.* Microphones, headsets, or speakers used at the second pilot station;

(3) *Third channel.* The cockpit-mounted area microphone most suitably located for recording voice communications originating at the first and second pilot stations; and

(4) *Fourth channel.* Any other sources including:

(i) A second cockpit-mounted area microphone, if one is required for any required flight crewmember station other than the first or second pilot station;

(ii) Microphones, headsets, or speakers used at the station for a third flight crewmember when he is required, and the signals at that station are not picked up by another channel; and

(iii) Microphones located on the flight deck and used with the airplane's loud speaker system if its signals are not picked up by other channels.

(c) In addition to the requirements of paragraphs (a) and (b) of this section, the cockpit voice recorder must be installed so that—

(1) It receives its electric power from the bus that provides the maximum reliability for operation of the cockpit voice recorder without jeopardizing service to essential or emergency loads;

(2) There is an automatic means to ensure that any erasure feature ceases to function at the instant of crash impact; and

(3) There is an aural or visual means for preflight checking of the recorder for proper operation.

(d) The recording requirements of paragraph (a)(2) of this section shall be met by installing one or more cockpit-mounted area microphones arranged to pick up continuously all voice communications by flight crewmembers when at their assigned stations on the flight deck. The microphones shall be located, and the preamplifiers and filters of the recorder shall be adjusted or supplemented if necessary, so that the intelligibility of the recorded communications will be as high as practicable, when recorded under flight cockpit noise conditions and played back. Repeated aural or visual playback of the record may be employed in evaluating the intelligibility.

(e) The record container shall be located and mounted in the airplane to minimize the probability of rupture of the container as a result of crash impact and consequent heat damage to the record because of fire. In complying with this requirement, the record container shall be located as far aft as practicable, except that it need not be located outside the pressurized compartment and shall not be located where aft mounted engines are likely to crush the container during impact.

(f) If the cockpit voice recorder is provided with a bulk erasure device, the installation shall be designed to minimize the probability of inadvertent operation and the actuation of the device during crash impact.

(g) The color of the recorder container shall be a bright orange.

2. By amending Part 40 by adding a new § 40.212 to read as follows:

§ 40.212 Cockpit voice recorders.

(a) On or before the following dates an approved cockpit voice recorder shall be installed in each of the following airplanes having a maximum certificated takeoff weight of more than 12,500 pounds:

(1) July 1, 1966, for all turbine powered airplanes; and

(2) January 1, 1967, for all pressurized reciprocating four-engine airplanes.

(b) Each air carrier shall establish a schedule for the progressive completion of the cockpit voice recorder installation in each airplane specified in paragraph (a) of this section before the dates prescribed in that paragraph. The schedule shall include a list of any airplane specified in paragraph (a) of this section that the air carrier intends to discontinue using before the dates prescribed in that paragraph. The air carrier shall submit the schedule to the Administrator before October 1, 1964.

(c) The cockpit voice recorder shall be installed in accordance with the requirements of Part 4b of this chapter.

(d) The cockpit voice recorder shall be operated continuously from the start of the use of the checklist, prior to starting engines for the purpose of flight, to the completion of the final checklist at the termination of the flight. In complying with this requirement, an approved cockpit voice recorder having an erasure feature may be utilized, so that at any instant during the operation of the recorder, information recorded more than 30 minutes earlier may be erased or otherwise obliterated.

(e) In the event of an accident or occurrence requiring immediate notification to the Board, under Part 320 of its regulations, the recorded information shall be retained by the air carrier for a period of at least 60 days or, if requested by the Administrator or the Board, for a longer period. Information obtained from the record is used to assist in determining the cause of accidents or occurrences in connection with investigations pursuant to Part 320 of the Board's regulations. The Administrator does not use the record in any civil penalty or certificate action.

3. By amending Part 41 by adding a new § 41.212 to read as follows:

§ 41.212 Cockpit voice recorders.

(a) On or before the following dates an approved cockpit voice recorder shall be installed in each of the following airplanes having a maximum certificated takeoff weight of more than 12,500 pounds:

(1) July 1, 1966, for all turbine powered airplanes; and

(2) January 1, 1967, for all pressurized reciprocating four-engine airplanes.

(b) Each air carrier shall establish a schedule for the progressive completion of the cockpit voice recorder installation in each airplane specified in paragraph (a) of this section before the dates prescribed in that paragraph. The schedule shall include a list of any airplane specified in paragraph (a) of this section that the air carrier intends to discontinue using before the dates prescribed in that paragraph. The air carrier shall submit the schedule to the Administrator before October 1, 1964.

(c) The cockpit voice recorder shall be installed in accordance with the requirements of Part 4b of this chapter.

(d) The cockpit voice recorder shall be operated continuously from the start of the use of the checklist, prior to starting engines for the purpose of flight, to the completion of the final checklist at the termination of the flight. In complying with this requirement, an approved cockpit voice recorder having an erasure feature may be utilized, so that at any instant during the operation of the recorder, information recorded more than 30 minutes earlier may be erased or otherwise obliterated.

(e) In the event of an accident or occurrence requiring immediate notification to the Board under Part 320 of its regulations, the recorded information shall be retained by the air carrier for a period of at least 60 days or, if requested by the Administrator or the Board, for a longer period. Information obtained from the record is used to assist in determining the cause of accidents or occurrences in connection with investigations pursuant to Part 320 of the Board's regulations. The Administrator does not use the record in any civil penalty or certificate action.

4. By amending Part 42 by adding a new § 42.212 to read as follows:

§ 42.212 Cockpit voice recorders.

(a) On or before the following dates an approved cockpit voice recorder shall be installed in each of the following airplanes having a maximum certificated takeoff weight of more than 12,500 pounds:

(1) July 1, 1966, for all turbine powered airplanes; and

(2) January 1, 1967, for all pressurized reciprocating four-engine airplanes.

(b) Each operator shall establish a schedule for the progressive completion of the cockpit voice recorder installation in each airplane specified in paragraph (a) of this section before the dates prescribed in that paragraph. The schedule shall include a list of any airplane specified in paragraph (a) of this section that the operator intends to discontinue using before the dates prescribed in that paragraph. The operator shall submit the schedule to the Administrator before October 1, 1964.

(c) The cockpit voice recorder shall be installed in accordance with the requirements of Part 4b of this chapter.

(d) The cockpit voice recorder shall be operated continuously from the start of the use of the checklist, prior to starting engines for the purpose of flight, to the completion of the final checklist at the termination of the flight. In complying with this requirement, an approved cockpit voice recorder having an erasure feature may be utilized, so that at any instant during the operation of the recorder, information recorded more than 30 minutes earlier may be erased or otherwise obliterated.

(e) In the event of an accident or occurrence requiring immediate notification to the Board under Part 320 of this title, the recorded information shall be retained by the operator for a period of at least 60 days or, if requested by the Administrator or the Board, for a longer period. Information obtained from the record is used to assist in determining the cause of accidents or ocurrences in connection with investigations pursuant to Part 320 of this title. The Administrator does not use the record in any civil penalty or certificate action.

5. By amending § 91.35 to read as follows:

§ 91.35 Flight recorders and cockpit voice recorders.

No holder of an air carrier or commercial operator certificate may conduct any operation under this part with an airplane listed in his operations specifications or current list of airplanes used in air transportation unless that airplane complies with any applicable flight recorder and cockpit voice recorder requirements of the part under which its certificate is issued; except that it may—

(a) Ferry an airplane with an inoperative flight recorder or cockpit voice recorder from a place where repair or replacement cannot be made to a place where they can be made;

(b) Continue a flight as originally planned, if the flight recorder or cockpit voice recorder becomes inoperative after the airplane has taken off;

(c) Conduct an airworthiness flight test, during which the flight recorder or cockpit voice recorder is turned off to test it or to test any communications or electrical equipment installed in the airplane; or

(d) Ferry a newly acquired airplane from the place where possession of it was taken to a place where the flight recorder or cockpit voice recorder is to be installed.

6. By amending Part 514 by adding the following § 514.90:

§ 514.90 Cockpit voice recorder—TSO C–84.

(a) *Applicability.* (1) Minimum performance standards here hereby established for cockpit voice recorders for use on United States civil aircraft. New models of cockpit voice recorders manufactured for use on civil aircraft on or after September 2, 1964, shall meet the standards specified in Federal Aviation Agency Standard, "Minimum Performance Standards for Cockpit Voice Recorders," dated November 1, 1963,[1] and Federal Aviation Agency document entitled, "Environmental Test Procedures for Airborne Electronic Equipment," August 31, 1962,[1] except as provided in subparagraph (2) of this paragraph.

(2) Federal Aviation Agency document, "Environmental Test Procedures for Airborne Electronic Equipment," outlines various test procedures which define the environmental extremes over which the equipment shall be designed to operate. Some test procedures have categories established and some do not. Where categories are established, only equipment which qualifies under one or more of the following categories, as specified in the FAA document, is eligible for approval under this order:

(i) Temperature-Altitude Test—Categories A, B, C, or D;

[1] Copies may be obtained upon request addressed to the Federal Aviation Agency, Attention HQ–620, Washington, D.C., 20553.

(ii) Vibration Test—Categories A, B, C, D, E, or F;

(iii) Audio-Frequency Magnetic Field Susceptibility Test—Categories A or B;

(iv) Radio-Frequency Susceptibility Test—Category A; and

(v) Emission of Spurious Radio-Frequency Energy Test—Category A.

(b) *Marking.* (1) In addition to the markings specified in § 514.3(d), the equipment shall be marked to indicate the environmental extremes over which it has been designed to operate. There are six environmental test procedures outlined in the FAA document, "Environmental Test Procedures for Airborne Electronic Equipment," which have categories established. These shall be identified on the nameplate by the words "environmental categories" or, as abbreviated, "Env. Cat." followed by six letters which identify the categories under which the equipment is qualified. Reading from left to right, the category designations shall appear on the nameplate in the following order so that they may be readily identified:

(i) Temperature-Altitude Category;

(ii) Vibration Test Category;

(iii) Audio-Frequency Magnetic Field Susceptibility Test Category;

(iv) Radio Frequency Susceptibility Test Category;

(v) Emission of Spurious Radio-Frequency Energy Test Category; and

(vi) Explosion Test.

(2) Equipment which meets the explosion test requirement shall be identified by the letter "E". Equipment which does not meet the explosion test requirement shall be identified by the letter "X". A typical nameplate identification would be as follows: Env. Cat. DBAAAX.

(3) In some cases such as under the Temperature-Altitude Test Category, a manufacturer may wish to substantiate his equipment under two categories. In this case, the nameplate shall be marked with both categories in the space designated for that category by placing one letter above the other in the following manner: Env. Cat. $\frac{A}{D}$BAAAX.

(c) *Data requirements.* In accordance with the provisions of § 514.2, the manufacturer shall furnish to the Chief, Engineering and Manufacturing Branch, Flight Standards Division, Federal Aviation Agency, in the region in which the manufacturer is located the following technical data:

(1) Six copies of the manufacturer's operating instructions and equipment limitations;

(2) Six copies of the installation procedures with applicable schematic drawings, wiring diagrams, and specifications, indicating any limitations, restrictions, or other conditions pertinent to installation; and

(3) One copy of the manufacturer's test report.

(Secs. 313(a), 601, 603, 604 of the Federal Aviation Act of 1958; 49 U.S.C. 1354, 1421, 1423, 1424)

Issued in Washington, D.C., on June 26, 1964.

N. E. HALABY,
Administrator.

[F.R. Doc. 64-6613; Filed, July 2, 1964; 8:46 a.m.]

[Reg. Docket No. 4021; Amdts. 40-47, 41-12, 42-11]

PART 40—SCHEDULED INTERSTATE AIR CARRIER CERTIFICATION AND OPERATION RULES

PART 41—CERTIFICATION AND OPERATION RULES FOR CERTIFICATED ROUTE AIR CARRIERS ENGAGING IN OVERSEAS AND FOREIGN AIR TRANSPORTATION AND AIR TRANSPORTATION WITHIN HAWAII AND ALASKA

PART 42—AIRCRAFT CERTIFICATION AND OPERATION RULES FOR SUPPLEMENTAL AIR CARRIERS, COMMERCIAL OPERATORS USING LARGE AIRCRAFT, AND CERTIFICATED ROUTE AIR CARRIERS ENGAGING IN CHARTER FLIGHTS OR OTHER SPECIAL SERVICES

Miscellaneous Amendments

The Federal Aviation Agency published as a notice of proposed rule making (29 F.R. 2880) and circulated as Civil Air Regulations Notice 64-10 dated February 29, 1964, a proposal to amend Parts 40, 41, and 42 of the Civil Air Regulations to provide for the operation of the nontransport category C-46 airplane in cargo operations.

As indicated in the notice, the Agency believes that the C-46 airplane can continue to be operated with reasonable safety without full compliance with the certification and operating requirements applicable to transport category airplanes. However, there is a need for improvement in the safety requirements over and above the applicable requirements in old Part 42.

The purpose of this amendment is to set forth the minimum safety requirements necessary for the continued use of the C-46 nontransport category airplane in cargo operations.

Although the provisions of the proposal specifically referred to C-46 nontransport category cargo-only operations which are conducted under Part 42 of the Civil Air Regulations, it was proposed to make similar amendments to Parts 40 and 41 to provide for the use of such airplanes in cargo operations conducted under those parts. As adopted herein, the final amendment also permits the nontransport category C-46 to be used in parts 40 and 41 cargo operations under the same conditions as such airplanes are used for the carriage of cargo-only under Part 42. Since the type of engines required for the C-46 airplanes, the performance data related to such airplanes, and the minimum acceptable means of compliance with the special airworthiness requirements are identical for the operation of the C-46 under Parts 40, 41, and 42, these requirements are set forth in a new Appendix C to Part 42 and incorporated by reference in Parts 40 and 41.

Because the amendments to Parts 40, 41, and 42 are identical, the discussion of the comments relating to the proposal have been combined in a single preamble for all the parts, using references to the applicable sections of Part 42. Consequently, any comment or discussion in this preamble referring to a particular section of Part 42, is equally applicable to the corresponding sections of Parts 40 and 41.

Comments received in response to Notice 64-10 were primarily concerned with the Agency's proposal to require the installation of R2800-51-M1 or R2800-75-M1 engines or other engines acceptable to the Administrator on nontransport category C-46 airplanes used in cargo-only operations. The Agency proposed that if engines other than those specified were used, the approved takeoff gross weight would be reduced from 48,000 pounds to 45,000 pounds.

While one organization indicated general agreement with this proposal, they requested that conversion to the 51-M1 and 75-M1 engines be made at each scheduled engine change that occurs after the effective date of the rule, with all "B" engines being changed or converted prior to March 1, 1965. They further suggested that during this period operation of the airplanes be permitted to continue at a maximum gross takeoff weight of 48,000 pounds.

With respect to the compliance dates for these amendments, the Agency agrees that the C-46 operators should be given a period of time in excess of that specified in the proposal in which to show compliance with all of the special airworthiness requirements and to accomplish the engine conversion required by this amendment. The Agency believes that full compliance with such requirements can reasonably be accomplished by January 1, 1965, without imposing an undue burden on any operator, and the amendments adopted herein specify such date for compliance. Compliance with the airplane performance operating limitations set forth in §§ 42.90 through 42.94 (or the comparable sections of Parts 40 and 41), is not required under these amendments until August 12, 1964, if the requirements of § 42.14-1(b) of Part 42 in effect on November 10, 1963, are complied with. These amendments also permit continued use of the airplanes at a maximum gross takeoff weight of 48,000 pounds through December 31, 1964 with unmodified R2800 "B" series engines. After that date, C-46 nontransport category airplanes equipped with such unmodified engines may continue to be used in cargo operations but at a reduced maximum gross takeoff weight not exceeding 45,000 pounds. However, such airplanes must be in full compliance with all the other provisions of this regulation.

In addition, certain of the Alaskan operators objected to the proposal insofar as it required the installation of M1 engines. They contend that in their area of operation, they have experienced no problem of engine cooling in operating the R2800-51 or R2800-75 unmodified engines. In fact, they state that it is almost impossible to get the cylinder head temperatures with unmodified engines above 140°-150° during winter operation; and, quite often, cylinder head temperatures of 120° are difficult to maintain. The Alaskan operators also contend that, in their geographical area of operations, they have never encountered high cylinder head temperatures or difficulty in maintaining desired temperatures during

single-engine operations. On the other hand, they contend that if they are required to install the M1 engines, considerably lower cylinder head temperatures can be expected, to a point where safety would be adversely affected. They also point out that operators using the M1 engines in the colder climates are continually trying to devise methods for raising engine cylinder head temperatures to the normal operating range.

As expressed in Notice 64–10, engine cooling during one-engine-out operation is one area in the operation of C–46 nontransport category cargo-only airplanes which the Agency believes needs improvement. The R2800–51–M1 or R2800–75–M1 engines are known to operate cooler than unmodified "B" series engines when either type are installed in nontransport category C–46 airplanes. In most areas, this feature of the M1 type engines will provide increased safety during one-engine-out operations at high gross weight and utilizing high engine horsepower on the remaining engine. However, since it is quite possible that operations in some areas of Alaska with modified R2800 M1 engines may produce problems that cannot be corrected by other means, the Agency agrees that some relief should be provided those C–46 Alaskan operators who operate only in those areas, provided, the Alaskan operators can show that adequate safety will be provided with unmodified R2800 "B" series engines. Therefore, the regulation, as adopted herein, permits an Alaskan operator of C–46 cargo airplanes to continue to operate such airplanes at a maximum takeoff weight in excess of 45,000 pounds with unmodified R2800 "B" series engines, if such operator shows to the satisfaction of the FAA that the installation of the M1 engines is not necessary to provide adequate cooling in one-engine-out operations. The use of such unmodified engines is made subject to such conditions and limitations as may be found necessary and incorporated in the appropriate operations specifications of the operator concerned.

Another operator located in the southwestern part of the United States also objected to the proposal to either convert to the M1 engine or to accept a load penalty of 3,000 pounds. It was not clear to him as to whether the oil temperature or the cylinder head temperature was considered critical under METO engine operations and maximum gross weight. Thus it was difficult for him to rationalize how the arbitrary reduction in gross weight of 3,000 pounds was selected. The proposal referred to engine cooling as an area requiring improvement. The cooling of both the oil and the cylinder heads are relevant to this problem and must be considered in its solution. The selection of a 45,000-pound maximum takeoff weight for operation with unmodified engines provides a needed improvement in the airplane's single-engine performance. Moreover, the performance charts and related information are readily available at this gross weight and pilots and operators are generally familiar with the airplane's operation and performance at such weight.

Comments were also received concerning the proposed content of the new Appendix C of Part 42, which sets forth the acceptable means of compliance with the special airworthiness requirements of §§ 42.110 through 42.154.

In response to a comment received, the language of the section of the Appendix relating to § 42.115, has been changed to make it clear that a C–46 main cabin is considered a Class A compartment if it meets all the requirements specified in that section of the Appendix.

Another comment requested clarification of the "barrier cable assembly" also referred to in the Appendix provision relating to § 42.115. It was not intended that the barrier assembly meet the G load requirements of transport category airplanes. The barrier was proposed primarily to fix the forward cabin boundary beyond which cargo cannot be carried, and thus prevent the storing of cargo too close to components of the airplane which are essential to its safe operation, and to protect the forward cabin from damage that may be caused by small pieces of cargo not retained by the cargo tiedown equipment. The Appendix has been revised to clairfy the requirements for a cargo barrier in accordance with the foregoing.

In addition, a comment requested that, if the forward and aft lower baggage compartments are used, the external skin be considered minimum acceptable compliance with the fire-resistant liner requirement for Class B compartments. The Agency has considered this comment and finds that the external skin would not be acceptable as fire-resistant lining in Class B compartments.

The proposal contained a requirement, relating to §§ 42.127 and 42.128, that the combustion heater compartments of nontransport category C–46 airplanes be modified to comply with Airworthiness Directive (AD) 49–18–1. Paragraph (5) of that AD requires the installation of a manual fuel shutoff valve. One comment received by the Agency requested that an electric fuel shutoff valve also be considered as acceptable. The Agency agrees with this comment and the Appendix has been changed to provide for the acceptability of a fail safe electric fuel shutoff valve in lieu of a manually operated fuel shutoff valve.

Compliance with AD 49–18–1 also requires the installation of a fixed fire extinguisher in the C–46 airplane combustion heater compartment. One comment requested that a portable fire extinguisher be considered as acceptable compliance with that portion of the AD. The Agency does not agree that a portable fire extinguisher can provide the necessary protection because of the restricted access, in flight, to C–46 heater compartments. Since any fire in this area is serious, immediate extinguishment must be available.

With respect to the requirement for a shutoff valve in the alcohol supply line between the supply tank and those alcohol pumps located under the main cabin floor, one comment requested that the valve not be required if the alcohol pumps are located above the main cabin floor. Since this result was intended in the proposal, the language has been revised to make it clear that the valve is required only if the alcohol pumps are located under the main cabin floor.

Certain of the comments received in response to Notice 64–10 indicated some concern as to the type of C–46 engine fire-extinguishing system proposed by the Agency. As stated by the Agency in Notice 64–10, "The fire-extinguishing systems, the quantity of extinguishing agent, and the rate of discharge shall be such as to provide a minimum of one adequate discharge for each designated fire zone." The notice further explained that "insofar as the engine compartment is concerned, the system shall be capable of protecting the entire compartment against the various types of fires likely to occur in the compartment." For the purpose of further clarification, the provision in the Appendix relating to § 42.136 has been revised to state that to meet the requirement of one adequate discharge for each fire zone, requires the installation of a separate fire extinguisher for each engine compartment. The notice also mentioned types of engine fire-extinguishing systems that would meet the foregoing adequacy requirements. One such type was described as a system which "provides the same or equivalent protection to that demonstrated by the CAA in tests conducted in 1941 and 1942 using a CW–20 type engine nacelle (without diaphragm)."

Comments received from the National Air Carrier Association (NACA) citing CAA Technical Development Report No. 37, titled "Determination of Means to Safeguard Aircraft From Powerplant Fires in Flight"—Part II, dated October 1943, furnished a comparison between data contained in CAA Report No. 37 and the flow rates and distribution of fire-extinguishing agent provided by one type of C–46 engine fire-extinguishing system now in use. The comparison, according to NACA, shows that the system they describe does provide fire protection equivalent to that demonstrated by the CAA in the CW–20 tests. Furthermore, the system they describe was approved by FAA February 9, 1953, for American Airmotive, Miami, Florida, as presented in American Airmotive Report No. 128–52–1, titled "Engine Section CO_2 Fire Extinguishing System Installation (C–46 airplanes)," dated November 25, 1952.

The Agency has evaluated the material submitted by NACA and has concluded that C–46 engine fire-extinguishing systems which conform to all other applicable airworthiness requirements in design and installation, and which provide the flow rates and distribution of extinguishing agent at least equivalent to that approved for American Airmotive in their report No. 128–52–1, would meet the requirements of § 42.136.

From the comments received concerning the provision in the Appendix relating to § 42.154, it appears that there is a general lack of familiarity with the "Logair cargo configuration" referred to therein. Therefore, reference to such Logair configuration is deleted from the final rule.

Interested persons have been afforded an opportunity to participate in the making of these amendments, and due consideration has been given to all relevant matter presented. The provisions of these amendments, with the exception of the minimum oil requirement, become

effective at least 30 days from the date of publication. The Agency finds that compliance with the oil requirement is necessary and good cause exists for making it effective without further delay.

In consideration of the foregoing, Chapter I of Title 14 of the Code of Federal Regulations is amended as follows, effective July 12, 1964:

1. Part 40 is amended by adding a new paragraph (c) to § 40.61 to read as follows:

§ 40.61 Airplane certification requirements.

* * * * *

(c) *C–46 type airplanes.* Notwithstanding the provisions of paragraph (b) of this section, a nontransport category C–46 type airplane may be used in cargo operations under the following conditions:

(1) It is certificated at a maximum gross takeoff weight not in excess of 48,000 pounds;

(2) It meets the requirements of §§ 40.90 through 40.94 using the performance data specified in Appendix C of Part 42, revised effective November 11, 1963, except that it may be operated without meeting such requirements until August 12, 1964, if it meets the requirements of § 42.14–1(b) of this chapter, in effect on November 10, 1963;

(3) Prior to each flight, each engine is serviced to a minimum of 25 gallons of oil; and

(4) After December 31, 1964—

(i) It is powered by a type and model engine as specified in Appendix C of Part 42 of this chapter, revised effective November 11, 1963, when certificated at a maximum gross takeoff weight in excess of 45,000 pounds; and

(ii) It complies with the special airworthiness requirements as set forth in §§ 40.110 through 40.154 or in Appendix C of Part 42 of this chapter, revised effective November 11, 1963.

2. Part 41 is amended by adding a new paragraph (c) to § 41.61 to read as follows:

§ 41.61 Airplane certification requirements.

* * * * *

(c) *C–46 type airplanes.* Notwithstanding the provisions of paragraph (b) of this section, a nontransport category C–46 type airplane may be used in cargo operations under the following conditions:

(1) It is certificated at a maximum gross takeoff weight not in excess of 48,000 pounds;

(2) It meets the requirements of §§ 41.90 through 41.94 using the performance data specified in Appendix C of Part 42 of this chapter, revised effective November 11, 1963, except that it may be operated without meeting such requirements until August 12, 1964, if it meets the requirements of § 42.14–1(b) of this chapter, in effect on November 10, 1963;

(3) Prior to each flight, each engine is serviced to a minimum of 25 gallons of oil; and

(4) After December 31, 1964—

(i) It is powered by a type and model engine as specified in Appendix C of Part 42 of this chapter, revised effective November 11, 1963, when certificated at a maximum gross takeoff weight in excess of 45,000 pounds; and

(ii) It complies with the special airworthiness requirements as set forth in §§ 41.110 through 41.154 or in Appendix C of Part 42 of this chapter, revised effective November 11, 1963.

3. Part 42 is amended by amending paragraph (b) and by adding a new paragraph (d) to § 42.61 to read as follows:

§ 42.61 Aircraft certification requirements.

* * * * *

(b) *Airplanes certificated after June 30, 1942.* Airplanes certificated as a basic type after June 30, 1942, shall be certificated as transport category airplanes and shall meet the requirements of § 42.70.

* * * * *

(d) *C–46 type airplanes.* Notwithstanding the provisions of paragraph (b) of this section, a nontransport category C–46 type airplane may be operated in cargo-only operations under the following conditions:

(1) It is certificated at a maximum gross takeoff weight not in excess of 48,000 pounds;

(2) It meets the requirements of §§ 42.90 through 42.94, using the performance data therefor specified in Appendix C, except that it may be operated without meeting such requirements until August 12, 1964, if it meets the requirements of § 42.14–1(b), in effect on November 10, 1963;

(3) Prior to each flight, each engine is serviced to a minimum of 25 gallons of oil; and

(4) After December 31, 1964—

(i) It is powered by a type and model engine as specified in Appendix C of this Part, when certificated at a maximum gross takeoff weight in excess of 45,000 pounds; and

(ii) It complies with the special airworthiness requirements as set forth in §§ 42.110 through 42.154 or in Appendix C of this part.

4. Part 42 is amended by adding a new Appendix C to read as hereinafter set forth.

These amendments are made under the authority of sections 313(a), 601, 603, and 604 of the Federal Aviation Act of 1958, (49 U.S.C. 1354, 1421, 1423, 1424).

Issued in Washington, D.C., on June 26, 1964.

N. E. Halaby,
Administrator.

Appendix C

C–46 nontransport category airplanes

Cargo Operations

1. *Required engines.* (a) Except as provided in paragraph (b) of this section, the engines specified in subparagraphs (1) or (2) of this section must be installed in C–46 nontransport category airplanes operated at gross weights exceeding 45,000 pounds:

(1) Pratt and Whitney R2800–51–M1 or R2800–75–M1 engines (engines converted from basic model R2800–51 or R2800–75 engines in accordance with FAA approved data) that—

(i) Conform to Engine Specification 5E–8;

(ii) Conform to the applicable portions of the operator's manual;

(iii) Comply with all the applicable airworthiness directives; and

(iv) Are equipped with high capacity oil pump drive gears in accordance with FAA approved data.

(2) Other engines found acceptable by the FAA Regional Flight Standards Division having type certification responsibility for the C–46 airplane.

(b) Upon application by an operator conducting cargo operations with nontransport category C–46 airplanes between points within the State of Alaska, the appropriate FAA Air Carrier District Office, Alaskan Region, may authorize the operation of such airplanes, between points within the State of Alaska; without compliance with paragraph (a) of this section if the operator shows that, in its area of operation, installation of the modified engines is not necessary to provide adequate cooling for single-engine operations. Such authorization and any conditions or limitations therefor is made a part of the Operations Specifications of the operator.

2. *Minimum acceptable means of complying with the special airworthiness requirements.* Unless otherwise authorized under § 42.110, the data set forth in §§ 3 through 34 of this Appendix, as correlated to the C–46 nontransport category airplane, is the minimum means of compliance with the special airworthiness requirements of §§ 42.111 through 42.154.

This data is also the minimum means of compliance for C–46 transport category airplanes with the special airworthiness requirements of Parts 40 and 41.

3. *Susceptibility of material to fire.* No change from the requirements of § 42.111.

4. *Cabin interiors.* C–46 crew compartments must meet all the requirements of § 42.112, and, as required in § 42.115, the door between the crew compartment and main cabin (cargo) compartment must be flame resistant.

5. *Internal doors.* Internal doors, including the crew to main cabin door, must meet all the requirements of § 42.113.

6. *Ventilation.* Standard C–46 crew compartments meet the ventilation requirements of § 42.114 if a means of ventilation for controlling the flow of air is available between the crew compartment and main cabin. The ventilation requirement may be met by use of a door between the crew compartment and main cabin. The door need not have louvers installed; however, if louvers are installed, they must be controllable.

7. *Fire precautions.* Compliance is required with all the provisions of § 42.115.

(a) In establishing compliance with this section, the C–46 main cabin shall be considered as a Class A compartment if—

(1) The operator utilizes a standard system of cargo loading and tiedown that allows easy access in flight to all cargo in such compartment, and, such system is included in the appropriate portion of the operator's manual; and

(2) A cargo barrier is installed in the forward end of the main cabin cargo compartment. The barrier must—

(i) Establish the most forward location beyond which cargo cannot be carried;

(ii) Protect the components and systems of the airplane that are essential to its safe operation from cargo damage; and

(iii) Permit easy access, in flight, to cargo in the main cabin cargo compartment.

The barrier may be a cargo net or a network of steel cables or other means acceptable to the Administrator which would provide equivalent protection to that of a cargo net. The barrier need not meet crash load requirements of CAR 4b.260; however, it must be attached to the cargo retention fittings and provide the degree of cargo retention that is required by the operators' standard system of cargo loading and tiedown.

(b) C–46 forward and aft baggage compartments must meet, as a minimum, Class

B requirements of this section or be placarded in a manner to preclude their use as cargo or baggage compartments.

8. *Proof of compliance.* The demonstration of compliance required by § 42.116 is not required for C–46 airplanes in which—

(1) The main cabin conforms to Class A cargo compartment requirements of § 42.115; and

(2) Forward and aft baggage compartments conform to Class B requirements of § 42.115, or are placarded to preclude their use as cargo or baggage compartments.

9. *Propeller deicing fluid.* No change from the requirements of § 42.117. Isopropyl alcohol is a combustible fluid within the meaning of this section.

10. *Pressure cross-feed arrangements, location of fuel tanks, and fuel system lines and fittings.* C-46 fuel systems which conform to all applicable Curtiss design specifications and which comply with the FAA type certification requirements are in compliance with the provisions of §§ 42.118, 42.119, and 42.120.

11. *Fuel lines and fittings in designated fire zones.* No change from the requirements of § 42.121.

12. *Fuel valves.* Compliance is required with all the provisions of § 42.122. Compliance can be established by showing that the fuel system conforms to all the applicable Curtiss design specifications, the FAA type certification requirements, and, in addition, has explosion-proof fuel booster pump electrical selector switches installed in lieu of the open contact type used originally.

13. *Oil lines and fittings in designated fire zones.* No change from the requirements of § 42.123.

14. *Oil valves.* C–46 oil shutoff valves must conform to the requirements of § 42.124. In addition, C–46 airplanes using Hamilton Standard propellers must provide, by use of stand pipes in the engine oil tanks or other approved means, a positive source of oil for feathering each propeller.

15. *Oil system drains.* The standard C–46 "Y" drains installed in the main oil inlet line for each engine meet the requirements of § 42.125.

16. *Engine breather line.* The standard C–46 engine breather line installation meets the requirements of § 42.126 if the lower breather lines actually extend to the trailing edge of the oil cooler air exit duct.

17. *Firewalls and firewall construction.* Compliance is required with all of the provisions of §§ 42.127 and 42.128. The following requirements must be met in showing compliance with these sections:

(a) *Engine compartment.* The engine firewalls of the C–46 airplane must—

(1) Conform to type design, and all applicable airworthiness directives;

(2) Be constructed of stainless steel or approved equivalent; and

(3) Have fireproof shields over the fairleads used for the engine control cables that pass through each firewall.

(b) *Combustion heater compartment.* C–46 airplanes must have a combustion heater fire extinguishing system which complies with AD–49–18–1 or an FAA approved equivalent.

18. *Cowling.* Standard C–46 engine cowling (cowling of aluminum construction employing stainless steel exhaust shrouds) which conforms to the type design and cowling configurations which conform to the C–46 transport category requirements meet the requirements of § 42.129.

19. *Engine accessory section diaphragm.* C–46 engine nacelles which conform to the C–46 transport category requirements meet the requirements of § 42.130. As provided for in that section, a means of equivalent protection which does not require provision of a diaphragm to isolate the engine power section and exhaust system from the engine accessory compartment is the designation of the entire engine compartment forward of and including the firewall as a designated fire zone, and the installation of adequate fire detection and fire extinguishing systems which meet the requirements of § 42.136 and § 42.141, respectively, in such zone.

20. *Powerplant fire protection.* C–46 engine compartments and combustion heater compartments are considered as designated fire zones within the meaning of § 42.131.

21. *Flammable fluids—*

(a) *Engine compartment.* C–46 engine compartments which conform to the type design and which comply with all applicable airworthiness directives meet the requirements of § 42.132.

(b) *Combustion heater compartment.* C–46 combustion heater compartments which conform to type design and which meet all the requirements of AD–49–18–1 or an FAA approved equivalent meet the requirements of § 42.132.

22. *Shutoff means—*

(a) *Engine compartment.* C–46 engine compartments which comply with AD–62–10–2 or FAA approved equivalent meet the requirements of § 42.133 applicable to engine compartments, if, in addition, a means satisfactory to the Administrator is provided to shut off the flow of hydraulic fluid to the cowl flap cylinder in each engine nacelle. The shutoff means must be located aft of the engine firewall. The operator's manual must include, in the emergency portion, adequate instructions for proper operation of the additional shutoff means to assure correct sequential positioning of engine cowl flaps under emergency conditions. In accordance with § 42.176, this positioning must also be incorporated in the emergency section of the pilot's checklist.

(b) *Combustion heater compartment.* C–46 heater compartments which comply with paragraph (5) of AD–49–18–1 or FAA approved equivalent meet the requirements of § 42.133 applicable to heater compartments if, in addition, a shutoff valve located above the main cabin floor level is installed in the alcohol supply line or lines between the alcohol supply tank and those alcohol pumps located under the main cabin floor. If all of the alcohol pumps are located above the main cabin floor, the alcohol shutoff valve need not be installed. In complying with paragraph (5) of AD–49–18–1, a fail-safe electric fuel shutoff valve may be used in lieu of the manually operated valve.

23. *Lines and fittings.*—(a) *Engine compartment.* C–46 engine compartments which comply with all applicable airworthiness directives, including AD–62–10–2, by using FAA approved fire-resistant lines, hoses, and end fittings, and engine compartments which meet the C–46 transport category requirements, meet the requirements of § 42.134.

(b) *Combustion heater compartments.* All lines, hoses, and end fittings, and couplings which carry fuel to the heaters and heater controls, must be of FAA approved fire-resistant construction.

24. *Vent and drain lines.*—(a) *Engine compartment.* C–46 engine compartments meet the requirements of § 42.135 if—

(1) The compartments conform to type design and comply with all applicable airworthiness directives or FAA approved equivalent; and

(2) Drain lines from supercharger case, engine-driven fuel pump, and engine-driven hydraulic pump reach into the scupper drain located in the lower cowling segment.

(b) *Combustion heater compartment.* C–46 heater compartments meet the requirements of § 42.135 if they conform to AD–49–18–1 or FAA approved equivalent.

25. *Fire-extinguishing system.* (a) To meet the requirements of § 42.136, C–46 airplanes must have installed fire estinguishing systems to serve all designated fire zones. The fire-extinguishing systems, the quantity of extinguishing agent, and the rate of discharge shall be such as to provide a minimum of one adequate discharge for each designated fire zone. Compliance with this provision requires the installation of a separate fire extinguisher for each engine compartment. Insofar as the engine compartment is concerned, the system shall be capable of protecting the entire compartment against the various types of fires likely to occur in the compartment.

(b) Fire-extinguishing systems which conform to the C–46 transport category requirements meet the requirements set forth in paragraph (a). Furthermore, fire-extinguishing systems for combustion heater compartments which conform to the requirements of AD–49–18–1 or an FAA approved equivalent also meet the requirements in paragraph (a).

In addition, a fire-extinguishing system for C–46 airplanes meets the adequacy requirement of paragraph (a) if it provides the same or equivalent protection to that demonstrated by the CAA in tests conducted in 1941 and 1942, using a CW–20 type engine nacelle (without diaphragm). These tests were conducted at the Bureau of Standards facilities in Washington, D.C., and copies of the test reports are available through the FAA Regional Engineering Offices. In this connection, the flow rates and distribution of extinguishing agent substantiated in American Airmotive Report No. 128–52–1, FAA approved February 9, 1953, provides protection equivalent to that demonstrated by the CAA in the CW–20 tests. In evaluating any C–46 fire-extinguishing system with respect to the aforementioned CW–20 tests, the Agency would require data in a narrative form, utilizing drawings or photographs to show at least the following:

Installation of containers; installation and routing of plumbing; type, number, and location of outlets or nozzles; type, total volume, and distribution of extinguishing agent; length of time required for discharging; means for thermal relief, including type and location of discharge indicators; means of discharging, e.g., mechanical cutterheads, electric cartridge, or other method; and whether a one- or two-shot system is used; and if the latter is used, means of crossfeeding or otherwise selecting distribution of extinguishing agent; and types of materials used in makeup of plumbing.

High rate discharge (HRD) systems using agents such as bromotrifluoromethane, dibromodifluoromethane and chlorobromomethane (CB), may also meet the requirements of paragraph (a).

26. *Fire-extinguishing agents, Extinguishing agent container pressure relief, Extinguishing agent container compartment temperatures, and Fire-extinguishing system materials.* No change from the requirements of §§ 42.137, 42.138, 42.139, 42.140.

27. *Fire-detector system.* Compliance with the requirements of § 42.141 requires that C–46 fire detector systems conform to:

(a) AD–62–10–2 or FAA approved equivalent for engine compartments; and,

(b) AD–49–18–1 or FAA approved equivalent for combustion heater compartments.

28. *Fire detectors.* No change from the requirements of § 42.142.

29. *Protection of other airplane components against fire.* To meet the requirements of § 42.143, C–46 airplanes must—

(a) Conform to the type design and all applicable airworthiness directives; and

(b) Be modified or have operational procedures established to provide additional fire protection for the wheel well door aft of each engine compartment. Modifications may consist of improvements in sealing of the main landing gear wheel well doors. An operational procedure which is acceptable to the Agency is one requiring the landing gear control to be placed in the up position in case of in-flight engine fire. In accordance with § 42.176, such procedure must be set forth in the emergency portion of the operator's emergency checklist pertaining to in-flight engine fire.

30. *Control of engine rotation.* C–46 propeller feathering systems which conform to the type design and all applicable airworthiness directives meet the requirements of § 42.150.

31. *Fuel system independence.* C–46 fuel systems which conform to the type design and all applicable airworthiness directives meet the requirements of § 42.151.

32. *Induction system ice prevention.* The C–46 carburetor anti-icing system which conforms to the type design and all applicable airworthiness directives meets the requirements of § 42.152.

33. *Carriage of cargo in passenger compartments.* Section 42.153 is not applicable to nontransport category C–46 cargo airplanes.

34. *Carriage of cargo in cargo compartments.* A standard cargo loading and tiedown arrangement set forth in the operator's manual and found acceptable to the Administrator shall be used in complying with § 42.154.

35. *Performance data.* Performance data on Curtiss model C–46 airplane certificated for maximum weight of 45,000 and 48,000 pounds for cargo-only operations.

1. The following performance limitation data, applicable to the Curtiss model C–46 airplane for cargo-only operation, shall be used in determining compliance with §§ 42.91 through 42.94. These data are presented in the tables and figures of this Appendix.

TABLE 1—TAKEOFF LIMITATIONS

(a) Curtiss C–46 certificated for maximum weight of 45,000 pounds.

(1) "Effective length" of runway required when effective length is determined in accordance with section 42.5 (distance to accelerate to 93 knots TIAS and stop, with zero wind and zero gradient). (Factor=1.00)

Standard altitude in feet	Airplane weight in pounds		
	39,000	42,000	[1] 45,000
	Distance in feet		
S.L.	4,110	4,290	4,570
1,000	4,250	4,440	4,720
2,000	4,400	4,600	4,880
3,000	4,650	4,880	5,190
4,000	4,910	5,170	5,500
5,000	5,160	5,450	5,810
6,000	5,420	5,730	6,120
7,000	5,680	6,000	6,440
8,000	5,940	6,280	(1)

[1] Ref. Fig. 1(a)(1) for weight and distance for altitudes above 7,000′.

(2) Actual length of runway required when "effective length," considering obstacles, is not determined (distance to accelerate to 93 knots TIAS and stop, divided by the factor 0.85).

Standard altitude in feet	Airplane weight in pounds		
	39,000	42,000	[1] 45,000
	Distance in feet		
S.L.	4,830	5,050	5,370
1,000	5,000	5,230	5,550
2,000	5,170	5,410	5,740
3,000	5,470	5,740	6,100
4,000	5,770	6,080	6,470
5,000	6,070	6,410	6,830
6,000	6,380	6,740	7,200
7,000	6,680	7,070	7,570
8,000	6,990	7,410	(1)

[1] Ref. Fig. 1(a)(2) for weight and distance for altitudes above 7,000′.

(b) Curtiss C–46 Certificated for maximum weight 48,000 pounds.

(1) "Effective length" of runway required when effective length is determined in accordance with section 42.5 (distance to accelerate to 93 knots TIAS and stop, with zero wind and zero gradient). (Factor=1.00)

Standard altitude in feet	Airplane weight in pounds			
	39,000	42,000	45,000	[1] 48,000
	Distance in feet			
S.L.	4,110	4,290	4,570	4,950
1,000	4,250	4,440	4,720	5,130
2,000	4,400	4,600	4,880	5,300
3,000	4,650	4,880	5,190	5,670
4,000	4,910	5,170	5,500	6,050
5,000	5,160	5,450	5,810	6,420
6,000	5,420	5,730	6,120	6,800
7,000	5,680	6,000	6,440	(1)
8,000	5,940	6,280	6,750	(1)

[1] Ref. Fig. 1(b)(1) for weight and distance for altitudes above 6,000′.

(2) Actual length of runway required when "effective length," considering obstacles, is not determined (distance to accelerate to 93 knots TIAS and stop, divided by the factor 0.85).

Standard altitude in feet	Airplane weight in pounds			
	39,000	42,000	45,000	[1] 48,000
	Distance in feet			
S.L.	4,830	5,050	5,370	5,830
1,000	5,000	5,230	5,550	6,030
2,000	5,170	5,410	5,740	6,230
3,000	5,470	5,740	6,100	6,670
4,000	5,770	6,080	6,470	7,120
5,000	6,070	6,410	6,830	7,560
6,000	6,380	6,740	7,200	8,010
7,000	6,680	7,070	7,570	(1)
8,000	6,990	7,410	7,940	(1)

[1] Ref. Fig. 1(b)(2) for weight and distance for altitudes above 6,000′.

TABLE 2—EN ROUTE LIMITATIONS

(a) Curtiss model C–46 certificated for maximum weight of 45,000 pounds (based on a climb speed of 113 knots (TIAS)).

Weight (pounds)	Terrain clearance (feet) [1]	Blower setting
45,000	6,450	Low.
44,000	7,000	Do.
43,000	7,550	Do.
42,200	8,000	High.
41,000	9,600	Do.
40,000	11,000	Do.
39,000	12,300	Do.

[1] Highest altitude of terrain over which airplanes may be operated in compliance with § 42.92.

Ref. Fig. 2(a).

(b) Curtiss model C–46 certificated for maximum weight of 48,000 pounds or with engine installation approved for 2,550 revolutions per minute (1,700 brake horsepower). Maximum continuous power in low blower (based on a climb speed of 113 knots (TIAS)).

Weight (pounds)	Terrain clearance (feet) [1]	Blower setting
48,000	5,850	Low.
47,000	6,300	Do.
46,000	6,700	Do.
45,000	7,200	Do.
44,500	7,450	Do.
44,250	8,000	High.
44,000	8,550	Do.
43,000	10,800	Do.
42,000	12,500	Do.
41,000	13,000	Do.

[1] Highest altitude of terrain over which airplanes may be operated in compliance with § 42.92.

Ref. Fig. 2(b).

TABLE 3—LANDING LIMITATIONS

(a) Intended Destination.

"Effective length" of runway required for intended destination when effective length is determined in accordance with section 42.5 with zero wind and zero gradient.

(1) Curtiss model C–46 certificated for maximum weight of 45,000 pounds. (0.60 factor.)

Standard altitude in feet	Airplane weight in pounds and approach speeds [1] in knots							
	40,000	V_{50}	42,000	V_{50}	44,000	V_{50}	45,000	V_{50}
	Distance in feet							
S.L.	4,320	86	4,500	88	4,700	90	4,800	91
1,000	4,440	86	4,620	88	4,830	90	4,930	91
2,000	4,550	86	4,750	88	4,960	90	5,050	91
3,000	4,670	86	4,880	88	5,090	90	5,190	91
4,000	4,800	86	5,000	88	5,220	90	5,320	91
5,000	4,920	86	5,140	88	5,360	90	5,460	91
6,000	5,040	86	5,270	88	5,500	90	5,600	91
7,000	5,170	86	5,410	88	5,650	90	5,750	91
8,000	5,310	86	5,550	88	5,800	90	5,900	91

[1] Steady approach speed through 50-foot height TIAS denoted by symbol V_{50}.

Ref. Fig. 3(a)(1).

(2) Curtiss model C–46 certificated for maximum weight of 48,000 pounds.[1] (0.60 factor.)

Standard altitude in feet	Airplane weight in pounds and approach speeds [1] in knots							
	42,000	V_{50}	44,000	V_{50}	46,000	V_{50}	48,000	V_{50}
	Distance in feet							
S.L.	3,370	80	3,490	82	3,620	84	3,740	86
1,000	3,460	80	3,580	82	3,710	84	3,830	86
2,000	3,540	80	3,670	82	3,800	84	3,920	86
3,000	3,630	80	3,760	82	3,890	84	4,020	86
4,000	3,720	80	3,850	82	3,980	84	4,110	86
5,000	3,800	80	3,940	82	4,080	84	4,220	86
6,000	3,890	80	4,040	82	4,180	84	4,320	86
7,000	3,980	80	4,140	82	4,280	84	4,440	86
8,000	4,080	80	4,240	82	4,390	84	4,550	86

[1] Steady approach speed through 50 height knots TIAS denoted by symbol V_{50}.

Ref. Fig. 3(a)(2).

[1] For use with Curtiss model C–46 airplanes when approved for this weight.

(b) Alternate Airports.

"Effective length" of runway required when effective length is determined in accordance with section 42.5 with zero wind and zero gradient.

(1) Curtiss model C–46 certificated for maximum weight of 45,000 pounds. (0.70 factor.)

Standard altitude in feet	Airplane weight in pounds and approach speeds [1] in knots							
	40,000	V_{50}	42,000	V_{50}	44,000	V_{50}	45,000	V_{50}
	Distance in feet							
S.L.	3,700	86	3,860	88	4,030	90	4,110	91
1,000	3,800	86	3,960	88	4,140	90	4,220	91
2,000	3,900	86	4,070	88	4,250	90	4,340	91
3,000	4,000	86	4,180	88	4,360	90	4,450	91
4,000	4,110	86	4,290	88	4,470	90	4,560	91
5,000	4,210	86	4,400	88	4,590	90	4,680	91
6,000	4,330	86	4,510	88	4,710	90	4,800	91
7,000	4,430	86	4,630	88	4,840	90	4,930	91
8,000	4,550	86	4,750	88	4,970	90	5,060	91

[1] Steady approach speed through 50 foot-height-knots TIAS denoted by symbol V_{50}.

Ref. Fig. 3(b)(1).

(2) Curtiss model C–46 certificated for maximum weight of 48,000 pounds.[1] (0.70 factor.)

Standard altitude in feet	Airplane weight in pounds and approach speeds [1] in knots							
	42,000	V_{50}	44,000	V_{50}	46,000	V_{50}	48,000	V_{50}
	Distance in feet							
S.L.	2,890	80	3,000	82	3,110	84	3,220	86
1,000	2,960	80	3,070	82	3,180	84	3,280	86
2,000	3,040	80	3,150	82	3,260	84	3,360	86
3,000	3,110	80	3,220	82	3,340	84	3,440	86
4,000	3,180	80	3,300	82	3,410	84	3,520	86
5,000	3,260	80	3,380	82	3,500	84	3,610	86
6,000	3,330	80	3,460	82	3,580	84	3,700	86
7,000	3,420	80	3,540	82	3,670	84	3,800	86
8,000	3,500	80	3,630	82	3,760	84	3,900	86

[1] Steady approach speed through 50 foot-height-knots TIAS denoted by symbol V_{50}.

Ref. Fig. 3(b)(2).

(c) Actual length of runway required when effective length, considering obstacles, is not determined in accordance with section 42.5.

(1) Curtiss model C–46 certificated for maximum weight of 45,000 pounds. (0.55 factor.)

Standard altitude in feet	Airplane weight in pounds and approach speeds [1] in knots							
	40,000	V_{50}	42,000	V_{50}	44,000	V_{50}	45,000	V_{50}
	Distance in feet							
S.L.	4,710	86	4,910	88	5,130	90	5,230	91
1,000	4,840	86	5,050	88	5,270	90	5,370	91
2,000	4,960	86	5,180	88	5,410	90	5,510	91
3,000	5,090	86	5,320	88	5,550	90	5,660	91
4,000	5,230	86	5,460	88	5,700	90	5,810	91
5,000	5,360	86	5,600	88	5,850	90	5,960	91
6,000	5,500	86	5,740	88	6,000	90	6,110	91
7,000	5,640	86	5,900	88	6,170	90	6,280	91
8,000	5,790	86	6,050	88	6,340	90	6,450	91

[1] Steady approach speed through 50 foot-height-knots TIAS denoted by symbol V_{50}.

Ref. Fig. 3(c)(1).

[1] For use with Curtiss model C–46 airplanes when approved for this weight.

(2) Curtiss C–46 certificated for maximum weight of 48,000 pounds.[1] (0.55 factor.)

Standard altitude in feet	Airplane weight in pounds and approach speeds [1] in knots							
	42,000	V_{50}	44,000	V_{50}	46,000	V_{50}	48,000	V_{50}
	Distance in feet							
S.L.	3,680	80	3,820	82	3,960	84	4,090	86
1,000	3,770	80	3,910	82	4,050	84	4,180	86
2,000	3,860	80	4,000	82	4,140	84	4,280	86
3,000	3,960	80	4,090	82	4,240	84	4,380	86
4,000	4,050	80	4,190	82	4,340	84	4,490	86
5,000	4,150	80	4,290	82	4,450	84	4,600	86
6,000	4,240	80	4,400	82	4,560	84	4,710	86
7,000	4,350	80	4,510	82	4,670	84	4,840	86
8,000	4,450	80	4,620	82	4,790	84	4,960	86

[1] Steady approach speed through 50 foot-height-knots TIAS denoted by symbol V_{50}.

Ref. Fig. 3(c)(2).

CURTISS C–46 MODELS

Certificated for maximum weight of 45,000 pounds.
Takeoff limitation. Zero wind and zero gradient.
Based on effective takeoff length. (1.00 factor.)
CAR 42.91.

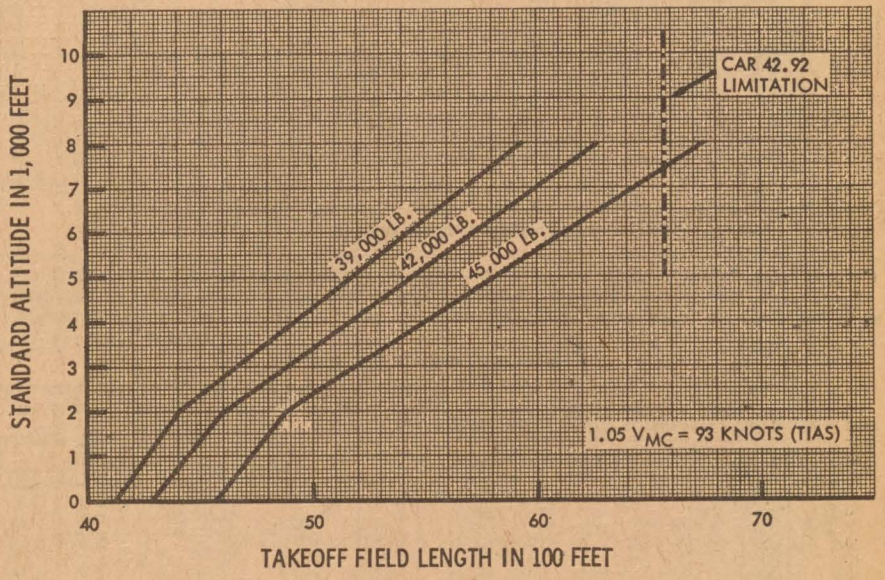

FIGURE 1(a)(1).

Reference Table 1(a)(1).

CURTISS C–46 MODELS

Certificated for maximum weight of 45,000 pounds.
Takeoff limitation. Zero wind and zero gradient.
Based on actual takeoff length when effective length is not determined. (0.85 factor.)

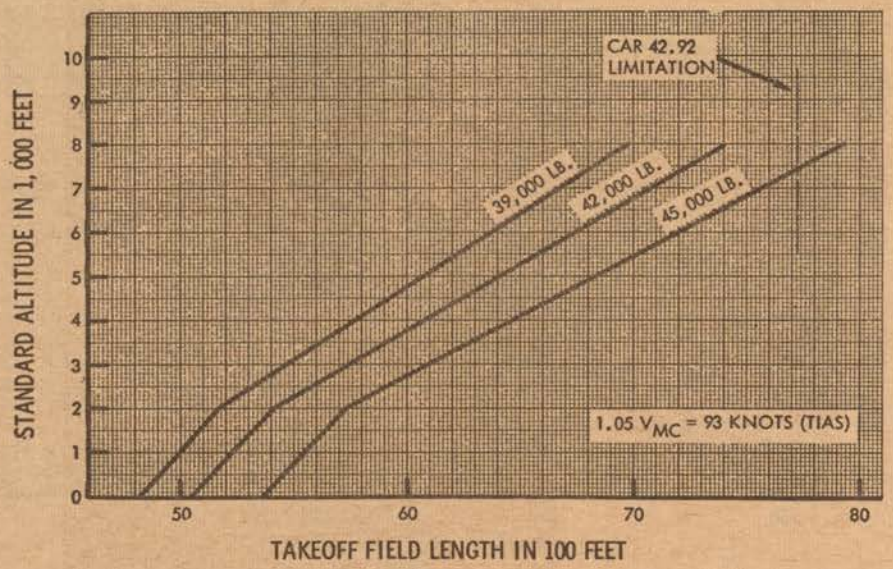

FIGURE 1(a)(2).

Reference Table 1(a)(2).

CURTISS C–46 MODELS

Certificated for maximum weight of 48,000 pounds.
Takeoff limitation. Zero wind and zero gradient.
Based on effective takeoff length. (1.00 factor.)
CAR 42.91.

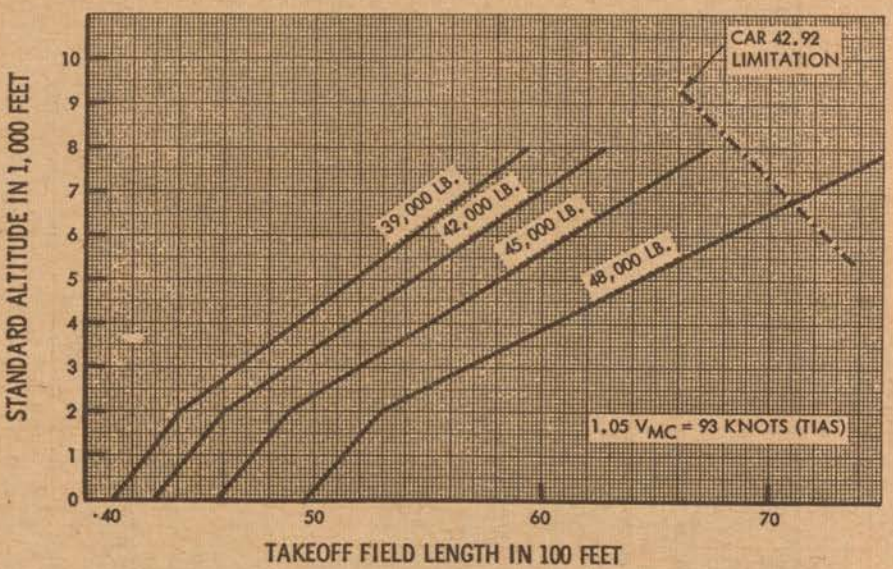

FIGURE 1(b)(1).

Reference Table 1(b)(1).

CURTISS C–46 MODELS

Certificated for maximum weight of 48,000 pounds.
Takeoff limitation. Zero wind and zero gradient.
Based on actual takeoff length when effective length is not determined. (0.85 factor.)

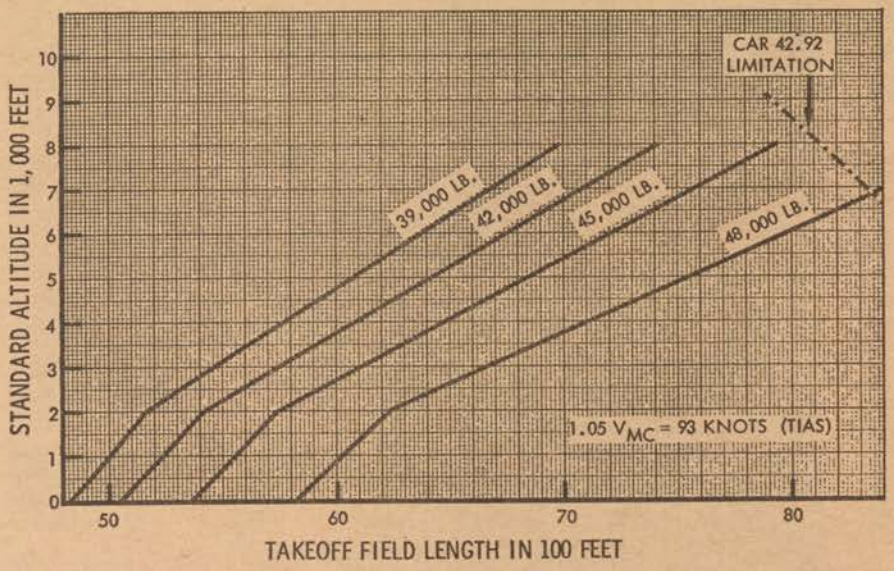

FIGURE 1(b)(2).

Reference Table 1(b)(2).

RUNWAY GRADIENT CORRECTION FOR ACCELERATE-STOP DISTANCE

For C–46 airplanes under CAR 42.91.

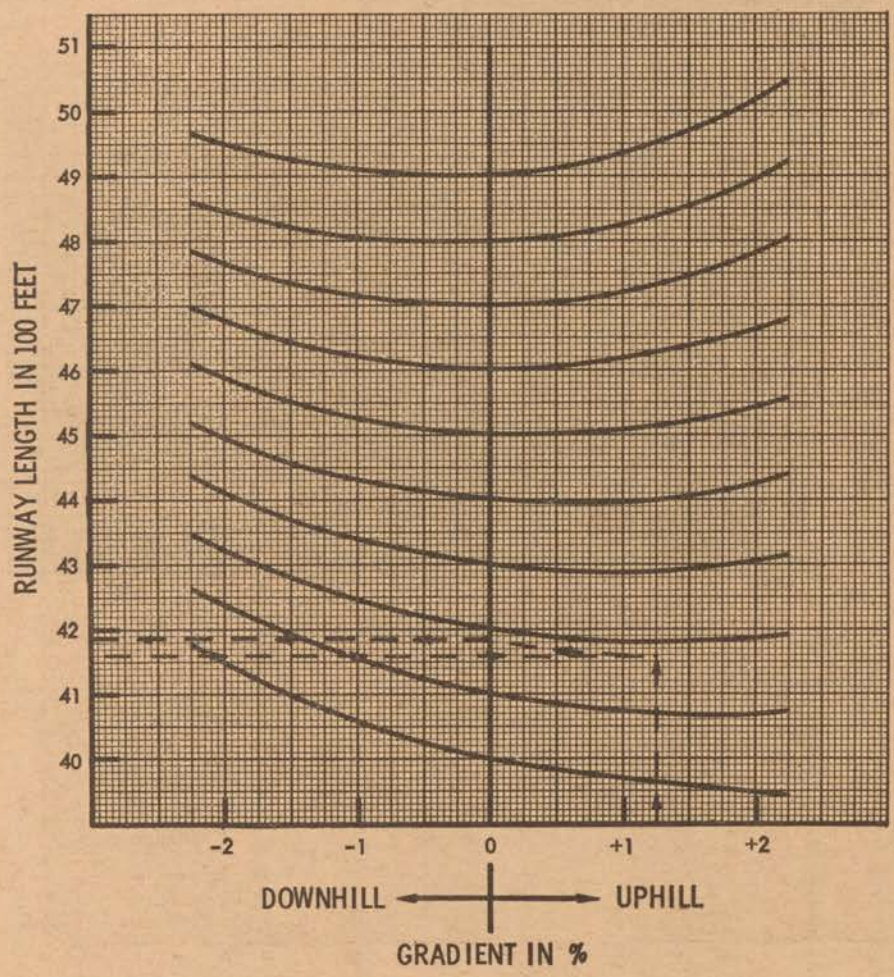

FIGURE 1(c).

January 27, 1964.

En route limitations—One engine inoperative.
CAR 42.92.

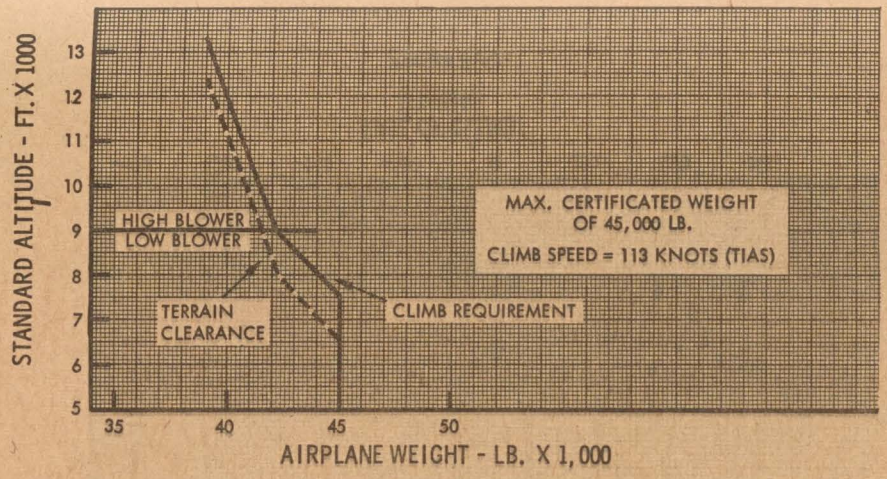

FIGURE 2(a).

Reference Table 2(a).

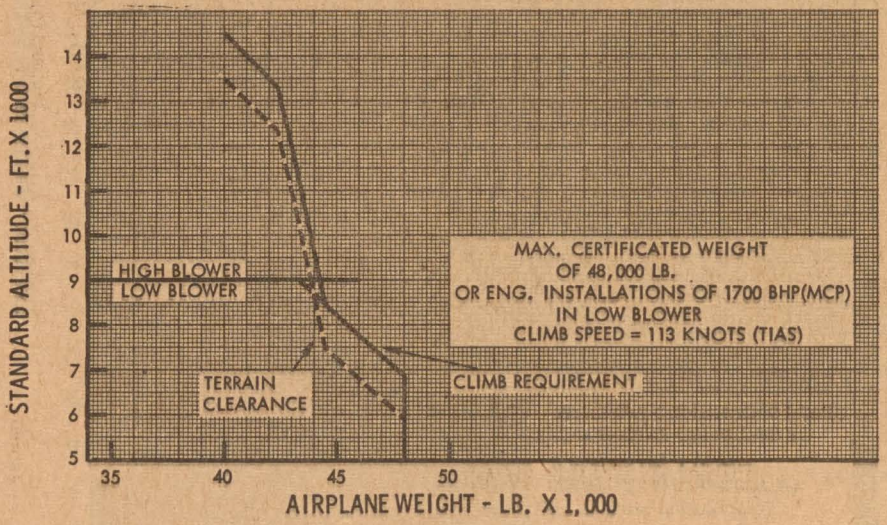

FIGURE 2(b).

Reference Table 2(b).

Drift-Down Chart CAR 42.92.
Single engine en route operation.
METO power on operating engine. T.I.A.S.= 130 mph or 112.7 knots.

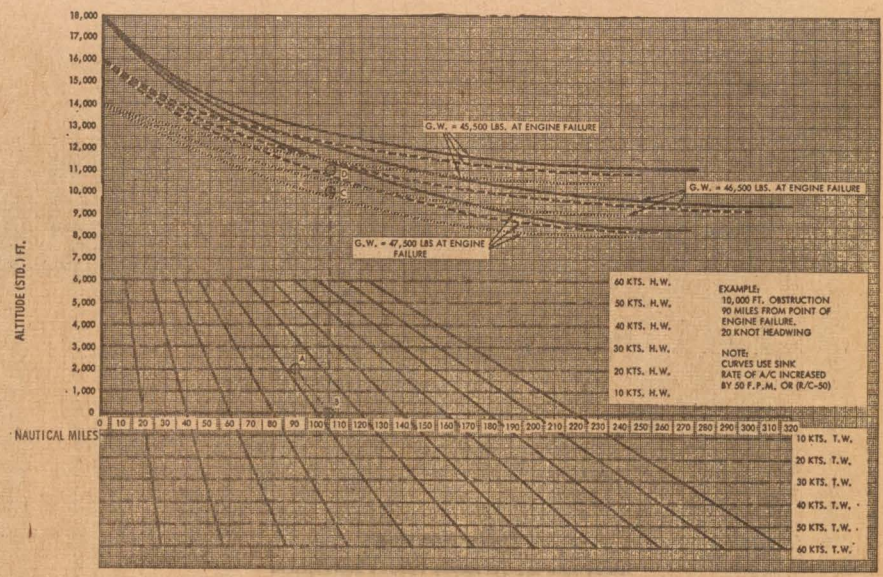

FIGURE 2(c).

C–46 MAXIMUM CERTIFICATED WEIGHT 48,000 POUNDS

En route climb summary.

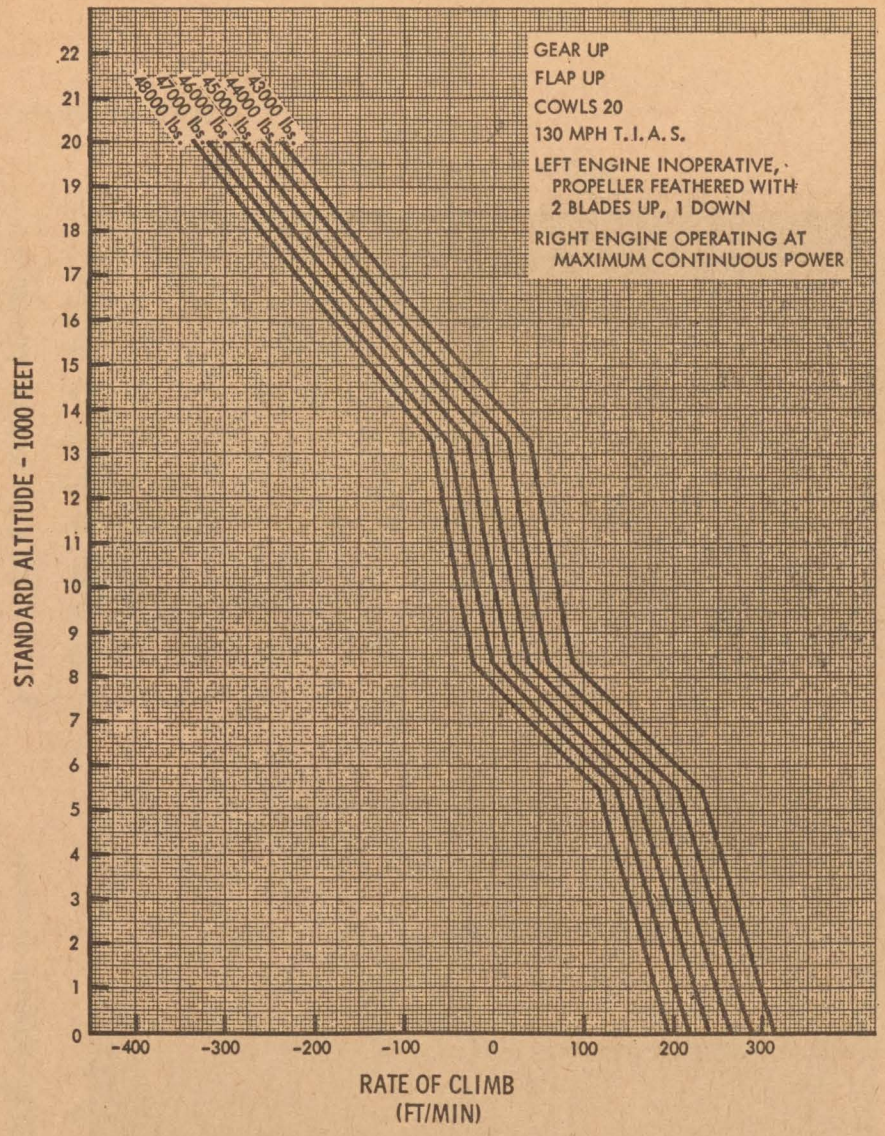

FIGURE 2(d).

CURTISS C–46 MODELS

Certificated for maximum weight of 45,000 pounds.
Landing limitations. Zero wind and zero gradient.
Based on effective landing length at intended destination. (0.60 factor.)
CAR 42.93.

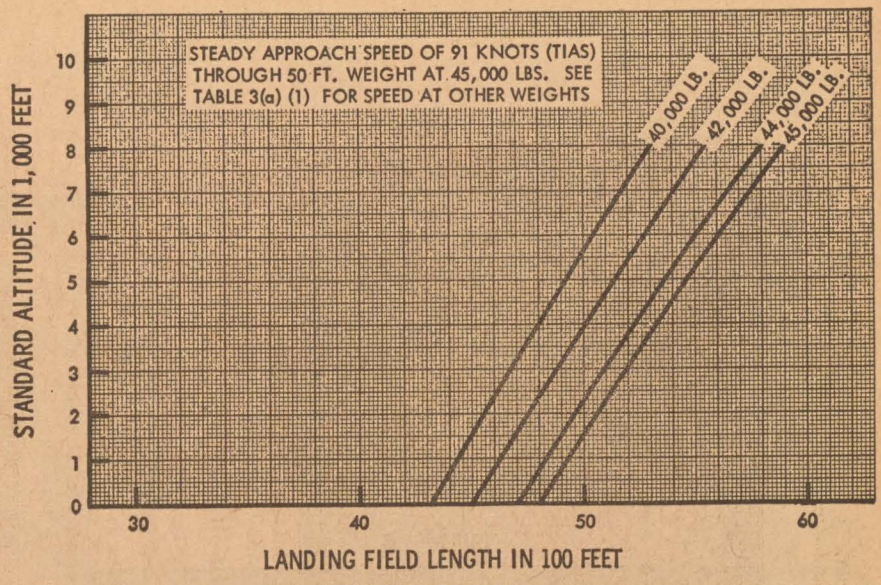

FIGURE 3(a) (1)

CURTISS C–46 MODELS

Certificated for maximum weight of 48,000 pounds.
Landing limitations. Zero wind and zero gradient.
Based on effective landing length at intended destination. (0.60 factor.)
CAR 42.93.

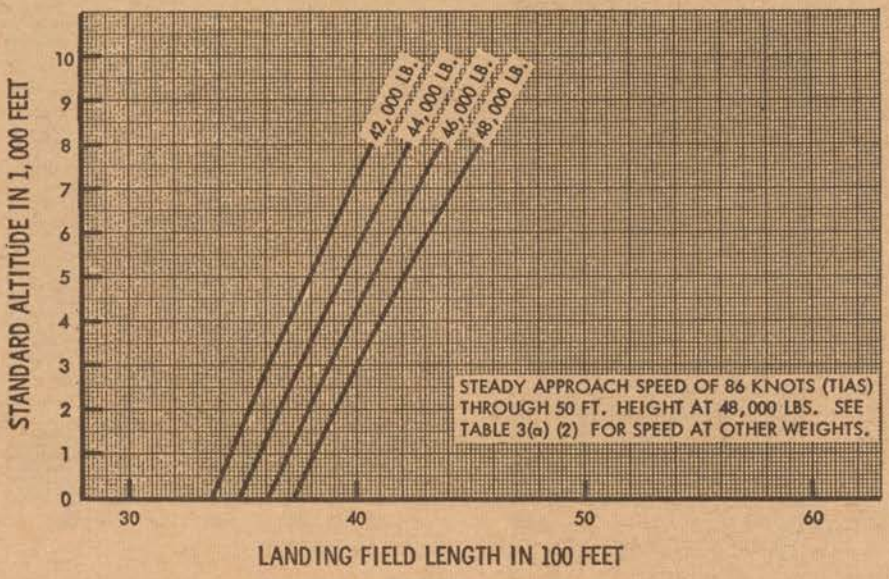

FIGURE 3(a) (2).

CURTISS C–46 MODELS

Certificated for maximum weight of 45,000 pounds.
Landing limitations. Zero wind and zero gradient.
Based on effective landing length at alternate airports. (0.70 factor.)
CAR 42.94.

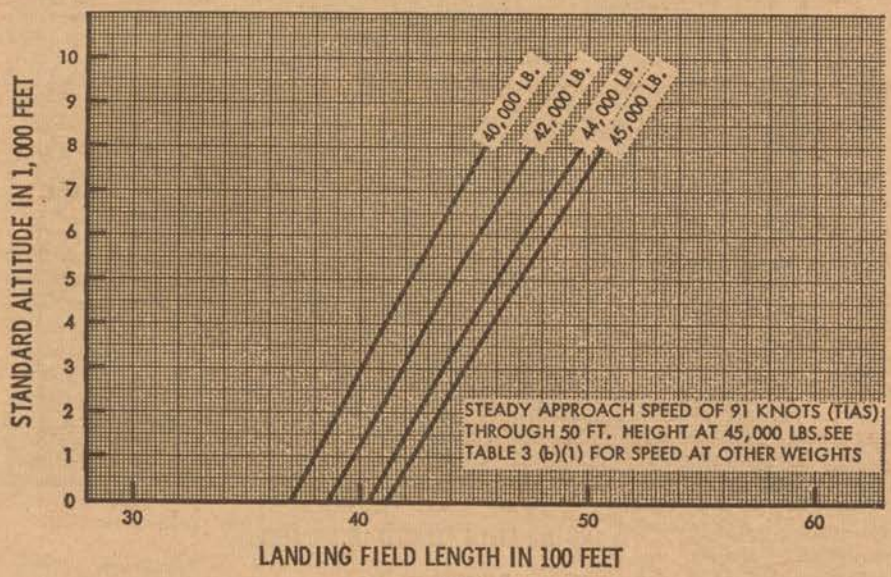

FIGURE 3(b) (1).

CURTISS C–46 MODELS

Certificated for maximum weight of 48,000 pounds.
Landing limitations. Zero wind and zero gradient.
Based on effective landing length at alternate airports. (0.70 factor.)
CAR 42.94.

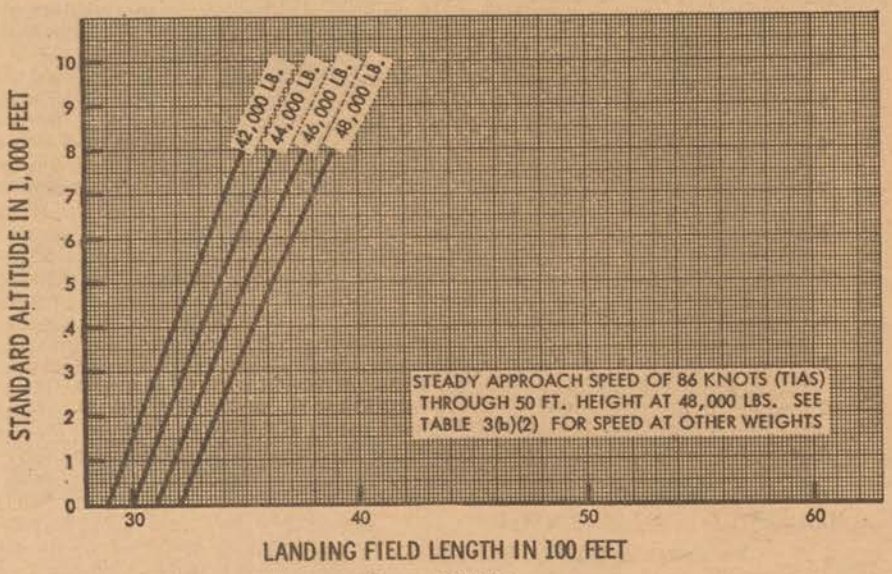

FIGURE 3(b)(2).

CURTISS C–46 MODELS

Certificated for maximum weight of 45,000 pounds.
Landing limitations. Zero wind and zero gradient.
Based on actual landing length when effective length is not determined. (0.55 factor.)

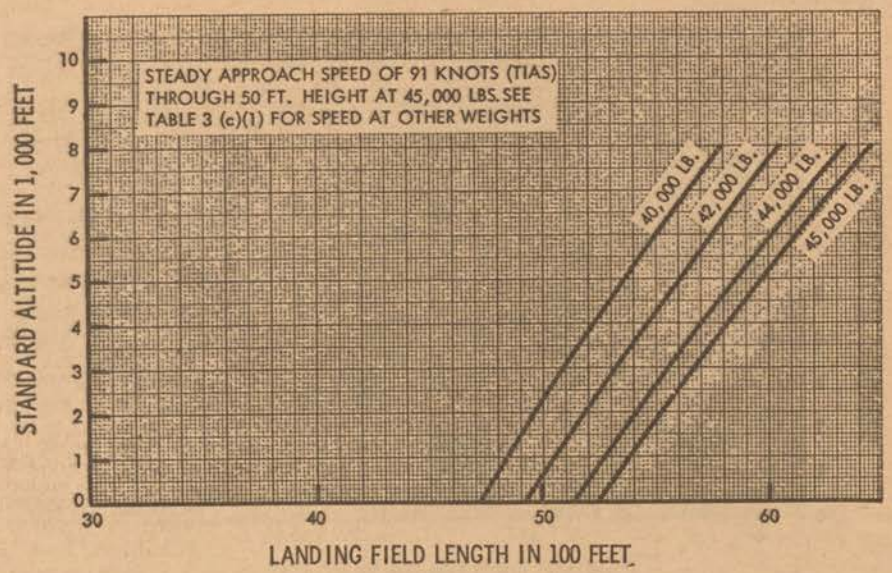

FIGURE 3(c)(1).

CURTISS C-46 MODELS

Certificated for maximum weight of 48,000 pounds.
Landing limitations. Zero wind and zero gradient.
Based on actual landing length when effective length is not determined. (0.55 factor.)

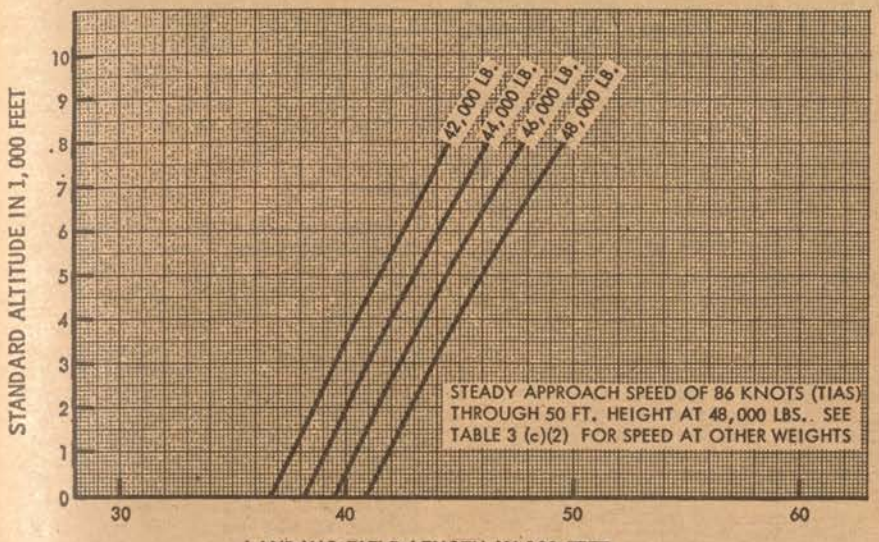

FIGURE 3(c)(2).

[F.R. Doc. 64-6567; Filed, July 2, 1964; 8:45 a.m.]

[Airspace Docket No. 64-CE-19]

PART 71—DESIGNATION OF FEDERAL AIRWAYS, CONTROLLED AIRSPACE, AND REPORTING POINTS [NEW]

Alteration of a Control Zone

The purpose of this amendment to Part 71 [New] of the Federal Aviation Regulations is to alter the present description of the Jackson, Mich., control zone. The Jackson radio beacon is scheduled for decommissioning on June 30, 1964. The prescribed instrument approach procedure based on the 313° bearing from the radio beacon is scheduled for cancellation concurrently with the decomissioning. Therefore, the pertinent control zone extension is no longer required.

Since this amendment imposes no additional burden on any person, notice and public procedure hereon are unnecessary and the amendment may be made effective June 30, 1964.

In consideration of the foregoing, Part 71 [New] of the Federal Aviation Regulations is amended as hereinafter set forth.

In § 71.171 (29 F.R. 1101), the Jackson, Mich., control zone is amended by deleting "within 2 miles each side of the 313° bearing from the Jackson RBN, extending from the 5-mile radius zone to 8 miles northwest of the RBN," from the text.

(Sec. 307(a) of the Federal Aviation Act of 1958; 49 U.S.C. 1348)

Issued in Washington, D.C., on June 26, 1964.

DANIEL E. BARROW,
Chief, Airspace Regulations and Procedures Division.

[F.R. Doc. 64-6614; Filed, July 2, 1964; 8:46 a.m.]

[Airspace Docket No. 64-SW-36]

PART 73—SPECIAL USE AIRSPACE [NEW]

Alteration of Restricted Area

The purpose of this amendment to § 73.24 of the Federal Aviation Regulations is to change the controlling agency of the Fort Chaffee, Ark., Restricted Area R-2401 and R-2402 from the "Federal Aviation Agency, Fort Worth ARTC Center" to the "Federal Aviation Agency, Memphis ARTC Center."

The Fort Chaffee restricted areas lie within the control area recently transferred from the Fort Worth ARTC Center to the Memphis ARTC Center in an adjustment by the Federal Aviation Agency designed for more efficient use of the nation's airspace. Therefore, action is taken herein to amend the controlling agency of these restricted areas.

Since this amendment imposes no additional burden on the public, notice and public procedure hereon are unnecessary.

In consideration of the foregoing, § 73.24 (29 F.R. 1237) is amended as follows:

In R-2401 Fort Chaffee, Ark., and R-2402 Fort Chaffee, Ark., "Controlling Agency. Federal Aviation Agency, Fort Worth ARTC Center." is deleted and "Controlling Agency. Federal Aviation Agency, Memphis ARTC Center." is substituted therefor.

This amendment shall become effective 0001 e.s.t., July 1, 1964.

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

Issued in Washington, D.C., on June 26, 1964.

LEE E. WARREN,
Director, Air Traffic Service.

[F.R. Doc. 64-6616; Filed, July 2, 1964; 8:46 a.m.]

[Airspace Docket No. 64-CE-10]

PART 73—SPECIAL USE AIRSPACE [NEW]

Alteration of Restricted Area

The purpose of this amendment to Part 73 [New] of the Federal Aviation Regulations is to alter the Sheboygan, Wis., restricted area R-6903. The Department of the Air Force has requested that the designation of R-6903 be amended to reduce the Time of Designation between October 1 and April 30, annually, from 0800 to 1600 c.s.t., daily to 0800 to 1600 c.s.t., Saturday and Sunday.

Since this amendment imposes no additional burden on any person, notice and public procedure hereon are unnecessary and the amendment may be made effective immediately.

In consideration of the foregoing, Part 73 [New] of the Federal Aviation Regulations is amended, effective immediately, as hereinafter set forth.

In § 73.69 (29 F.R. 1283) the R-6903 Sheboygan, Wis., restricted area is amended by deleting "*Time of designation.* 0600 to 2200 c.s.t., May 1 through September 30, and from 0800 to 1600 c.s.t., October 1 through April 30." and substituting "*Time of designation.* 0600 to 2200 c.s.t., May 1 through September 30, and from 0800 to 1600 c.s.t., Saturday and Sunday, October 1 through April 30." therefor.

(Sec. 307(2) of the Federal Aviation Act of 1958; 49 U.S.C. 1348)

Issued in Washington, D.C., on June 26, 1964.

LEE E. WARREN,
Director, Air Traffic Service.

[F.R. Doc. 64-6615; Filed, July 2, 1964; 8:46 a.m.]

Chapter III—Federal Aviation Agency

SUBCHAPTER C—AIRCRAFT REGULATIONS

[Reg. Docket No. 6072; Amdt. 756]

PART 507—AIRWORTHINESS DIRECTIVES

Boeing Models 707-300B and -300C Series Aircraft

Several instances of cracks have occurred in the flanges of the fillet flap drive screw support assembly on Boeing Models 707-300B and -300C Series aircraft. To correct this condition, an airworthiness directive is being issued to require inspection of the upper and lower inboard and outboard flanges of the fillet flap drive screw support assembly and repair if any parts are found cracked.

As a situation exists which demands immediate adoption of this regulation, it is found that notice and public procedure hereon are impracticable and good cause exists for making this amendment effective in less than 30 days after the date of publication in the FEDERAL REGISTER.

In consideration of the foregoing, and pursuant to the authority delegated to me by the Administrator (25 F.R. 6489), § 507.10(a) of Part 507 (14 CFR Part 507), is hereby amended by adding the following new airworthiness directive:

BOEING. Applies to all Models 707-300B and 707-300C Series aircraft listed in Boeing Service Bulletin No. 1962(R-1).

Compliance required as indicated.

Cracks have occurred in the flange of the left and right fillet flap drive support assembly, P/Ns 65-22244-1 and -2. In each instance the crack originated in the lower inboard flange area of the subject assemblies. To correct this condition, accomplish the following:

(a) Within 30 hours' time in service after the effective date of this AD, unless already accomplished within the last 100 hours' time in service, and thereafter at periods not to exceed 130 hours' time in service from the last inspection, visually inspect the upper and lower inboard and outboard flanges of the fillet flap drive screw support assemblies, P/Ns 65-22244-1 and -2 for cracks. Parts found to be cracked shall be repaired before further flight in accordance with either paragraph (b), (c), or (d).

(b) Repair cracks before further flight in accordance with Boeing Service Bulletin No. 1962(R-1), Paragraph 3, Part II, "Repair Data", or later FAA-approved revisions; or in a manner approved by the Chief, Aircraft Engineering Division, FAA Western Region.

(c) Stop drill the crack(s) in the flange with 0.25 inch hole(s) and shim in accordance with step "D", Part II, of Service Bulletins Nos. 1962(R-1) and 1962(R-1)A, and do not remove the flange.

NOTE: In this case the flange would serve as the filler.

(d) If the maximum total length of the crack or the series of cracks does not exceed 6 inches in the upper and lower outboard flanges and 2 inches in the upper and lower inboard flanges:

(1) Stop drill any crack or cracks with a 0.25 inch hole.

(2) Visually inspect cracks daily which have been stop drilled, for growth or propagation beyond the stop drill hole. If any growth is noted, additional stop drilling is required with the total crack length including propagation not to exceed the limits specified above. If a crack or cracks are found which exceed these limits, they must be repaired before further flight in accordance with paragraph (b) or (c).

(3) Accomplish a permanent repair in accordance with paragraph (b) or (c) within 125 hours' time in service after crack detection.

(e) When a permanent repair of cracked flanges is accomplished in accordance with paragraph (b) or (c) or if the preventive modification of uncracked flanges in Part III of Service Bulletins Nos. 1962(R-1), 1962(R-1)A, or later FAA-approved revisions is accomplished, the repetitive inspections specified in paragraph (a) may be discontinued.

(f) Upon request of an operator, an FAA maintenance inspector, subject to prior approval of the Chief, Aircraft Engineering Division, FAA Western Region, may adjust the repetitive inspection intervals specified in this AD to permit compliance at an established inspection period of the operator if the request contains substantiating data to justify the increase for such operator.

(Boeing Service Bulletins Nos. 1962(R-1) and 1962(R-1)A cover this same subject.)

This amendment shall become effective July 8, 1964.

(Secs. 313(a), 601, 603; 72 Stat. 752, 775, 776; 49 U.S.C. 1354(a), 1421, 1423)

Issued in Washington, D.C., on June 29, 1964.

W. LLOYD LANE,
Acting Director,
Flight Standards Service.

[F.R. Doc. 64-6617; Filed, July 2, 1964; 8:47 a.m.]

Title 35—PANAMA CANAL

Chapter I—Canal Zone Regulations

PART 4—OPERATION AND NAVIGATION OF PANAMA CANAL AND ADJACENT WATERS

Maximum Speed of Vessels and Motorboats

Effective upon publication in the FEDERAL REGISTER, § 4.282 is amended and a new § 4.306 is added to read as follows:

§ 4.282 Maximum speed of vessels.

(a) A vessel in Canal Zone waters shall not exceed the speeds designated below, except in an emergency:

	Knots
Atlantic entrance to Gatun Locks	12
Gatun Lake in a 1,000-foot channel	18
Gatun Lake in an 800-foot channel	15
Gatun Lake in a 500-foot channel	12
When rounding Buoy No. 17 in Gatun Reach northbound	10
Gaillard Cut (in the straight reaches):	
Vessels under 300 feet in length	8
Vessels 300 feet or more in length:	
In 500-foot channel	8
In 300-foot channel (or as near 6 knots as possible on dead slow or in order to maintain steerageway)	6
Gamboa: When passing reserve fleet basin, concrete dock, or floating crane berth; and when entering Gaillard Cut	6
Miraflores Locks to Buoy No. 14	6
Buoy No. 14 to Pacific entrance	12

(b) A vessel in Canal Zone waters at locations other than those specified in subsection (a) of this section, including Gatun Anchorage, when rounding Bohio and Darien Bends, Miraflores Lake, and in or near the locks, shall not exceed a speed that is safe under the existing circumstances and conditions, except in an emergency.

(c) This section does not apply to motorboats, as defined in § 4.306(b) or to vessels of the Panama Canal Company.

§ 4.306 Maximum speed of motorboats and Panama Canal Company vessels.

(a) Motorboats and vessels of the Panama Canal Company when under way in Canal Zone waters shall proceed at a speed which is reasonable under the existing circumstances and conditions and which does not create a hazard to life or property.

(b) For the purposes of this section, a motorboat is defined as a vessel propelled by machinery and not more than sixty-five feet in length as measured from end to end over the deck.

[2 C.Z.C. sec. 1331, 76A Stat. 46; E.O. 9746, 11 F.R. 7329, 3 CFR, 1943-1948 Comp.; E.O. 10595, 20 F.R. 819, 3 CFR, 1954-1958 Comp.; 35 CFR 4.281]

ROBERT J. FLEMING, Jr.,
Governor.

JUNE 24, 1964.

[F.R. Doc. 64-6649; Filed, July 2, 1964; 8:49 a.m.]

Title 49—TRANSPORTATION

Chapter I—Interstate Commerce Commission

SUBCHAPTER A—GENERAL RULES AND REGULATIONS

PART 6—FEES, FOR COPYING, CERTIFICATION AND SERVICES IN CONNECTION THEREWITH

Charges

JUNE 30, 1964.

Paragraph (h) of § 6.1 *Charges*, of the Commission's Regulations In the Matter of Fees for Copying, Certification and Services in Connection Therewith, is amended to read as follows:

(h) Transcript of testimony and of oral argument, or extracts therefrom, may be purchased by the public from the Commission's official reporter. For the fiscal year beginning July 1, 1964, the official reporter is the CSA Reporting Corporation, 939 D Street NW., Washington, D.C., and transcripts will be furnished to the public at the following maximum rates per page of approximately 200 words:

85 cents per page for hearings or arguments held at Washington, D.C., and

95 cents per page for hearings or arguments held at points in the United States other than Washintgon, D.C., and other than in the States of Alaska and Hawaii.

Application for copies and payment therefor should be made direct to the official reporter.

(Sec. 501, 65 Stat. 290; 5 U.S.C. 140)

[SEAL] HAROLD D. MCCOY,
Secretary.

NOTE: The following statement of policy relating to the matter of the official reporting service for the Interstate Commerce Commission, dated June 11, 1964, is attached to the original document.

During the past five years, the Commission has experienced serious difficulty obtaining responsive bids for its reporting services contract. Only one responsive bid was received each year during this period. For fiscal year 1965, beginning July 1, 1964, the Commission received no responsive bids to its invitation for bids on the contract for reporting services.

The lack of bidders for the contract results from the steadily decreasing sales of copies of the official transcript by the Official Reporter. It was brought to the Commission's attention that the decrease in sales is directly connected with the recopying of the transcript by the Practitioners in Commission proceedings from sources other than the Official Reporter. On a number of occasions the members of the Commission's bar through their committee representatives have been informed by the Commission that the continuance of the practice of recopying transcripts by sources other than the Official Reporter would jeopardize efforts to obtain bidders for contracts for reporting services. However, despite assurances that the unofficial recopying practice would be discouraged, there has been little affect upon the sales of official copies. The sale of official copies has continued to decrease with the result that, as stated, no responsive bids were received to the Commission's recent invitation for bids for the reporting contract for fiscal year 1965.

Since the present contract for reporting services expires June 30, 1964, the Commission was confronted with the serious situation of having no reporter service available

to record the hundreds of hearings scheduled for July 1964 as well as those which will be held during the remainder of the year. In order to prevent a cessation of Commission proceedings, steps were immediately taken to negotiate a contract with the present Official Reporter. These negotiations were successfully concluded only after the contractor was assured that the Commission would take affirmative measures to discourage the practice of recopying transcripts of hearings by unofficial sources. In addition, the Commission agreed to permit the contractor to cancel the field portion of the contract upon 30 day's notice in the event that these measures proved unsuccessful.

The Commission having been informed of this matter announces the following statement of policy:

The Commission has determined that it is in the public interest to limit to the fullest extent possible the cost of purchases of the official transcripts by the general public. In addition, the Commission is aware that the Official Reporter's ability to perform the duties set forth in the contract will be seriously impaired if his sales of copies of these official transcripts decrease, and that this would adversely affect the Commission's ability to perform its statutory duties to the detriment of the public interest. Practitioners before the Commission have a duty to uphold the policies of the Commission with respect to its procedures; therefore, it is the Commission's firm policy to discourage the reproduction of copies of transcript from any source other than the Official Reporter. A statement of the Commission's policy shall be made by the Hearing Officer or by a Joint Board in each Commission proceeding.

[F.R. Doc. 64-6632; Filed, July 2, 1964; 8:52 a.m.]

[S.O. 951; Amdt. 1]

PART 95—CAR SERVICE

Union Pacific Railroad Authorized To Operate Over Industrial Trackage of the Freeport Center, Inc.

At a session of the Interstate Commerce Commission, Safety and Service Board No. 1, held in Washington, D.C., on the 29th day of June A.D. 1964.

Upon further consideration of Service Order No. 951 (29 F.R. 1386) and good cause appearing therefor:

It is ordered, That:

Section 95.951 (a) *Union Pacific Railroad authorized to operate over industrial trackage of the Freeport Center, Inc.,* of Service Order No. 951, be, and it is hereby amended by substituting the following paragraph (f) for paragraph (f) thereof:

§ 95.951 Service Order 951.

* * * * *

(e) *Effective date.* This amendment shall become effective at 11:59 p.m., June 30, 1964.

(f) Expiration date: This order shall expire at 11:59 p.m., December 31, 1964, unless otherwise modified, changed, suspended, or annulled by order of this Commission.

(Secs. 1, 12, 15, 24 Stat. 379, 383, 384, as amended; 49 U.S.C. 1, 12, 15. Interprets or applies secs. 1(10–17), 15(4), 40 Stat. 101, as amended 54 Stat. 911, 49 U.S.C. 1(10–17), 15(4))

It is further ordered, That copies of this amendment shall be served upon the Department of Business Regulation—Public Service Commission, State of Utah, and upon the Association of American Railroads, Car Service Division, as agent of the railroads subscribing to the car service and per diem agreement under the terms of that agreement; and that notice of this order shall be given to the general public by depositing a copy in the office of the Secretary of the Commission at Washington, D.C., and by filing it with the Director, Office of the Federal Register.

By the Commission, Safety and Service Board No. 1.

[SEAL] HAROLD D. McCOY, *Secretary.*

[F.R. Doc. 64-6653; Filed, July 2, 1964; 8:50 a.m.]

[S. O. 952; Amdt. 1]

PART 95—CAR SERVICE

Denver and Rio Grande Western Railroad Authorized To Operate Over Industrial Trackage of the Freeport Center, Inc.

At a Session of the Interstate Commerce Commission, Safety and Service Board No. 1, held in Washington, D.C., on the 29th day of June A.D. 1964.

Upon further consideration of Service Order No. 952 (29 F.R. 1386) and good cause appearing therefor:

It is ordered, That:

Section 95.952(a) *Denver and Rio Grande Western Railroad authorized to operate over industrial trackage of the Freeport Center, Inc.,* of Service Order No. 952, be, and it is hereby amended by substituting the following paragraph (f) for paragraph (f) thereof:

§ 95.952 Service Order 952.

* * * * *

(e) Effective date: This amendment shall become effective at 11:59 p.m., June 30, 1964.

(f) Expiration date: This order shall expire at 11:59 p.m., December 31, 1964, unless otherwise modified, changed, suspended, or annulled by order of this Commission.

(Secs. 1, 12, 15, 24 Stat. 379, 383, 384, as amended; 49 U.S.C. 1, 12, 15. Interprets or applies secs. 1(10–17), 15(4), 40 Stat. 101, as amended, 54 Stat. 911, 49 U.S.C. 1(10–17), 15(4))

It is further ordered, That copies of this amendment shall be served upon the Department of Business Regulation—Public Service Commission, State of Utah, and upon the Association of American Railroads, Car Service Division, as agent of the railroads subscribing to the car service and per diem agreement under the terms of that agreement; and that notice of this order shall be given to the general public by depositing a copy in the office of the Secretary of the Commission at Washington, D.C., and by filing it with the Director, Office of the Federal Register.

By the Commission, Safety and Service Board No. 1.

[SEAL] HAROLD D. McCOY, *Secretary.*

[F.R. Doc. 64-6654; Filed, July 2, 1964; 8:50 a.m.]

[Sixth Rev. S. O. 95; Amdt. 2]

PART 95—CAR SERVICE

Appointment of Refrigerator Car Agent

At a Session of the Interstate Commerce Commission, Safety and Service Board No. 1, in Washington, D.C. on the 29th day of June A.D. 1964.

Upon further consideration of Sixth Revised Service Order No. 95 (27 F.R. 6234; 28 F.R. 6510) and good cause appearing therefor:

It is ordered, That:

Section 95.95 *Appointment of refrigerator car agent* of Sixth Revised Service Order No. 95, be, and it is hereby amended by substituting the following paragraph (d) for paragraph (d) thereof:

§ 95.95 Service Order 95.

* * * * *

(c) Effective date: This amendment shall become effective at 11:59 p.m., June 30, 1964.

(d) Expiration date: This order shall expire at 11:59 a.m., June 30, 1965, unless otherwise modified, changed, suspended, or annulled by the order of this Commission.

(Sec. 1, 12, 15, 24 Stat. 379, 383, 384, as amended; 49 U.S.C. 1, 12, 15. Interprets or applies sec. 1(10–17), 15(4), 40 Stat. 101, as amended, 54 Stat. 911; 49 U.S.C. 1(10–17), 15(4))

It is further ordered, That a copy of this amendment shall be served upon the Association of American Railroads, Car Service Division, as agent of the railroads subscribing to the car service and per diem agreement under the terms of that agreement; and that notice of this amendment be given to the general public by depositing a copy in the Office of the Secretary of the Commission at Washington, D.C., and by filing it with the Director, Office of the Federal Register.

By the Commission, Safety and Service Board No. 1.

[SEAL] HAROLD D. McCOY, *Secretary.*

[F.R. Doc. 64-6655; Filed, July 2, 1964; 8:50 a.m.]

[S.O. 941; Amdt. 3]

PART 95—CAR SERVICE

Chicago and North Western Railway Company Authorized To Operate Over Certain Trackage of the Chicago North Shore and Milwaukee Railway

At a Session of the Interstate Commerce Commission, Safety and Service Board No. 1, held in Washington, D.C., on the 29th day of June A.D. 1964.

Upon further consideration of Service Order No. 941 (28 F.R. 645, 3917, 14225) and good cause appearing therefor:

It is ordered, That:

Section 95.941(a) *Chicago and North Western Railway Company authorized to operate over certain trackage of the Chicago North Shore and Milwaukee Railway* of Service Order No. 941, be, and it is hereby amended by substituting the

following paragraph (g) for paragraph (g) thereof:

§ 95.941 Service Order 941.

* * * * *

(f) Effective date: This amendment shall become effective at 11:59 p.m., June 30, 1964.

(g) Expiration date: This order shall expire at 11:59 p.m., December 31, 1964, unless otherwise modified, changed, suspended, or annulled by order of this Commission.

(Secs. 1, 12, 15, 24 Stat. 379, 383, 384, as amended; 49 U.S.C. 1, 12, 15. Interprets or applies secs. 1(10–17), 15(4), 40 Stat. 101, as amended, 54 Stat. 911; 49 U.S.C. 1(10–17), 15(4))

It is further ordered, That a copy of this amendment shall be served upon the Association of American Railroads, Car Service Division, as agent of the railroads subscribing to the car service and per diem agreement under the terms of that agreement; and that notice of this amendment be given to the general public by depositing a copy in the office of the Secretary of the Commission at Washington, D.C., and by filing it with the Director, Office of the Federal Register.

By the Commission, Safety and Service Board No. 1.

[SEAL] HAROLD D. McCOY, *Secretary.*

[F.R. Doc. 64–6656; Filed, July 2, 1964; 8:50 a.m.]

[S.O. 942; Amdt. 3]

PART 95—CAR SERVICE

Feather River Railway Company Authorized To Operate Over Certain Trackage Formerly Operated by the Western Pacific Railroad Company

At a Session of the Interstate Commerce Commission, Safety and Service Board No. 1, held in Washington, D.C., on the 29th day of June A.D. 1964.

Upon further consideration of Service Order No. 942 (28 F.R. 826, 6016, 14225) and good cause appearing therefor:

It is ordered, That:

Section 95.942(a) *Feather River Railway Company authorized to operate over certain trackage formerly operated by the Western Pacific Railroad Company* of Service Order No. 942, be, and it is hereby amended by substituting the following paragraph (e) for paragraph (e) thereof:

§ 95.942 Service Order 942.

* * * * *

(d) Effective date: This amendment shall become effective at 11:59 p.m., June 30, 1964.

(e) Expiration date: This order shall expire at 11:59 p.m., December 31, 1964, unless otherwise modified, changed, suspended, or annulled by order of this Commission.

(Secs. 1, 12, 15, 24 Stat. 379, 383, 384, as amended; 49 U.S.C. 1, 12, 15. Interprets or applies secs. 1(10–17), 15(4), 40 Stat. 101, as amended, 54 Stat. 911; 49 U.S.C. 1(10–17), 15(4))

It is further ordered, That copies of this amendment shall be served upon the Feather River Railway Company, the Public Utilities Commission of the State of California, and upon the Association of American Railroads, Car Service Division, as agent of the railroads subscribing to the car service and per diem agreement under the terms of that agreement; and that notice of this order shall be given to the general public by depositing a copy in the office of the Secretary of the Commission at Washington, D.C., and by filing it with the Director, Office of the Federal Register.

By the Commission, Safety and Service Board No. 1.

[SEAL] HAROLD D. McCOY, *Secretary.*

[F.R. Doc. 64–6657; Filed, July 2, 1964; 8:51 a.m.]

[Ex Parte Nos. MC–40, MC–40 (Sub No. 1) MC–40 (Sub No. 3)]

SUBCHAPTER B—CARRIERS BY MOTOR VEHICLE

PART 191—QUALIFICATIONS OF DRIVERS

PART 193—PARTS AND ACCESSORIES NECESSARY FOR SAFE OPERATION

PART 194—REPORTING OF ACCIDENTS

PART 195—HOURS OF SERVICE OF DRIVERS

Qualifications and Maximum Hours of Service of Employees of Motor Carriers and Safety of Operation and Equipment

At a session of the Interstate Commerce Commission, Motor Carrier Board No. 2, held at its office in Washington, D.C., on the 25th day of June A.D. 1964.

The matter of qualifications of drivers, parts and accessories necessary for safe operation, reporting of accidents, and hours of service of drivers, under the Motor Carrier Safety Regulations prescribed by Order of April 14, 1952, as amended, being under consideration; and

The matter of revision of §§ 191.2(b), 191.8, and 191.10 only insofar as they relate to obsolete grandfather dates and the possible authorization upon request to maintain certificates of physical examination at other than the carrier's principal place of business, the matter of revision of § 193.20 to clarify the position of clearance lamps on towed units, the matter of revision of Part 194 only to vacate § 194.6 to eliminate the necessity for motor carriers to maintain more than one copy of Form BMC 50T or Form BMC 50B in their files, the matter of revision of § 193.95(f)(4) to be in conformance with provisions of § 192.25, the matter of revision of § 195.8(r) to permit motor carriers to accept a statement certifying as to previous hours on duty in lieu of copies of drivers' daily logs when using a driver for the first time or intermittently, the matter of revision of § 195.2(b) to delete the distance restriction stated in § 195.2(b), being under consideration; and

It appearing, that deletion of § 194.6 (49 CFR 194.6) of the Code of Federal Regulations from the Motor Carrier Safety Regulations is warranted, and

It further appearing, that a petition filed by Swift and Company dated November 13, 1963, requests that § 191.10 of the Code of Federal Regulations be amended; that a petition filed by the National Association of Motor Bus Owners on February 6, 1964, requests that a new Part 199 be approved to grant certain relief from Parts 191, 193, 195, and 196 of the Code of Federal Regulations for buses trip leased by passenger carriers from certificated motor carriers of passengers; and

It further appearing, that amendment of §§ 191.2(b), 191.8, 191.10, 193.20, 193.95(f)(4), 195.2(b), and 195.8(r) (49 CFR 191.2(b), 191.8, 191.10, 193.20, 193.95(f)(4), 195.2(b), and 195.8(r)) of the Code of Federal Regulations, relating to qualifications of drivers, parts and accessories necessary for safe operation, reporting of accidents and hours of service of drivers, is warranted and good cause appearing therefor; and

It further appearing, that pursuant to section 4(a) of the Administrative Procedure Act (60 Stat. 237, 5 U.S.C. 1003) for good cause it is found that notice of proposed rule making is unnecessary;

Upon consideration of the record and good cause appearing therefor:

It is ordered, That § 194.6 (49 CFR 194.6) of the Code of Federal Regulations be, and it is hereby vacated.

It is ordered, That §§ 191.2(b), 191.8, 191.10, 193.20, 193.95(f)(4), 195.2(b), and 195.8(r) (49 CFR 191.2(b), 191.8, 191.10, 193.20, 193.95(f)(4), 195.2(b), and 195.8(r)) of the Code of Federal Regulations be, and they are hereby amended to read as follows:

§ 191.2 Minimum requirements.

* * * * *

(b) *Eyesight.* Visual acuity of at least 20/40 (Snellen) in each eye either without glasses or by correction with glasses; form field of vision in the horizontal meridian shall not be less than a total of 140 degrees; ability to distinguish colors red, green, and yellow; drivers requiring correction by glasses shall wear properly-prescribed glasses at all times when driving.

* * * * *

§ 191.8 Original physical examination of drivers.

No person shall drive nor shall any motor carrier require or permit any person to drive any motor vehicle unless such person shall have been physically examined and shall have been certified by a licensed doctor of medicine or osteopathy as meeting the requirements of § 191.2: *Provided, however,* That this section shall not apply to drivers of motor vehicles controlled and operated by any farmer when used in the transportation of agricultural commodities or products thereof from his farm, or in the transportation of supplies to his farm.

§ 191.10 Certificate of physical examination.

If a physical examination is required by § 191.8 or 191.9, every motor carrier

shall have in its files at its principal place of business for every driver employed or used by it a legible certificate of a licensed doctor of medicine or osteopathy based on a physical examination as required by §§ 191.8 and 191.9 or a legible photographically reproduced copy thereof, provided however, that a motor carrier may upon written request to and upon receiving consent from the Director of the Bureau of Motor Carriers retain such certificates at such regional or terminal offices as are proposed by the carrier and approved by the Director. Every driver, if a physical examination is required with respect to him by §§ 191.8 and 191.9, shall have in his possession while on duty, such a certificate, or a photographically reproduced copy thereof covering himself.

§ 193.20 Clearance lamps to indicate extreme width and height.

Clearance lamps shall be mounted so as to indicate the extreme width of the motor vehicle (not including mirrors) and as near the top thereof as practicable; provided, that when rear identification lamps are mounted at the extreme height of the vehicle, rear clearance lamps may be mounted at optional height; and provided further, that when mounting of front clearance lamps at the highest point of a trailer results in such lamps failing to mark the extreme width of the trailer, such lamps may be mounted at optional height but must indicate the extreme width of the trailer. Clearance lamps on truck tractors shall be so located as to indicate the extreme width of the truck tractor cab.

§ 193.95 Emergency equipment on all power units.

* * * * *

(f) *Warning devices for stopped vehicles.* * * * (4) Flares (pot torches), fusees, oil lanterns, or any signal produced by a flame shall not be carried on any motor vehicle transporting explosives, Class A or Class B; any cargo tank motor vehicle used for the transportation of flammable liquids or flammable compressed gas whether loaded or empty; or any motor vehicle using compressed gas as a motor fuel; but in lieu of such flares or fusees, three electric lanterns or three red emergency reflectors shall be carried.

* * * * *

§ 195.2 Definitions.

* * * * *

(b) *Driving time.* The term "drive" and "driving time" shall include all time spent at the driving controls of a motor vehicle in operation. All stops made in any one village, town, or city, may be computed as one.

* * * * *

§ 195.8 Driver's daily log.

* * * * *

(r) *Filing driver's log.* The driver shall forward each day the original log to his home terminal or to the motor carrier's principal place of business. When the services of a driver are used by more than one carrier during any calendar day, the driver shall furnish each such carrier a copy of the log containing full and complete entries including: The entry of all duty time for the entire day; the name of each such carrier served by the driver that day; and the beginning and finishing time, showing a.m. or p.m., worked for each carrier. Motor carriers when using a driver for the first time or intermittently shall obtain from the driver a signed statement giving the total time on duty during the immediately preceding seven days and time at which such driver was last relieved from duty prior to beginning work for such carrier.

* * * * *

(Sec. 204, 49 Stat. 546, as amended; 49 U.S.C. 304)

It is further ordered, That except to the extent that §§ 191.10 and 195.8(r) of the Code of Federal Regulations are modified by this order, the above-mentioned petitions be, and they are hereby denied.

It is further ordered, That this order shall be effective June 30, 1964, and shall continue in effect until further order of the Commission.

And it is further ordered, That notice of this order shall be given to motor carriers and the general public by depositing a copy thereof in the office of the Secretary of the Interstate Commerce Commission, Washington, D.C., and by filing a copy thereof with the Director, Office of the Federal Register.

By the Commission, Motor Carrier Board No. 2.

[SEAL] HAROLD D. McCOY, *Secretary.*

[F.R. Doc. 64-6633; Filed, July 2, 1964; 8:48 a.m.]

SUBCHAPTER E—INTERMODAL TRANSPORTATION

[Ex Parte 230]

PART 500—CHARGES AND PRACTICES OF FOR-HIRE CARRIERS OF PROPERTY PARTICIPATING IN TRAILER-ON-FLATCAR SERVICE

Postponement of Effective Date

Upon consideration of the record in the above-entitled proceeding; and good cause appearing therefor:

It is ordered, That the effective date of the order of the Commission entered herein on March 16, 1964 (29 F.R. 4914), be, and it is hereby postponed pending further order of the Commission.

Dated at Washington, D.C., this 29th day of June A.D. 1964.

By the Commission, Chairman Goff.

[SEAL] HAROLD D. McCOY, *Secretary.*

[F.R. Doc. 64-6634; Filed, July 2, 1964; 8:48 a.m.]

Proposed Rule Making

DEPARTMENT OF THE TREASURY

Internal Revenue Service

[26 CFR Part 301]

PROCEDURE AND ADMINISTRATION

Notice of Proposed Rule Making

Notice is hereby given, pursuant to the Administrative Procedure Act, approved June 11, 1946, that the regulations set forth below are proposed to be prescribed by the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury or his delegate. Prior to the final adoption of such regulations, consideration will be given to any comments or suggestions pertaining thereto which are submitted in writing, in duplicate, to the Commissioner of Internal Revenue, Attention: CC:LR, Washington, D.C., 20224, within the period of 30 days from the date of publication of this notice in the FEDERAL REGISTER. Any person submitting written comments or suggestions who desires an opportunity to comment orally at a public hearing on these proposed regulations should submit his request, in writing, to the Commissioner within the 30-day period. In such case, a public hearing will be held, and notice of the time, place, and date will be published in a subsequent issue of the FEDERAL REGISTER. The proposed regulations are to be issued under the authority contained in section 7805 of the Internal Revenue Code of 1954 (68A Stat. 917; 26 U.S.C. 7805).

[SEAL] BERTRAND M. HARDING,
Acting Commissioner of Internal Revenue.

In order to conform the Regulations on Procedure and Administration (26 CFR Part 301) under section 7701 of the Internal Revenue Code of 1954 to section 6(c) of the Revenue Act of 1962 (76 Stat. 960) and section 5 of the Act of October 23, 1962 (Pub. Law 87-870, 76 Stat. 1158), such regulations are amended as follows:

PARAGRAPH 1. Section 301.7701 is amended by revising paragraph (19) of section 7701(a), adding a paragraph (32) to section 7701(a), and by revising the historical note. These amended and added provisions read as follows:

§ 301.7701 Statutory provisions; definitions.

Sec. 7701. *Definitions.* (a) When used in this title, where not otherwise distinctly expressed or manifestly incompatible with the intent thereof—

* * * * *

(19) *Domestic building and loan association.* The term "domestic building and loan association" means a domestic building and loan association, a domestic savings and loan association, and a Federal savings and loan association—

(A) Which either (i) is an insured institution within the meaning of section 401(a) of the National Housing Act (12 U.S.C., sec. 1724(a)), or (ii) is subject by law to supervision and examination by State or Federal authority having supervision over such associations;

(B) Substantially all of the business of which consists of acquiring the savings of the public and investing in loans described in subparagraph (C);

(C) At least 90 percent of the amount of the total assets of which (as of the close of the taxable year) consists of (i) cash, (ii) obligations of the United States or of a State or political subdivision thereof, stock or obligations of a corporation which is an instrumentality of the United States or of a State or political subdivision thereof, and certificates of deposit in, or obligations of, a corporation organized under a State law which specifically authorizes such corporation to insure the deposits or share accounts of member associations, (iii) loans secured by an interest in real property and loans made for the improvement of real property, (iv) loans secured by a deposit or share of a member, (v) property acquired through the liquidation of defaulted loans described in clause (iii), and (vi) property used by the association in the conduct of the business described in subparagraph (B);

(D) Of the assets of which taken into account under subparagraph (C) as assets constituting the 90 percent of total assets—

(i) At least 80 percent of the amount of such assets consists of assets described in clauses (i), (ii), (iv), and (vi) of such subparagraph and of loans secured by an interest in real property which is (or, from the proceeds of the loan, will become) residential real property or real property used primarily for church purposes, loans made for the improvement of residential real property or real property used primarily for church purposes, or property acquired through the liquidation of defaulted loans described in this clause; and

(ii) At least 60 percent of the amount of such assets consists of assets described in clauses (i), (ii), (iv), and (vi) of such subparagraph and of loans secured by an interest in real property which is (or, from the proceeds of the loan, will become) residential real property containing 4 or fewer family units or real property used primarily for church purposes, loans made for the improvement of residential real property containing 4 or fewer family units or real property used primarily for church purposes, or property acquired through the liquidation of defaulted loans described in this clause;

(E) Not more than 18 percent of the amount of the total assets of which (as of the close of the taxable year) consists of assets other than those described in clause (i) of subparagraph (D), and not more than 36 percent of the amount of the total assets of which (as of the close of the taxable year) consists of assets other than those described in clause (ii) of subparagraph (D); and

(F) Except for property described in subparagraph (C), not more than 3 percent of the assets of which consists of stock of any corporation.

The term "domestic building and loan association" also includes any association which, for the taxable year, would satisfy the requirements of the first sentence of this paragraph if "41 percent" were substituted for "36 percent" in subparagraph (E). Except in the case of the taxpayer's first taxable year beginning after the date of the enactment of the Revenue Act of 1962, the second sentence of this paragraph shall not apply to an association for the taxable year unless such association (i) was a domestic building and loan association within the meaning of the first sentence of this paragraph for the first taxable year preceding the taxable year, or (ii) was a domestic building and loan association solely by reason of the second sentence of this paragraph for the first taxable year preceding the taxable year (but not for the second preceding taxable year). At the election of the taxpayer, the percentages specified in this paragraph shall be applied on the basis of the average assets outstanding during the taxable year, in lieu of the close of the taxable year, computed under regulations prescribed by the Secretary or his delegate.

* * * * *

(32) *Cooperative bank.* The term "cooperative bank" means an institution without capital stock organized and operated for mutual purposes and without profit, which—

(A) Either—

(i) Is an insured institution within the meaning of section 401(a) of the National Housing Act (12 U.S.C., sec. 1724(a)), or

(ii) Is subject by law to supervision and examination by State or Federal authority having supervision over such institutions, and

(B) Meets the requirements of subparagraph (B), (C), (D), (E), and (F) of paragraph (19) of this subsection (relating to definition of domestic building and loan association) determined with the application of the second, third, and fourth sentences of paragraph (19).

In determining whether an institution meets the requirements referred to in subparagraph (B) of this paragraph, any reference to an association or to a domestic building and loan association contained in paragraph (19) shall be deemed to be a reference to such institution. In the case of an institution which, for the taxable year, is a cooperative bank within the meaning of the first sentence of this paragraph by reason of the application of the second and third sentences of paragraph (19) of this subsection, the deduction otherwise allowable under section 166(c) for a reasonable addition to the reserve for bad debts shall, under regulations prescribed by the Secretary or his delegate, be reduced in a manner consistent with the reductions provided by the table contained in section 593(b)(5).

[Sec. 7701, as amended by sec. 22(g), (h), Alaska Omnibus Act (73 Stat. 146, 147); sec. 18(i), (j), Hawaii Omnibus Act (74 Stat. 416); sec. 103(t), Social Security Amendment 1960 (74 Stat. 941); sec. 6(c) Revenue Act 1962 (76 Stat. 960); sec. 5, Act of Oct. 23, 1962 (Pub. Law 87-870, 76 Stat. 1161)]

PAR. 2. Section 301.7701-13 is renumbered and amended to read as follows:

§ 301.7701-15 Other terms.

Any terms which are defined in section 7701 and which are not defined in §§ 301.7701-1 to 301.7701-14, inclusive, shall, when used in this chapter, have the meaning assigned to them in section 7701.

PAR. 3. Immediately after § 301.7701-12 there are inserted the following new sections:

§ 301.7701-13 Domestic building and loan association.

(a) *In general.* For taxable years beginning after October 16, 1962, the term "domestic building and loan association" means a domestic building and loan association, a domestic savings and

loan association, a Federal savings and loan association, and any other savings institution chartered and supervised as a savings and loan or similar association under Federal or State law which meets the supervisory test (described in paragraph (b) of this section), the business operations test (described in paragraph (c) of this section), and each of the various assets tests (described in paragraphs (d), (e), (f), and (h) of this section).

(b) *Supervisory test.* A domestic building and loan association must be either (1) an insured institution within the meaning of section 401(a) of the National Housing Act (12 U.S.C., sec. 1724(a)) or (2) subject by law to supervision and examination by State or Federal authority having supervision over such association. An "insured institution" is one the accounts of which are insured by the Federal Savings and Loan Insurance Corporation.

(c) *Business operations test*—(1) *In general.* An association must utilize its assets so that substantially all of its business consists of acquiring the savings of the public and investing in the loans described in subparagraphs (6) through (10) of paragraph (d) of this section. The requirement of this paragraph is referred to in this section as the business operations test. The business of acquiring the savings of the public and investing in the prescribed loans includes ancilliary or incidental activities which are directly and primarily related to such acquisition and investment, such as advertising for savings and appraising property on which loans are to be made by the association. Even though an association meets the supervisory test in paragraph (b) and all the assets tests described in paragraph (d) through (h) of this section, it will nevertheless not qualify as a domestic building and loan association if any substantial part of its business consists of activities which are not directly and primarily related to such acquisition and investment, such as brokering mortgage paper, selling insurance, or subdividing real estate. An association will meet the business operations test for a taxable year only if it meets the requirements of both subparagraphs (2) and (3) of this paragraph, relating respectively to acquiring the savings of the public, and investing in loans.

(2) *Acquiring the savings of the public.* The requirement that substantially all of an association's business (other than investing in loans) must consist of acquiring the savings of the public ordinarily will be considered to be met if more than 90 percent of the dollar amount of the association's deposits or withdrawable shares are held during the taxable year by the general public with no undue concentration in family or business groups or in persons who are officers or directors of the association. However, acquiring savings in conformity with the rules and regulations of the Federal Home Loan Bank Board, or substantially equivalent rules of a State supervisory authority, will be considered to be acquiring the savings of the public.

(3) *Investing in loans*—(i) *In general.* The requirement that substantially all of an association's business (other than acquiring the savings of the public) must consist of investing in the loans described in subparagraph (6) through (10) of paragraph (d) of this section ordinarily will be considered to be met if the association meets both the gross income test described in subdivision (ii) of this subparagraph, and the sales activity test described in subdivision (iii) of this subparagraph. However, if an association does not meet the requirements of both subdivisions (ii) and (iii) of this subparagraph, it will nevertheless meet the investing in loans requirement if it is able to demonstrate that substantially all its business (other than acquiring the savings of the public) consisted of investing in the prescribed loans. Transactions which are necessitated by exceptional circumstances and which are not undertaken as recurring business activities for profit will not be considered a substantial part of an association's business. Thus, for example, an association would meet the investing in loans requirement if it can establish that it failed to meet the gross income test because of receipt of a nonrecurring item of income due to exceptional circumstances, or it failed to meet the sales activity test because of sales made to achieve necessary liquidity to meet abnormal withdrawals from savings accounts.

(ii) *Gross income test.* The gross income test is met if more than 90 percent of the gross income of an association consists of:

(*a*) Interest or dividends on assets defined in subparagraphs (2), (3), or (4) of paragraph (d) of this section,

(*b*) Interest on loans defined in subparagraphs (6) through (10) of paragraph (d) of this section,

(*c*) Preminums, commissions, or fees on loans defined in subparagraphs (6) through (10) of paragraph (d) of this section which have at some time been held by the association,

(*d*) Gain or loss on the sale of governmental obligations defined in paragraph (d)(3) of this section, or

(*e*) Income, gain, or loss attributable to foreclosed property (as defined in paragraph (j)(1) of this section), but not including such income, gain, or loss which, pursuant to section 595 and the regulations thereunder, is not included in gross income.

For the purposes of this subparagraph, gross income shall be computed without regard to gains or losses on the sale of property described in paragraph (d)(5) of this section (relating to property used in the association's business), and without regard to gains or losses on the sale of loans (other than loans defined in paragraph (d)(3) of this section). Examples of types of income which would cause an association to fail to meet the gross income test, if in the aggregate they exceed 10 percent of gross income, are gain or loss on sale of real estate (other than foreclosed property); rental income (other than on foreclosed property); premiums, commissions, and fees on loans which have never been held by the association; and insurance brokerage fees.

(iii) *Sales activity test: general rule.* Except as provided in subdivision (iv) of this subparagraph, the sales activity test is met if the amount of sales of loans during the taxable year does not exceed 10 percent of the amount of loans acquired for investment during the taxable year; and the sum of the amount of sales of loans and the amount of sales of participations during the taxable year does not exceed 100 percent of the amount of loans acquired for investment during the taxable year. For the purpose of this subdivision:

(*a*) The term "loan" means loan as defined in paragraph (j)(1) of this section, other than foreclosed property defined in such paragraph and governmental obligations defined in paragraph (d)(3) of this section.

(*b*) The amount of a loan shall be determined in accordance with the rules contained in paragraph (l)(1) and (2)(ii) of this section.

(*c*) The term "loans acquired for investment during the taxable year" means the amount of loans outstanding as of the close of the taxable year, reduced (but not below zero) by the amount of loans outstanding as of the beginning of such year, and increased by the lesser of (*1*) the amount of repayments made on loans during the taxable year or (*2*) an amount equal to 20 percent of the amount of loans outstanding as of the beginning of the taxable year. For this purpose, repayments do not include repayments on loans to the extent such loans are refinanced by the association.

(*d*) The term "sales of participations" means sales by an association of interests in loans, which sales meet the requirements of the regulations of the Federal Home Loan Bank Board relating to sales of participations.

(iv) *Sales activity test: special rules.* (*a*) The amount specified in subdivision (iii) of this subparagraph as the maximum amount of sales of loans shall be increased by the amount by which 10 percent of the amount of loans acquired for investment by the association during the preceding taxable year exceeds the amount of sales of loans made during such preceding taxable year; and the amount specified in such subdivision (iii) as the maximum amount of sales of loans and participations shall be increased by the amount by which the amount of loans acquired for investment by the association during the preceding taxable year exceeds the sum of the amount of sales of loans and participations made during such preceding taxable year.

(*b*) If the amount of loans acquired for investment by the association during the preceding taxable year exceeds such amount for the current taxable year, the 10 percent and 100 percent maximum limitations provided in subdivision (iii) of this subparagraph for the current taxable year shall be based upon such preceding year's amount. However, the maximum amounts permitted under such subdivision (iii) in any taxable year shall be reduced by the amount of increase allowed for the preceding taxable year solely by reason of the application of the provision of the previous sentence.

(v) *Reporting requirements.* In the case of income tax returns for taxable years ending after June 30, 1964, there shall be filed with the return a statement showing the amount of gross income for the taxable year in each of the categories described in subdivision (ii) of this subparagraph; and, for the taxable year and the two preceding taxable years, the amount of loans (described in subdivision (iii)(*a*) of this subparagraph) outstanding at the beginning of the year and at the end of the year, the amount of repayments on loans (not including repayments on loans to the extent such loans are refinanced by the association), the amount of sales of loans, and the amount of sales of participations.

(vi) *Example.* The provisions of subdivisions (iii) and (iv) of this subparagraph may be illustrated by the following example:

Example. X Savings and Loan Association, a calendar year taxpayer, has the following amounts of loans outstanding, repayments on loans (other than those on refinanced loans), and sales of loans and participations:

	1965	1966	1967
Loans outstanding end of year	$1,220,000	$1,320,000	$1,470,000
Loans outstanding beginning of year	1,000,000	1,220,000	1,320,000
Net increase in loans	220,000	100,000	150,000
Repayments on loans	180,000	200,000	200,000
Sum of net increase and repayments (loans acquired for investment)	400,000	300,000	350,000
Sum of sales of loans and participations	250,000	300,000	250,000
Sales of loans	35,000	40,000	27,000

X meets the sales activity test for 1965 because its sales of loans ($35,000) did not exceed 10 percent ($40,000) of its loans acquired for investment $400,000), and the sum of its sales of loans and participations ($250,000) did not exceed the amount of its loans acquired for investment ($400,000).

For 1966, X's sales of loans ($40,000) exceeded the $35,000 maximum amount allowed under subdivision (iv)(*a*) of this subparagraph, which is 10 percent ($30,000) of its loans acquired for investment in 1966 ($300,000), increased by $5,000, the amount by which 10 percent ($40,000) of its loans acquired for investement in 1965 ($400,000) exceeded the amount of sales of loans made in 1965 ($35,000). However, its sales of loans did not exceed the $40,000 maximum amount allowed under subdivision (iv)(*b*) of this subparagraph, which is 10 percent of its loans acquired for investment for the preceding year ($400,000). In addition, the sum of its sales of loans and participations ($300,000) did not exceed the amount of its loans acquired for investment ($300,000) during the taxable year. X therefore meets the sales activity test for 1966.

X meets the sales activity test for 1967. Its sales of loans ($27,000) did not exceed $30,000 which is 10 percent ($35,000) of its loans acquired for investment ($350,000), decreased by the amount ($5,000) by which the amount of sales in the preceding year (1966) were allowed to be increased solely by reason of the application of the first sentence of subdivision (iv)(*b*) of this subparagraph; and the sum of its sales of loans and participations ($250,000) did not exceed the amount of its loans acquired for investment ($350,000).

(4) *Effective date.* The provisions of subparagraphs (1) through (3) of this paragraph are applicable to taxable years ending after June 30, 1964. However, at the option of the taxpayer, for taxable years beginning before July 1, 1964, and ending after June 30, 1964, the provisions of subparagraphs (1) through (3) of this paragraph shall apply only to the part year falling after June 30, 1964, as if such part year constituted a taxable year. If, treating the part year as a taxable year, the association meets all the requirements of this paragraph for such part year it will be considered to have met the business operations test for the entire year, providing it operated in conformity with applicable rules and regulations of Federal or State supervisory authorities for the entire taxable year. For taxable years beginning after October 16, 1962, and ending before July 1, 1964, an association will be considered to have met the business operations test if it operated in conformity with applicable rules and regulations of Federal or State supervisory authorities.

(d) *90 percent of assets test*—(1) *In general.* At least 90 percent of the amount of the total assets of a domestic building and loan association must consist of the assets defined in subparagraphs (2) through (10) of this paragraph. For purposes of this paragraph, it is immaterial whether the association originated the loans defined in subparagraphs (6) through (10) of this paragraph or purchased or otherwise acquired them in whole or in part from another. See paragraph (j) of this section for definition of certain terms used in this paragraph, and paragraph (k) of this section for the determination of amount and character of loans.

(2) *Cash.* The term "cash" means cash on hand, and time or demand deposits with, or withdrawable accounts in, other financial institutions.

(3) *Governmental obligations.* The term "governmental obligations" means obligations of the United States, a State or political subdivision of a State, and stock or obligations of a corporation which is an instrumentality of the United States, a State, or political subdivision of a State.

(4) *Deposit insurance company securities.* The term "deposit insurance company securities" means certificates of deposit in, or obligations of, a corporation organized under a State law which specifically authorizes such corporation to insure the deposits or share accounts of member associations.

(5) *Property used in the association's business.* The term "property used in the association's business" means land, buildings, furniture, fixtures, equipment, leasehold interests, leasehold improvements, and other assets used by the association in the conduct of its business of acquiring the savings of the public and investing in the loans defined in subparagraphs (6) through (10) of this paragraph. Real property or a portion thereof rented by the asociation to others does not constitute property used in such business. However, if the rented portion of a single piece of real property used in such business constitutes less than 20 percent of the fair rental value of such piece of property, or if such property has an adjusted basis of not more than $100,000 and is used as the principal or branch office of the association, the entire property shall be considered used in such business. If such rented portion constitutes 20 percent or more of the fair rental value of such piece of property, and such property has an adjusted basis of more than $100,000 or is not used as the principal or branch office of the association, an allocation of its adjusted basis is required. The portion of the total adjusted basis of such piece of property which is deemed to be property used in the association's business shall be equal to an amount which bears the same ratio to such total adjusted basis as the amount of the fair rental value of the portion used in the association's business bears to the total fair rental value of such property. Real property held by an association for investment or sale, even for the purpose of obtaining mortgage loans thereon, does not constitute property used in the association's business. Stock in a corporation which owns property used by the association does not constitute property used in such business.

(6) *Passbook loan.* The term "passbook loan" means a loan to the extent secured by a deposit, withdrawable share, or savings account in the association, or share of a member of the association, with respect to which a distribution is allowable as a deduction under section 591.

(7) *Home loan.* The term "home loan" means a loan secured by an interest in—

(i) Improved residential real property consisting of a structure or structures containing, in the aggregate, no more than 4 family units,

(ii) An individually-owned family unit in a multiple-unit structure, the owner of which unit owns an undivided interest in the underlying real estate and the common elements of such structure (so-called condominium),

or a construction loan or improvement loan for such property. A construction loan made for the purpose of financing more than one structure (so called tract financing) constitutes a home loan, providing no individual structure contains more than 4 family units and the borrower intends to sell the structures to individual purchasers as soon as possible after completion of construction. A construction loan secured by a structure containing more than 4 family units constitutes a home loan only if the structure has been committed to a plan of individual apartment ownership described in subsection (ii) and such plan is held out and advertised as such. A loan secured by a cooperative apartment building containing more than 4 family units does not constitute a home loan.

(8) *Church loan.* The term "church loan" means a loan secured by an interest in real property which is used primarily for church purposes, or a construction loan or improvement loan for such prop-

erty. For the purposes of this subparagraph, the term "church purposes" means the ministration of sacerdotal functions, the conduct of religious worship, or the instruction of religion. Thus, a building used primarily to furnish education, other than the instruction of religion, is not used primarily for church purposes.

(9) *Apartment loan.* The term "apartment loan" means a loan, other than one defined in subparagraph (7) of this paragraph (relating to a home loan), secured by an interest in improved residential real property or a construction loan or improvement loan for such property.

(10) *Nonresidential real property loan.* The term "nonresidential real property loan" means a loan, other than one defined in subparagraph (7), (8), or (9) of this paragraph (relating respectively to a home loan, church loan, and apartment loan) secured by an interest in real property, or a construction loan or improvement loan for such property.

(e) *18 percent of assets test.* Not more than 18 percent of the amount of the total assets of a domestic building and loan association may consist of assets other than those defined in subparagraphs (2) through (9) of paragraph (d) of this section. Thus, the sum of the amounts of the nonresidential real property loans and the assets other than those defined in paragraph (d) of this section may not exceed 18 percent of total assets.

(f) *36 or 41 percent of assets test*—(1) *36 percent test.* Unless subparagraph (2) of this paragraph applies, not more than 36 percent of the amount of the total assets of a domestic building and loan association may consist of assets other than those defined in subparagraphs (2) through (8) of paragraph (d) of this section. Thus, unless subparagraph (2) of this paragraph applies, the sum of the amounts of apartment loans, nonresidential real property loans, and assets other than those defined in paragraph (d) of this section may not exceed 36 percent of total assets.

(2) *41 percent test.* If this subparagraph applies, not more than 41 percent of the amount of the total assets of a domestic building and loan association may consist of assets other than those defined in subparagraphs (2) through (8) of paragraph (d) of this section. Thus, if this subparagraph applies, the sum of the amounts of apartment loans, nonresidential real property loans, and assets other than those defined in paragraph (d) of this section may not exceed 41 percent of total assets. See section 593(b)(5) and the regulations thereunder for the effect of application of this subparagraph on the allowable addition to the reserves for bad debts.

(g) *Taxable years for which 41 percent of assets test applies*—(1) *First taxable year.* For an association's first taxable year beginning after October 16, 1962, subparagraph (2) of paragraph (f) applies.

(2) *Second taxable year.* For an association's second taxable year beginning after October 16, 1962, subparagraph (2) of paragraph (f) applies if such association met all the requirements of paragraphs (b) through (e), (h), and either subparagraph (1) or (2) of paragraph (f) for its first taxable year.

(3) *Years other than first and second taxable years.* For any taxable year of an association beginning after October 16, 1962, other than its first and second taxable years beginning after such date, subparagraph (2) of paragraph (f) applies if such association met either—

(i) The requirements of paragraphs (b) through (e), (f)(1), and (h) of this section for the immediately preceding taxable year, or

(ii) The requirements of paragraphs (b) through (e), (f)(2), and (h) of this section for the immediately preceding taxable year, and the requirements of paragraphs (b) through (e), (f)(1), and (h) of this section for the second preceding taxable year.

Thus, in years other than its first and second taxable years beginning after October 16, 1962, an association may apply the 41 percent of assets test for two consecutive years, but only if it met the 36 percent test (and all other tests) for the year previous to the two consecutive years.

(4) *Examples.* The provisions of paragraph (f) and this paragraph may be illustrated by the following examples in each of which it is assumed that the association at all times meets all the requirements of paragraphs (b) through (e) and (h) of this section and files its returns on a calendar year basis.

Example (1). An association has 41 percent of its assets invested in assets other than those defined in subparagraphs (2) through (8) of paragraph (d) of this section as of the close of 1963 and 1964. Because 1963 is its first taxable year beginning after October 16, 1962, the 41 percent of assets test applies, and the association therefore qualifies as a domestic building and loan association for 1963. Because 1964 is its second taxable year beginning after such date and the 41 percent of assets test applied for its first taxable year, the 41 percent of assets test applies for 1964 and it therefore qualifies for such year.

Example (2). An association has 36 percent of its assets invested in assets other than those defined in subparagraphs (2) through (8) of paragraph (d) of this section as of the close of 1964, and 41 percent as of the close of 1965, 1966, and 1967. The association qualifies in 1965 because, as a result of having met the 36 percent of assets test for the immediately preceding taxable year (1964), the 41 percent of assets test applies to 1965. It qualifies in 1966 because as a result of having met the 41 percent of assets test in the immediately preceding taxable year (1965) and the 36 percent of assets test in the second preceding taxable year (1964), the 41 percent of assets test applies to 1965. The association would not qualify in 1967, however, because, although it met the 41 percent of assets test for the immediately preceding taxable year (1966), it did not meet the 36 percent of assets test in the second preceding taxable year (1965), and therefore the 41 percent of assets test does not apply to 1967.

Example (3). An association has more than 41 percent of its assets invested in assets other than those defined in subparagraphs (2) through (8) of paragraph (d) of this section as of the close of 1963, and 41 percent invested in such assets as of the close of 1964. The association does not qualify in either year. It does not qualify in 1963 because it exceeded the 41 percent limitation, and it does not qualify in 1964 because the 41 percent of assets test does not apply to 1964 since the association did not meet either the 41 percent of assets test or the 36 percent of assets test in the prior year (1963).

(h) *3 percent of assets test.* Not more than 3 percent of the amount of the total assets of a domestic building and loan association may consist of stock of any corporation, unless such stock is property which is defined in paragraph (d) of this section. The stock which constitutes property defined in such paragraph (d) is:

(1) Stock representing a withdrawable account in another financial institution,

(2) Stock of a corporation which is an instrumentality of the United States or of a State or political subdivision thereof, and

(3) Stock which was security for a loan and which, by reason of having been bid in at foreclosure or otherwise having been reduced to ownership or possession of the association, is a loan within the definition of such term in subparagraph (1) of paragraph (j) of this section.

Stock in a corporation which owns property used by the association does not constitute property described in paragraph (d).

(i) [Reserved]

(j) *Definition of certain terms.* For purposes of this section—

(1) *Loan.* The term "loan" means debt, as the term "debt" is used in section 166 and the regulations thereunder. The term "loan" also includes a redeemable ground rent (as defined in section 1055(c)) which is owned by the taxpayer, and any property (referred to in this section as "foreclosed property") which was security for the payment of any indebtedness and which has been bid in at foreclosure, or otherwise been reduced to ownership or possession of the association by agreement or process of law, whether or not such property was acquired subsequent to December 31, 1962.

(2) *Secured.* A loan will be considered as "secured" only if the loan is on the security of any instrument (such as a mortgage, deed of trust, or land contract) which makes the interest of the debtor in the property described therein specific security for the payment of the loan, provided that such instrument is of such a nature that, in the event of default, the property could be subjected to the satisfaction of the loan with the same priority as a mortgage or deed of trust in the jurisdiction in which the property is situated.

(3) *Interest.* The word "interest" means an interest in real property which, under the law of the jurisdiction in which such property is situated, constitutes either (i) an interest in fee in such property, (ii) a leasehold interest in such property extending or renewable automatically for a period of at least 30 years, or at least 10 years beyond the date specified for the final payment on a loan secured by an interest in such property, (iii) a leasehold interest in property described in paragraph (d)(7)(i) of this section (relating to certain home loans) extending for a period of at least two

years beyond the date specified for the final payment on a loan secured by an interest in such property or (iv) a leasehold interest in such property held subject to a redeemable ground rent defined in section 1055(c).

(4) *Real property.* The term "real property" means any property which, under the law of the jurisdiction in which such property is situated, constitutes real property.

(5) *Improved real property.* The term "improved real property" means—

(i) Land on which is located any building of a permanent nature (such as a house, apartment house, office building, hospital, shopping center, warehouse, garage, or other similar permanent structure), provided that the value of such building is substantial in relation to the value of such land,

(ii) Any building lot or site which, by reason of installations and improvements that have been completed in keeping with applicable governmental requirements and with general practice in the community, is a building lot or site ready for the construction of any building of a permanent nature within the meaning of subdivision (i) of this subparagraph, or

(iii) Real property which, because of its state of improvement, produces sufficient income to maintain such real property and retire the loan in accordance with the terms thereof.

(6) *Construction loan.* The term "construction loan" means a loan, the proceeds of which are to be disbursed as construction work progresses on real property which is security for the loan, which property is, or from the proceeds of such loan will become, improved real property.

(7) *Improvement loan.* The term "improvement loan" means a loan which, by its terms and conditions, requires that the proceeds of the loan be used for altering, repairing, or improving real property. If more than 90 percent of the proceeds of a single loan are to be used for such purposes, the entire loan will qualify. If 90 percent or less of the proceeds of a loan are to be used for such purposes, an allocation of its adjusted basis is required. Examples of loans which constitute improvement loans are loans made for the purpose of painting a house, adding a new room to a house, remodeling the lobby of an apartment building, and purchasing and installing storm windows, storm doors, and awnings. Examples of loans which do not constitute improvement loans are loans made for the purpose of purchasing draperies, and removable appliances, such as refrigerators, ranges, and washing machines. It is not necessary that a loan be secured by the real property which is altered, repaired, or improved.

(8) *Residential real property.* The term "residential real property" means real property which consists of one or more family units. A family unit is a building or portion thereof which contains complete living facilities which are to be used on other than a transient basis by only one family. Thus, an apartment which is to be used on other than a transient basis by one family, which contains complete facilities for living, sleeping, eating, cooking, and sanitation constitutes a family unit. Hotels, motels, dormitories, fraternity and sorority houses, rooming houses, hospitals, sanitariums, and rest homes, and parks and courts for mobile homes do not normally constitute residential real property.

(k) *Amount and character of loans*—(1) *Treatment at time of determination*—(i) *In general.* The amount of a loan, as of the time the determination required by subparagraph (3) of this paragraph is made, shall be treated for the purposes of this section as being secured:

(*a*) First by the portion of property, if any, defined in subparagraph (6), (7), or (8) of paragraph (d) of this section to the extent of the loan value thereof;

(*b*) Next by the portion of property, if any, defined in subparagraph (9) of paragraph (d) of this section to the extent of the loan value thereof; and

(*c*) Next by the portion of property, if any, defined in subparagraph (10) of paragraph (d) of this section to the extent of the loan value thereof.

To the extent that the amount of a loan exceeds the amount treated as being secured by property defined in subparagraphs (6) through (10) of paragraph (d) of this section, such loan shall be treated as property not defined in paragraph (d) of this section. If the loan value of any one category of property defined in paragraph (d) of this section exceeds 90 percent of the amount of the loan for which it is security then the entire loan shall be treated as a loan secured by such property.

(ii) *Loans of $35,000 or less.* Notwithstanding the provisions of subdivision (i) of this subparagraph, in the case of loans amounting to $35,000 or less as of the time of a determination, made on the security of property which is a combination of two or more categories or property defined in subparagraph (6) through (10) of paragraph (d) of this section, all such loans for any taxable year may, at the option of the association, be treated for the purposes of this section as being secured by the category of property the loan value of which constitutes the largest percentage of the total loan value of the property except to the extent that the loan is treated as property not defined in paragraph (d) of this section.

(iii) *Home loans of $20,000 or less.* Notwithstanding the provisions of subdivision (i) and (ii) of this subparagraph, if a loan amounting to $20,000 or less as of the time of a determination, is secured partly by property of a category described in subparagraph (7) of paragraph (d) of this section (relating to a home loan), the amount of the loan shall, for the purposes of this section, be treated as a loan described in such subparagraph except to the extent that the loan is treated as property not defined in paragraph (d) of this section.

(2) *Treatment subsequent to time of determination.* The amount of a loan outstanding as of any time subsequent to the time of a determination shall be treated, for the purposes of this section, as being secured by each of the categories of property in the same ratio that the amount which was treated as being secured by each category bore to the total amount of the loan at the time as of which the determination was last made with respect to such loan.

(3) *Time of determination*—(i) *In general.* The determination of the amount of a loan which is treated as being secured by each of the categories of property shall be made:

(*a*) As of the time a loan is made,

(*b*) As of the time a loan is increased,

(*c*) As of the time any portion of the property which was security for the loan is released, and

(*d*) As of any time required by applicable Federal or State regulatory authorities for reappraisal or re-analysis of such loans.

(ii) *Special rule.* In the case of loans outstanding with respect to which no event described in subdivision (i) of this subparagraph has occurred in a taxable year beginning on or after October 17, 1962, the determination of the amounts of such loans which are treated as being secured by each of the categories of property may be made, at the option of the association, as of the close of the first taxable year beginning on or after such date, providing the determinations with respect to all such loans are made as of such date.

(4) *Loan value.* The loan value of property which is security for a loan is the maximum amount at the time as of which the determination is made which the association is permitted to lend on such property under the rules and regulations of applicable Federal and State regulatory authorities, but in no event may such loan value exceed the fair market value of such property at such time as determined under such rules and regulations.

(5) *Examples.* The following examples, in each of which it is assumed that X Savings and Loan Association files its return on a calendar year basis, illustrate the application of the rules in this paragraph:

Example (1). On July 1, 1963, X makes a single loan of $1,000,000 to M Corporation which loan is secured by real property which is a combination of homes, apartments, and stores. As of the time the loan is made X determines that the loan values of the categories of property are as follows:

Category of property:	*Loan value*
Home	$400,000
Apartment	420,000
Nonresidential real property	240,000
Total	1,060,000

As of the time the loan is made, therefore, the $1,000,000 loan is treated under subparagraph (1)(i) of this paragraph as being secured as follows:

Category of loan	Amount of loan	Percentage of total
Home loan	$400,000	40
Apartment loan	420,000	42
Nonresidential real property loan	180,000	18
Total	1,000,000	100

Assuming that the $1,000,000 loan to M was reduced to $900,000 as of the close of 1963, that there were no increases in the amount of the loan and no releases of property which

was security for the loan, and that there was no regulatory requirement to reappraise or reanalyze the loan, such loan will be considered under subparagraph (2) of this paragraph to be secured, as of the close of 1963, as follows:

Category	Percentage as of last determination, July 1, 1963	Amount as of Dec. 31, 1963
Home	40	$360,000 (40%×$900,000)
Apartment	42	378,000 (42%×$900,000)
Nonresidential real property	18	162,000 (18%×$900,000)
Total	100	900,000

Example (2). X makes a loan of $35,000 secured by a building which contains a store on the first floor and four family units on the upper floors. The loan value of the part of the building used as a store is $19,000 and the loan value of the residential portion is $20,000. The loan will be treated under subdivision (i) of subparagraph (1) of this paragraph as a loan secured by residential real property containing four or fewer family units to the extent of $20,000, and by nonresidential property to the extent of $15,000, as of the time the loan is made. However, if X exercises the option to treat all loans of $35,000 or less in accordance with subdivision (ii) of subparagraph (1) of this paragraph, this loan would be treated as a home loan to the extent of the full $35,000 because the loan value of the residential portion is larger than the loan value of the nonresidential part.

(l) *Computation of percentages*—(1) *In general.* The percentages specified in paragraphs (d) through (h) of this section shall, except as provided in subparagraph (3) of this paragraph, be computed by comparing the amount of the assets described in each paragraph as of the close of the taxable year with the total amount of assets as of the close of the taxable year. The amount of the assets in any category and the total amount of assets shall be determined with reference to their adjusted basis under § 1.1011–1, or by such other method as is in accordance with sound accounting principles, provided such method is used in valuing all the assets in a taxable year.

(2) *Treatment of certain assets and reserves.* For purposes of this paragraph:

(i) Reserves for bad debts established pursuant to section 593, or corresponding provisions of prior law, and the regulations thereunder shall not constitute a reduction of total assets, but shall be treated as a surplus or net worth item.

(ii) The adjusted basis of a "loan in process" does not include the unadvanced portion of such loan.

(iii) Advances made by the association for taxes, insurance, etc., on loans shall be treated as being in the same category as the loan with respect to which the advances are made (irrespective of whether the advances are secured by the property securing the loan).

(iv) Interest receivable included in gross income shall be treated as being in the same category as the loan or asset with respect to which it is earned.

(v) The unamortized portion of premiums paid on mortgage loans acquired by the association shall be considered part of the acquisition cost of such loans.

(vi) Prepaid Federal Savings and Loan Insurance Corporation fees shall be treated as being governmental obligations defined in paragraph (d)(4) of this section.

(vii) Accounts receivable (other than accrued interest receivable), and prepaid expenses and deferred charges other than those referred to in subdivision (v) or (vi) of this subparagraph, shall be disregarded both as separate categories and in the computation of total assets.

(viii) Acquired property (as defined in paragraph (j)(1) of this section) shall be treated as having the same character as the loan for which it was given as security.

(3) *Alternative method.* At the option of the taxpayer, the percentages specified in paragraphs (d), (e), (f), and (h) of this section may be computed on the basis of the average assets outstanding during the taxable year. Such average shall be determined by making the computation provided in subparagraph (1) of this paragraph either as of the close of each month, as of the close of each quarter, or semiannually during the taxable year and by using the yearly average of the monthly, quarterly, or semiannual percentages obtained for each category. The method selected must be applied uniformly for the taxable year to all categories of assets, but the method may be changed from year to year.

(4) *Acquisition of certain assets.* For the purpose of the annual computation of percentages under subparagraph (1) of this paragraph—

(i) Assets which, within a 60-day period beginning in one taxable year of the taxpayer and ending in the next year, are acquired directly or indirectly through borrowing and then repaid or disposed of within such period, shall be considered assets other than those defined in paragraph (d) of this section, unless both the acquisition and disposition are established to the satisfaction of the district director to have been for bona fide purposes, and

(ii) The amount of cash shall not include amounts received directly or indirectly from another financial institution (other than a Federal Home Loan Bank) to the extent of the amount of cash which an association has on deposit or holds as a withdrawable account in such other financial institution.

(5) *Reporting requirements.* In the case of income tax returns for taxable years ending on or after the date of publication of these regulations as a Treasury decision, there shall be filed with the return a statement showing the amount of assets as of the close of the taxable year in each of the categories defined in paragraph (d), and in the category described in paragraph (h) of this section, and a brief description and amount of all other assets. If the alternative method of computing percentages under subparagraph (3) of this paragraph is selected, such statement shall show such information as of the end of each month, each quarter, or semiannually and the manner of calculating the averages. With respect to taxable years beginning after October 16, 1962, and ending before the date of publication of these regulations as a Treasury decision, taxpayers shall maintain adequate records to establish to the satisfaction of the district director that it meets the various assets tests specified in this section.

(6) *Example.* The principles of this paragraph may be illustrated by the following example in which a description of the assets, the subparagraph of paragraph (d) in which the assets are defined, the amount of the assets, and the percentage of the total assets included in the calculation are set forth.

Z SAVINGS AND LOAN ASSOCIATION

BALANCE SHEET AS OF DEC. 31, 1963

Assets

	Item	Described in paragraph (d), subparagraph:	Amount	Percentage
1.	Cash	(2)	$1,000,000	1
2.	U.S. and Municipal Bonds [1]	(3)	8,000,000	8
3.	Federal Home Loan Bank Stock	(3)	1,000,000	1
	Loans outstanding [2]	(3)		
4.	Home	(7)	59,000,000	59
5.	Church	(8)	1,000,000	1
6.	Apartment	(9)	20,000,000	20
7.	Nonresidential real property	(10)	5,000,000	5
8.	Passbook	(6)	1,000,000	1
9.	Other		2,000,000	2
	Fixed assets: (less depreciation reserves)			
10.	Used by the association	(5)	1,000,000	1
11.	Rented to others		1,000,000	1
12.	Total included		100,000,000	100
13.	Accounts receivable		100,000	(excluded)
14.	Prepaid expenses (other than prepaid FSLIC fees)		1,000,000	(excluded)
15.	Deferred charges		1,000,000	(excluded)
16.	Total assets		102,100,000	

[1] Prepaid FSLIC fees treated as Government obligations.
[2] Not including unadvanced portion of loans in process, but including interest receivable and advances with respect to loans.

Liabilities, Reserves, and Surplus	
Savings Accounts	$91,500,000
Federal Home Loan Bank Advances	1,000,000
Other Liabilities	600,000
Reserve for Losses on Qualifying Real Property Loans	2,500,000
Reserve for Losses on Nonqualifying Loans	20,000
Supplemental Reserve for Losses on Loans	2,000,000
Undivided Profits and Other Reserves	$4,480,000
Total	$102,100,000

Based upon the items in the balance sheet, the computation of the percentages of assets in the various categories for the purpose of determining whether the percentage of asset tests in the paragraphs in this section are met as of the close of the year are as follows:

Test and paragraph	*Items of balance sheet considered*
90 percent test (d)	$\frac{\text{the sum of items 1 through 8 and 10}}{\text{item 12 (total includible assets)}}$ = 97 percent
18 percent test (e)	$\frac{\text{the sum of items 7, 9, and 11}}{\text{item 12 (total includible assets)}}$ = 8 percent
36 percent test (f)	$\frac{\text{the sum of items 6, 7, 9, and 11}}{\text{item 12 (total includible assets)}}$ = 28 percent
3 percent test (h)	$\frac{0}{\text{item 12}}$

At the option of the association, the computations listed above could have been made as of the close of each month, each quarter, or semiannually, and averaged for the entire year.

(m) *Taxable years beginning before October 17, 1962.* For taxable years beginning before October 17, 1962, the term "domestic building and loan association" means a domestic building and loan association, a domestic savings and loan association, and a Federal savings and loan association substantially all the business of which is confined to making loans to members.

§ 301.7701–14 Cooperative bank.

For taxable years beginning after October 16, 1962, the term "cooperative bank" means an institution without capital stock organized and operated for mutual purposes without profit which meets the supervisory test, the business operations test, and the various assets tests specified in paragraphs (b) through (h) of § 301.7701–13, employing the rules and definitions of paragraphs (j) through (l) of that section. In applying paragraphs (b) through (l) of such section any references to an "association" or to a "domestic building and loan association" shall be deemed to be a reference to a cooperative bank.

[F.R. Doc. 64–6697; Filed, July 1, 1964; 12:45 p.m.]

DEPARTMENT OF THE INTERIOR

Fish and Wildlife Service

[50 CFR Part 32]

CALIFORNIA; HUNTING OF MIGRATORY GAME BIRDS

Proposed List of Open Areas

Notice is hereby given that pursuant to the authority vested in the Secretary of the Interior by the Migratory Bird Conservation Act of February 18, 1929, as amended (45 Stat. 1222; 16 U.S.C. 715), it is proposed to amend 50 CFR 32.11 by the addition of Sacramento National Wildlife Refuge, California, to the list of wildlife refuges open to the hunting of migratory game birds.

It has been determined that the regulated hunting of migratory game birds may be permitted on the Sacramento National Wildlife Refuge without detriment to the objectives for which the area was established.

It is the policy of the Department of the Interior, whenever practicable, to afford the public an opportunity to participate in the rulemaking process. Accordingly, interested persons may submit written comments, suggestions, or objections, with respect to this proposed amendment, to the Director, Bureau of Sport Fisheries and Wildlife, Washington, D.C., 20240, within 30 days of the date of publication of the notice in the FEDERAL REGISTER.

1. Section 32.11 is amended by the addition of the following area as one where hunting of migratory game birds is authorized:

§ 32.11 List of open areas; migratory game birds.

* * * * *

CALIFORNIA

* * * * *

Sacramento National Wildlife Refuge.

STEWART UDALL,
Secretary of the Interior.

JUNE 26, 1964.

[F.R. Doc. 64–6650; Filed, July 2, 1964; 8:49 a.m.]

DEPARTMENT OF AGRICULTURE

Agricultural Marketing Service

[7 CFR Part 51]

ENDIVE, ESCAROLE OR CHICORY

Proposed U.S. Standards for Grades

Notice is hereby given that the United States Department of Agriculture is considering the revision of the United States Standards for Endive or Escarole or Chicory pursuant to the Agricultural Marketing Act of 1946 (60 Stat. 1087, as amended; 7 U.S.C. 1621–1627).

All persons who desire to submit written data, views, or arguments for consideration in connection with the proposed standards should file the same in duplicate, not later than July 25, 1964, with the Hearing Clerk, United States Department of Agriculture, Room 112, Administration Building, Washington, D.C., 20250, where they will be available for public inspection during official hours of business (paragraph (b) of § 1.27, as amended at 29 F.R. 7311).

Statement of considerations leading to the proposed revision of the grade standards. The existing United States Standards for Endive or Escarole or Chicory have been in effect since June 15, 1933 and have not been codified in accordance with the Administrative Procedure Act of 1946. In addition to such codification, a revision of the standards is designed to make the grade more applicable to current packing and marketing practices. The proposed revision would include more precise definitions of "damage", and "serious damage", and would further provide under "Application of tolerances" that at least one defective plant may be permitted in any package. The proposal is not intended to tighten or loosen the scoring of any specific defect, but would assist materially in providing uniform phraseology in line with current standards.

The proposed standards, as revised, are as follows:

GENERAL

Sec.
51.3535 General.

GRADE

51.3536 U.S. No. 1.

UNCLASSIFIED

51.3537 Unclassified.

TOLERANCES

51.3538 Tolerances.

APPLICATION OF TOLERANCES

51.3539 Application of Tolerances.

DEFINITIONS

51.3540 Similar varietal characteristics.
51.3541 Fresh.
51.3542 Well trimmed.
51.3543 Fairly well blanched.
51.3544 Damage.
51.3545 Serious damage.

AUTHORITY: The provisions in this subpart issued under secs. 203, 205, 60 Stat. 1087 as amended, 1090 as amended; 7 U.S.C. 1622, 1624.

GENERAL

§ 51.3535 General.

These standards do not apply to French Endive or Chicory marketed for its roots.

GRADE

§ 51.3536 U.S. No. 1.

"U.S. No. 1" consists of plants, of endive, escarole or chicory of similar varietal characteristics which are fresh, well trimmed and fairly well blanched, and which are free from decay and free from damage caused by seedstems, broken, bruised, spotted, or discolored leaves, wilting, dirt, disease, insects or other means.

UNCLASSIFIED

§ 51.3537 Unclassified.

"Unclassified" consists of plants of endive, escarole or chicory which have not

been classified in accordance with the foregoing grade. The term "unclassified" is not a grade within the meaning of these standards but is provided as a designation to show that no grade has been applied to the lot.

TOLERANCES

§ 51.3538 Tolerances.

In order to allow for variations incident to proper grading and handling, the following tolerances, by count, shall be permitted in any lot:

(a) 10 percent for plants of endive, escarole or chicory which fail to meet the requirements of the grade: *Provided*, That included in this amount not more than 5 percent shall be allowed for defects causing serious damage, including in this latter amount not more than 2 percent for plants affected by decay.

APPLICATION OF TOLERANCES

§ 51.3539 Application of tolerances.

The contents of individual packages in the lot, based on sample inspection, are subject to the following limitations: *Provided*, That the averages for the entire lot are within the tolerances specified for the grade:

(a) For a tolerance of 10 percent individual packages may contain not more than one and one-half times the specified tolerance, and for a tolerance of less than 10 percent individual packages may contain not more than double the specified tolerance, except that at least one defective plant may be permitted in any package.

DEFINITIONS

§ 51.3540 Similar varietal characteristics.

"Similar varietal characteristics" means that the plants in any package are of the same type such as curly-leaved endive or broad-leaved escarole.

§ 51.3541 Fresh.

"Fresh" means that the plant as a whole has normal succulence and the outermost leaves are not more than slightly wilted.

§ 51.3542 Well trimmed.

"Well trimmed" means that the roots are neatly cut near the point of attachment of the outer leaf stems.

§ 51.3543 Fairly well blanched.

"Fairly well blanched" means that the plant has a yellowish-white to white heart formation with a spread averaging not less than four inches in diameter when the head is opened as far as possible without breaking the leaves or leaf stems.

§ 51.3544 Damage.

"Damage" means any defect, or any combination of defects, which materially detracts from the appearance, or the edible or shipping quality of the individual plant or the lot as a whole.

§ 51.3545 Serious damage.

"Serious damage" means any defect, or any combination of defects, which seriously detracts from the appearance or the edible or shipping quality of the individual plant or the lot as a whole.

Dated: June 30, 1964.

G. R. GRANGE,
Deputy Administrator,
Marketing Services.

[F.R. Doc. 64-6630; Filed, July 2, 1964; 8:48 a.m.]

[7 CFR Part 51]

WALNUTS IN SHELL

Proposed U.S. Standards for Grades [1]

Notice is hereby given that the United States Department of Agriculture is considering the revision of United States Standards for Grades of Walnuts in the Shell (§§ 51.2945–51.2966) pursuant to the Agricultural Marketing Act of 1946 (60 Stat. 1087, as amended; 7 U.S.C. 1621–1627).

All persons who desire to submit written data, views or arguments for consideration in connection with the proposed standards should file the same in duplicate, not later than August 1, 1964, with the Hearing Clerk, United States Department of Agriculture, Room 112, Administration Building, Washington, D.C., 20250, where they will be available for public inspection during official hours of business (paragraph (b) of § 1.27, as amended at 29 F.R. 7311).

Statement of considerations leading to the proposed revision of the grade standards. During the latter part of 1963, it became apparent that the U.S. Standards for Grades of Walnuts in the Shell were too liberal in dealing with nuts having kernels affected by mold. This fact came to light through some shipments of walnuts which contained many moldy kernels. As a result, the Department of Agriculture made a study of the problem to determine what needed to be done. At the same time, discussions were held on other provisions of the standards, and suggestions for changes were solicited from the walnut handlers.

Agreement was reached on changing the definition of damage by mold to make it more restrictive. The present standards permit a walnut to have thinly scattered, inconspicuous mold over one-fourth of the entire surface of the kernel. Under the proposed definition, a walnut would be permitted to have only one-eighth of the kernel surface or one square centimeter in area (whichever is the lesser area) affected by thinly scattered, inconspicuous mold. Kernels with more of the surface affected would be barred from the grades. Under the same definition there is a further provision that any conspicuous mold on the kernel classes it as damaged, and bars the nut from the grade.

For a number of years, there has been some thinking among packers that the U.S. No. 3 grade was unreasonably liberal, having a tolerance of 30 percent for defective kernels. There were suggestions for deleting the grade entirely. However, the No. 3 grade was retained because it serves as a minimum standard in the marketing agreement order. A compromise is recommended in the form of the proposed reduction of the tolerance for kernel defects from 30 percent to 20 percent.

Under the proposed U.S. No. 3 grade, the internal (kernel) quality would be raised to the same level as that required in U.S. No. 2, with the exception that in U.S. No. 3 there would be no requirement for a percentage of kernels to be "light amber" color. This would permit the same dark color as is now allowed in U.S. No. 3.

A few changes would be made in wording of the standards, but they are intended for clarification and not to change the grade requirements.

The proposed standards, as revised, are as follows:

GENERAL

Sec.
51.2945 Application.
51.2946 Color chart.
51.2947 Method of inspection.

GRADES

51.2948 U.S. No. 1.
51.2949 U.S. No. 2.
51.2950 U.S. No. 3.

UNCLASSIFIED

51.2951 Unclassified.

SIZE SPECIFICATIONS

51.2952 Size specifications.

VARIETY OR TYPE SPECIFICATIONS

51.2953 Variety or type specifications.

TOLERANCES FOR GRADE DEFECTS

51.2954 Tolerances for grade defects.

APPLICATION OF TOLERANCES

51.2955 Application of tolerances.

DEFINITIONS

51.2956 Practically clean.
51.2957 Bright.
51.2958 Splits.
51.2959 Injury by discoloration.
51.2960 Damage.
51.2961 Well dried.
51.2962 Dark discoloration.
51.2963 Rancidity.
51.2964 Fairly clean.
51.2965 Serious damage.

AUTHORITY: The provisions of this subpart issued under secs. 203, 205, 60 Stat. 1087, as amended, 1090 as amended; 7 U.S.C. 1622, 1624.

GENERAL

§ 51.2945 Application.

The standards contained in this subpart apply only to walnuts commonly known as English or Persian walnuts (Juglans regia). They do not apply to the walnuts commonly known as black walnuts (Juglans nigra).

§ 51.2946 Color chart.

The walnut color chart [2] to which reference is made in §§ 51.2948, 51.2949,

[1] Packing of the product in conformity with the requirements of these standards shall not excuse failure to comply with the provisions of the Federal Food, Drug, and Cosmetic Act or with applicable State Laws and regulations.

[2] The walnut color chart has been filed with the original document and is available for inspection in the Division of the Federal Register or in the Fruit and Vegetable Division, United States Department of Agriculture, South Building, Washington 25, D.C. A printed copy of this color chart is attached to each copy of these standards issued by the United States Department of Agriculture.

51.2950, 51.2954 and 51.2962 has been prepared by the United States Department of Agriculture as a part of this subpart.

§ 51.2947 Method of inspection.

In determining the grade of a lot of walnuts, all of the nuts in the sample first should be graded for size and then examined for external defects. The same nuts then should be cracked and examined for internal defects. The nuts must meet the requirements for both external and internal quality in order to meet a designated grade.

GRADES

§ 51.2948 U.S. No. 1.

"U.S. No. 1" consists of walnuts in shells which are dry, practically clean, bright and free from splits, injury by discoloration, and free from damage caused by broken shells, perforated shells, adhering hulls or other means. The kernels are well dried, free from decay, dark discoloration, rancidity, and free from damage caused by mold, shriveling, insects or other means. (See § 51.2954.)

(a) At least 70 percent, by count, of the walnuts have kernels which are not darker than "light amber" (see color chart), and which are free from grade defects: *Provided,* That at least four-sevenths of the above amount, or 40 percent of the walnuts have kernels which are not darker than "light" (see color chart). Higher percentages of nuts with kernels not darker than "light amber" which are free from grade defects and/or higher percentages with kernels not darker than "light" which are free from grade defects, may be specified in accordance with the facts. (See § 51.2954.)

(b) Size shall be specified in connection with the grade. (See § 51.2952.)

§ 51.2949 U.S. No. 2.

"U.S. No. 2" consists of walnuts in shells which are dry, practically clean and free from splits, and free from damage caused by broken shells, perforated shells, adhering hulls, discoloration or other means. The kernels are well dried, free from decay, dark discoloration, rancidity, and free from damage caused by mold, shriveling, insects or other means. (See § 51.2954.)

(a) At least 60 percent, by count, of the walnuts have kernels which are not darker than "light amber" (see color chart), and which are free from grade defects. Higher percentages of nuts with kernels not darker than "light amber" which are free from grade defects, and/or percentages with kernels not darker than "light" (see color chart) which are free from grade defects, may be specified in accordance with the facts. (See § 51.2954.)

(b) Size shall be specified in connection with the grade. (See § 51.2952.)

§ 51.2950 U.S. No. 3.

"U.S. No. 3" consists of walnuts in shells which are dry, fairly clean, free from splits, and free from damage caused by broken shells, and free from serious damage caused by discoloration, perforated shells, adhering hulls or other means. The kernels are well dried, free from decay, dark discoloration, rancidity, and free from damage caused by mold, shriveling, insects or other means. (See § 51.2954.)

(a) There is no requirement in this grade for the percentage of walnuts having kernels which are "light amber" or "light". However, the percentage, by count, of nuts with kernels not darker than "light amber" (see color chart) which are free from grade defects and/or the percentage with kernels not darker than "light" (see color chart) which are free from grade defects, may be specified in accordance with the facts. (See § 51.2954.)

(b) Size shall be specified in connection with the grade. (See § 51.2952.)

UNCLASSIFIED

§ 51.2951 Unclassified.

"Unclassified" consists of walnuts in the shell which have not been classified in accordance with any of the foregoing grades. The term "unclassified" is not a grade within the meaning of these standards but is provided as a designation to show that no grade has been applied to the lot.

SIZE SPECIFICATIONS

§ 51.2952 Size specifications.

Size shall be specified in accordance with the facts in terms of one of the following classifications:

(a) *Mammoth size.* Mammoth size means walnuts of which not over 12 percent, by count, pass through a round opening $^{96}/_{64}$ inches in diameter;

(b) *Jumbo size.* Jumbo size means walnuts of which not over 12 percent, by count, pass through a round opening $^{80}/_{64}$ inches in diameter;

(c) *Large size.* Large size means walnuts of which not over 12 percent, by count, pass through a round opening $^{77}/_{64}$ inches in diameter; except that for walnuts of the Eureka variety and type, such limiting dimension as to diameter shall be $^{76}/_{64}$ inches;

(d) *Medium size.* Medium size means walnuts of which not over 12 percent, by count, pass through a round opening $^{77}/_{64}$ inches in diameter, and of which not over 12 percent, by count, pass through a round opening $^{73}/_{64}$ inches in diameter;

(e) *Standard size.* Standard size means walnuts of which not over 12 percent, by count, pass through a round opening $^{73}/_{64}$ inches in diameter;

(f) *Baby size.* Baby size means walnuts of which at least 88 percent, by count, pass through a round opening $^{74}/_{64}$ inches in diameter, and of which not over 10 percent, by count, pass through a round opening $^{60}/_{64}$ inch in diameter; and,

(g) *Minimum diameter, or minimum and maximum diameter.* In lieu of one of the foregoing classifications, size of walnuts may be specified in terms of minimum diameter, or minimum and maximum diameter: *Provided,* That not more than 12 percent, by count, pass through a round hole of the specified minimum diameter, and at least 88 percent, by count, pass through a round hole of any specified maximum diameter.

VARIETY OR TYPE SPECIFICATIONS

§ 51.2953 Variety or type specifications.

The variety or type of any lot of walnuts in the shell may be specified in accordance with the facts as follows:

(a) If the lot is of one named variety, that variety name may be specified, *Provided,* That not over 10 percent, by count, of the walnuts in the lot are of another variety or type than that specified; and,

(b) If the lot is a mixture of two or more distinct varieties or types it may be specified as "Mixed Varieties".

TOLERANCES FOR GRADE DEFECTS

§ 51.2954 Tolerances for grade defects.

In order to allow for variations incident to proper grading and handling, the following tolerances shall be permitted for nuts which fail to meet the requirements of the respective grades as indicated. Terms in quotation marks refer to color classification illustrated on the color chart.

TOLERANCE FOR GRADE DEFECTS

Grade	External (shell) defects	Internal (kernel) defects	Color of kernel
U.S. No. 1...	10 percent, by count, for splits. 5 percent, by count, for other shell defects, including not more than 3 percent seriously damaged.	10 percent total, by count, including not more than 6 percent which are damaged by mold or insects or seriously damaged by other means, of which not more than 5/6 or 5 percent may be damaged by insects, but no part of any tolerance shall be allowed for walnuts containing live insects.	No tolerance to reduce the required 70 percent of "light amber" kernels or the required 40 percent of "light" kernels or any larger percentage of "light amber" or "light" kernels specified.
U.S. No. 2...	10 percent, by count, for splits. 10 percent, by count, for other shell defects, including not more than 5 percent serious damage by adhering hulls.	20 percent total, by count, including not more than 10 percent which are damaged by mold or insects or seriously damaged by other means, of which not more than 1/2 or 5 percent may be damaged by insects, but no part of any tolerance shall be allowed for walnuts containing live insects.	No tolerance to reduce the required 60 percent or any specified larger percentage of "light amber" kernels, or any specified percentage of "light" kernels.
U.S. No. 3...	Same as above tolerance for U.S. No. 2.	Same as above tolerance for U.S. No. 2.	No tolerance to reduce any percentage of "light amber" or "light" kernels specified.

APPLICATION OF TOLERANCES

§ 51.2955 Application of tolerances.

The tolerances provided in these standards are on a lot basis, and they shall be applied to a composite sample representative of the lot. However, any identifiable container or group of containers in which the walnuts are obviously of a quality materially different from that in the majority of the containers shall be considered as a separate lot, and shall be sampled separately.

DEFINITIONS

§ 51.2956 Practically clean.

"Practically clean" means that, from the viewpoint of general appearance, the walnuts are practically free from adhering dirt or other foreign matter, and that individual walnuts are not damaged by such means. A slightly chalky deposit on the shell is characteristic of many bleached nuts and shall not be considered as dirt or foreign matter.

§ 51.2957 Bright.

"Bright" means a fairly light, attractive appearance. A slight chalky deposit on the shell shall not be considered as affecting brightness.

§ 51.2958 Splits.

"Splits" means walnuts with the seam opened completely around the nut so that the two halves of the shell are held together only by the kernel.

§ 51.2959 Injury by discoloration.

"Injury by discoloration" means that the color of the affected portion of the shell objectionably contrasts with the color of the rest of the shell of the individual nut.

§ 51.2960 Damage.

"Damage" means any specific defect mentioned in this section; or an equally objectionable variation of any one of these defects, any other defect, or any combination of defects which materially detracts from the appearance or the edible or shipping quality of the individual walnut or the lot as a whole. The following specific defects shall be considered as damage:

(a) Broken shells when the area from which a portion of the shell is missing is greater than the area of a circle one-fourth inch in diameter; or when the two halves of the shell have become completely broken apart and separated from each other;

(b) Perforated shells when the area affected aggregates more than that of a circle one-fourth inch in diameter. The term "perforated shells" means imperfectly developed areas on the shell resembling abrasions and usually including small holes penetrating the shell wall;

(c) Adhering hulls when affecting more than 5 percent of the shell surface;

(d) Discoloration (or stain) which covers, in the aggregate, one-fifth or more of the surface of the shell of an individual nut, and which is brown, reddish brown, gray, or other color in pronounced contrast with the color of the rest of the shell or the majority of shells in the lot, or darker discoloration covering a smaller area if the appearance is equally objectionable;

(e) Mold when attached to the kernel and conspicuous; or when inconspicuous white or gray mold affects an aggregate area larger than one square centimeter or one-eighth of the entire surface of the kernel, whichever is the lesser area;

(f) Shriveling when more than 5 percent of the surface of the kernel, including both halves, is severely shriveled, or a greater area is affected by lesser degrees of shriveling producing an equally objectionable appearance. Kernels which are thin in cross section but which are otherwise normally developed shall not be considered as damaged; and,

(g) Insects when an insect or insect fragment, web or frass is present inside the shell, or the kernel shows distinct evidence of insect feeding.

§ 51.2961 Well dried.

"Well dried" means that the kernel is firm and crisp, not pliable or leathery.

§ 51.2962 Dark discoloration.

"Dark discoloration" means that the color of the skin of the kernel is darker than "amber". (See color chart.)

§ 51.2963 Rancidity.

"Rancidity" means the stage of deterioration in which the kernel has developed a rancid flavor. Rancidity should not be confused with a slightly astringent flavor of the pellicle (skin) or with staleness, the stage at which the flavor is flat but not distasteful.

§ 51.2964 Fairly clean.

"Fairly clean" means that, from the viewpoint of general appearance, the lot is not seriously damaged by adhering dirt or other foreign matter, and that individual walnuts are not coated or caked with dirt or foreign matter. Both the amount of surface affected and the color of the dirt shall be taken into consideration.

§ 51.2965 Serious damage.

"Serious damage" means any specific defect mentioned in this section; or an equally objectionable variation of any one of these defects, any other defect, or any combination of defects which seriously detracts from the appearance or the edible or shipping quality of the walnut. The following specific defects shall be considered as serious damage:

(a) Discoloration (or stain) which covers, in the aggregate, one-third or more of the surface of the shell of an individual nut and which is brown, reddish brown, gray, or other color in pronounced contrast with the color of the rest of the shell or the majority of shells in the lot, or darker discoloration covering a smaller area if the appearance is equally objectionable;

(b) Perforated shells when the area affected aggregates more than that of a circle three-eighths of an inch in diameter. The term "perforated shells" means imperfectly developed areas on the shell resembling abrasions and usually including small holes penetrating the shell wall;

(c) Adhering hulls when affecting more than one-eighth of the shell surface in the aggregate;

(d) Shriveling when both halves of the kernel are affected by severe shriveling over an area totaling more than one-eighth of the surface; or when both halves are affected over a greater area by lesser degrees of shriveling producing an equally objectionable appearance. When one of the halves of the kernel shows no shriveling, the kernel shall not be considered seriously damaged unless the other half shows shriveling to the extent that over 50 percent of its surface is severely shriveled, or a greater area is affected by lesser degrees of shriveling producing an equally objectionable appearance. Kernels which are thin in cross section, but which are otherwise normally developed shall not be considered as damaged;

(e) Rancidity or decay; and,

(f) Uncured kernels which are wet, rubbery and "green".

Dated: June 30, 1964.

G. R. GRANGE,
Deputy Administrator,
Marketing Services.

[F.R. Doc. 64-6631; Filed, July 2, 1964; 8:48 a.m.]

ATOMIC ENERGY COMMISSION

[10 CFR Part 40]
LICENSING OF SOURCE MATERIAL

Proposed Exemption of Glass Enamel and Glass Enamel Frit Containing Source Material

The Thomas C. Thompson Company has filed a petition with the Commission requesting that the distribution and use of glass enamel frit containing uranium be exempted from licensing requirements.

The Commission has given careful consideration to this petition and has found that the receipt, possession, use, transfer or import into the United States of glass enamel and glass enamel frit containing not more than 10 percent by weight source material, pursuant to the proposed exemption, involves unimportant quantities of source material within the meaning of section 62 of the Atomic Energy Act of 1954, as amended, which are not of signficance to the common defense and security, and that such activities can be conducted without unreasonable hazard to life or property.

The addition of various uranium salts to glass enamel dates back at least to the early part of the twentieth century. Uranium salts are used in only a few of the enamels to produce certain colors which cannot be obtained by other means. Glass enamel frit is prepared by the fusion of silica, lead, alkali metals, boron, other minor glass forming chemicals, and, if desired, uranium salts, at a sufficiently high temperature to form a true and complete glass. The molten glass is poured from the furnace and quenched, usually in water, to form a "frit". The frit is then broken into pieces that may be ground and screened to the desired mesh sizes prior to sale or use.

Manufacturers of glass enamel frit market their product to industrial concerns, art supply houses, schools, individual commercial artists and hobbyists who apply the frit to metal, glass and ceramic surfaces for purposes of ornament or protection. Individual hobbyists generally purchase the frit only in ounce quantities.

The frit is usually applied to the surface of objects by use of a sieve, spatula, tweezers or brush. In some cases the frit is applied in a liquid vehicle, or paint, for better adherence to vertical surfaces. The object is then introduced into a muffle furnace at the appropriate temperature to melt the frit and bond it to the surface of the object. The object is then removed from the furnace and allowed to cool.

The Commission's regulations now provide an exemption for certain finished products to which frit containing source material may have been applied; § 40.13 (c) exempts from licensing requirements the receipt, possession, use, transfer or import of glazed ceramic tableware containing not more than 20 percent source material and glassware containing not more than 10 percent source material. The proposed amendment would add glass enamel frit and glass enamel, the vitreous coating resulting from the application of frit, to the exemption for glassware. The Commission also proposes a clarifying amendment to § 40.13 (c) (2) to specify the percentages in the existing exemption for source material in glazed ceramic tableware and glassware in terms of weight. It should be noted that certain persons, such as commercial and industrial firms and educational, research and medical institutions, are now authorized to use and transfer glass enamel frit in limited quantities under a general license for source material provided by § 40.22(a).

By reason of the low amount of radiation from glass enamel and glass enamel frit and the short period of time a person would use or be near such material, resultant external radiation exposure to the user would be only a small fraction of the limits recommended by the Federal Radiation Council or the International Commission on Radiological Protection. The care required to achieve the desired degree of surface protection or ornamentation of the object provides an added radiation safety factor. The introduction of foreign bodies generally produces a fault in the finished surface. Failure to keep the frit confined or to use care in the application of each color frit may result in undesired color mixture on the finished object. Enamel cannot be successfully applied without special care to assure that surfaces are clean and free of dust, oil, rust or other metal oxides. Thus, the probability of contamination is reduced through normal handling practices unrelated to radiation safety. Since the screened size of the frit is sufficiently large to be non-respirable, and since degassing of volatiles from the frit is accomplished during the smelting portion of the frit manufacture, it is unlikely that subsequent handling will produce a dust, fume or volatile component hazard.

Section 150.15(a)(6) of this title, provides that persons in agreement States[1] are not exempt from the Commission's licensing and regulatory requirements with respect to "The transfer of possession or control by the manufacturer, processor, or producer of any equipment, device, commodity, or other product containing source, byproduct, or special nuclear material, intended for use by the general public." The Commission has determined that glass enamel and glass enamel frit are products intended for use by the general public. Accordingly, the transfer of possession or control by the manufacturer of such products would not be subject to the licensing and regulatory authority of an agreement State.

Pursuant to the Atomic Energy Act of 1954, as amended, and the Administrative Procedure Act of 1946, notice is hereby given that adoption of the following amendment of Part 40 is contemplated. All interested persons who desire to submit written comments or suggestions for consideration in connection with the proposed amendment should send them to the Secretary, United States Atomic Energy Commission, Washington, D.C., 20545, within 60 days after publication of this notice in the FEDERAL REGISTER. Comments received after that period will be considered if it is practicable to do so, but assurance of consideration cannot be given except as to comments filed within the period specified.

Section 40.13(c)(2) is amended to read as follows:

§ 40.13 Unimportant quantities of source material.

* * * * *

(c) * * *

(2) Source material contained in the following products: (i) glazed ceramic tableware, provided that the glaze contains not more than 20 percent by weight source material; (ii) glassware, glass enamel and glass enamel frit containing not more than 10 percent by weight source material; but not including commercially manufactured glass brick, pane glass, ceramic tile or other glass, glass enamel or ceramic used in construction;

* * * * *

(Sec. 161, 68 Stat. 948; 42 U.S.C. 2201)

Dated at Washington, D.C., this 22d day of June 1964.

For the Atomic Energy Commission.

W. B. McCOOL,
Secretary to the Commission.

[F.R. Doc. 64-6639; Filed, July 2, 1964; 8:48 a.m.]

[1] States to which the Commission has transferred certain regulatory authority over radioactive material by formal agreement, pursuant to section 274 of the Atomic Energy Act of 1954, as amended.

Notices

DEPARTMENT OF THE TREASURY

Bureau of Customs

[AA 643.3–p]

AZOBISFORMAMIDE FROM JAPAN

Purchase Price Less Than Foreign Market Value

JUNE 30, 1964.

Pursuant to section 201(b) of the Antidumping Act, 1921, as amended (19 U.S.C. 160(b)), notice is hereby given that there is reason to believe or suspect, from information presented to me, that the purchase price of azobisformamide imported from Japan is less, or likely to be less, than the foreign market value, as defined by sections 203 and 205, respectively, of the Antidumping Act, 1921, as amended (19 U.S.C. 162 and 164).

Customs officers are being authorized to withhold appraisement of entries of azobisformamide from Japan pursuant to § 14.9 of the Customs Regulations (19 CFR 14.9).

The allegation in this case was received on February 17, 1964.

[SEAL] PHILIP NICHOLS, Jr.,
Commissioner of Customs.

[F.R. Doc. 64–6652; Filed, July 2, 1964; 8:50 a.m.]

DEPARTMENT OF THE INTERIOR

Bureau of Land Management

OREGON

Notice of Proposed Withdrawal and Reservation of Land

JUNE 23, 1964.

The Forest Service, United States Department of Agriculture, has filed an application, Serial No. Oregon 015246, for the withdrawal of the lands described below, from location and entry under the general mining laws, subject to valid existing rights.

The applicant desires the land for development of public outdoor recreation and to safeguard the government's investments in structures and improvements. The lands are located in the Klamath, Rogue River, Siuslaw, and Umatilla National Forests.

For a period of 30 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 undersigned officer of the Bureau of Land Management, Department of the Interior, 710 Northeast Holladay, Portland, Oreg., 97232.

The authorized officer of the Bureau of Land Management will undertake such investigations as are necessary to determine the existing and potential demand for the lands and their resources. He will also undertake negotiations with the applicant agency with the view of adjusting the application to reduce the area to the minimum essential to meet the applicant's needs, to provide for the maximum concurrent utilization of the lands for purposes other than the applicant's, to eliminate lands needed for purposes more essential than the applicant's, and to reach agreement on the concurrent management of the lands and their resources.

He will also prepare a report for consideration by the Secretary of the Interior who will determine whether or not the lands will be withdrawn as requested by the Forest Service.

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.

If circumstances warrant it, a public hearing will be held at a convenient time and place, which will be announced.

The lands involved in the application are:

OREGON

WILLAMETTE MERIDIAN

Siuslaw, Umatilla, Klamath, Rogue River National Forests

Siuslaw National Forest:

Rocky Bend Campground

T. 4 S., R. 7 W.,
In sec. 7.

Total, 10.11 acres.

North Ridge Campground

T. 12 S., R. 7 W.,
In sec. 21.

Total, 20 acres.

Willow Grove Campground

T. 3 S., R. 8 W.,
In sec. 33.

Total, 10 acres.

South Lake Campground

T. 4 S., R. 8 W.,
In sec. 19;
In sec. 30.

Total, 17.25 acres.

Beaver Creek Campground

T. 3 S., R. 9 W.,
In sec. 10.

Total, 5 acres.

Hebo Lake Campground

T. 4 S., R. 9 W.,
In sec. 9;
In sec. 16.

Total, 17.50 acres.

Hebo Geological Area and North Hebo Observation Site

T. 4 S., R. 9 W.,
In sec. 13.

Total, 7.50 acres.

Mt. Hebo Lookout and Observation Site

T. 4 S., R. 9 W.,
In sec. 23.

Total, 2.50 acres.

Castle Rock Campground

T. 4 S., R. 9 W.,
In sec. 32.

Total, 10 acres.

Big Elk Campground

T. 12 S., R. 9 W.,
In sec. 12.

Total, 10 acres.

Gopher Creek Campground

T. 12 S., R. 9 W.,
In sec. 17.

Total, 20 acres.

Slide Campground

T. 13 S., R. 9 W.,
In sec. 31.

Total, 12.96 acres.

Stoney Point Campground

T. 14 S., R. 9 W.,
Sec. 8, lot 1.

Total, 4.91 acres.

Launching Campground

T. 14 S., R. 9 W.,
In sec. 18.

Total, 12.19 acres.

North Base Campground

T. 3 S., R. 10 W.,
In sec. 18.

Total, 135 acres.

Kiwanda Campground

T. 4 S., R. 10 W.,
In sec. 18.

Total, 20.23 acres.

Little River Campground

T. 5 S., R. 10 W.,
In sec. 24.

Total, 20 acres.

Cascade Head Summit Campground

T. 6 S., R. 10 W.,
In sec. 7.

Total, 5 acres.

Cougar Mountain Lookout and Observation Point

T. 7 S., R. 10 W.,
In sec. 24.

Total, 10 acres.

Sampson Creek Campground

T. 8 S., R. 10 W.,
In sec. 1.

Total, 10 acres.

Diamond Campground

T. 8 S., R. 10 W.,
In sec. 2.

Total, 5 acres.

Wildcat Campground

T. 8 S., R. 10 W.,
In sec. 3.

Total, 10 acres.

Bridge Campground

T. 8 S., R. 10 W.,
In sec. 3;
In sec. 10.

Total, 15 acres.

Drift Creek Loop Organization Camp and North Creek Campground

T. 8 S., R. 10 W.,
In sec. 4.

Total, 90 acres.

Canal Creek Campground

T. 14 S., R. 10 W.,
In sec. 8.

Total, 10 acres.

North Fork Siuslaw Campground

T. 17 S., R. 10 W.,
In sec. 7.

Total, 15 acres.

Goodwin Peak Lookout and Observation Site

T. 19 S., R. 10 W.,
In sec. 9;
In sec. 16.

Total, 10 acres.

Table Rock Observation Site

T. 19 S., R. 10 W.,
In sec. 13.

Total, 10 acres.

Horseshoe Bend Campground

T. 19 S., R. 10 W.,
In sec. 28;
In sec. 29;
In sec. 32;
In sec. 33.

Total, 27.50 acres.

Little Bend Campground

T. 19 S., R. 10 W.,
In sec. 35.

Total, 20 acres.

Umpqua River Campground

T. 22 S., R. 10 W.,
In sec. 17.

Total, 18.10 acres.

Cascade Head Scenic Area

T. 6 S., R. 11 W.,
In sec. 10;
In sec. 11.

Total, 179.40 acres.

Cascade Head Observation Site

T. 6 S., R. 11 W.,
In sec. 12.

Total, 2.50 acres.

Big Creek Campground

T. 16 S., R. 11 W.,
In sec. 22.

Total, 5 acres.

Mercer Lake Campground

T. 17 S., R. 11 W.,
In sec. 31.

Total, 12.45 acres.

Cape Perpetua Recreation Area Addition

T. 15 S., R. 12 W.,
In sec. 2;
In sec. 3;
In sec. 10;
In sec. 11.

Total, 659.10 acres.

Ocean Beach Campground

T. 16 S., R. 12 W.,
In sec. 10.

Total, 22 acres.

Total acres in Siuslaw National Forest, 1,471.20 acres.

Umatilla National Forest:

Thomas Fork Campground

T. 2 N., R. 37 E.,
In sec. 4.

Total, 50 acres.

Salmonberry Campground

T. 3 N., R. 37 E.,
In sec. 33.

Total, 10 acres.

Total acres in Umatilla National Forest, 60 acres.

Klamath National Forest:

Mt. Ashland Winter Sports Area

T. 40 S., R. 1 E.,
Sec. 21, that part of the N½N½ south of Divide between Rogue River National Forest and Klamath National Forest.

Total, approximatey 90 acres in Klamath National Forest.

Rogue River National Forest:

Mt. Ashland Winter Sports Area

T. 40 S., R. 1 E.,
In sec. 16;
In sec. 21, that part of N½N½ north of Divide between Rogue River National Forest and Klamath National Forest.

Total, approximately 390 acres in Rogue River National Forest.

The total combined area in the four national forests is approximately 2,011.20 acres.

DOUGLAS E. HENRIQUES,
Manager, Land Office.

[F.R. Doc. 64-6628; Filed, July 2, 1964; 8:48 a.m.]

ATOMIC ENERGY COMMISSION

[Docket No. 50-99]

BABCOCK AND WILCOX CO.

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. 9, set forth below, to Facility License No. R-47. The license authorizes The Babcock and Wilcox Company ("the licensee") to operate the Lynchburg Pool Reactor at its site near Lynchburg, Virginia.

The amendment, in accordance with the application for license amendment dated November 22, 1963, deletes two conditions of the existing license and substitutes therefor a condition that the licensee shall not operate the reactor at any power level with bulk pool temperatures in excess of that which would allow fuel surface temperatures to be as great as 230° F.

The Commission has found that:

1. 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 Title 10, Ch. I, CFR;

2. Prior public notice of proposed issuance of this amendment is not required since the amendment does not involve significant hazards considerations different from those previously evaluated;

3. The issuance of this amendment will not be inimical to the common defense and security or to the health and safety of the public.

Within fifteen days from the date of publication of this notice in the FEDERAL REGISTER, the licensee 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. Request for a hearing and petitions to intervene shall be filed in accordance with the provisions of the Commission's rules of practice, 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) the hazards analysis prepared by the Research and Power Reactor Safety Branch of the Division of Reactor Licensing and (2) the application for license amendment dated November 22, 1963, both 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., 20545, Attention: Director, Division of Reactor Licensing.

Dated at Bethesda, Md., this 26th day of June 1964.

For the Atomic Energy Commission.

ROGER S. BOYD,
Chief, Research and Power Reactor Safety Branch, Division of Reactor Licensing.

[License No. R-47, Amdt. No. 9]

1. License No. R-57, as amended, which authorizes the Babcock and Wilcox Company ("the licensee") to operate its pool-type nuclear reactor located at the licensee's site near Lynchburg, Virginia, is hereby further amended, in accordance with the application for license amendment dated November 22, 1963, to delete subparagraph 4.A.(3) in its entirety and to substitute the following therefor:

"4.A.(3) Whenever the reactor is being operated without forced circulation, the licensee shall not:

a. Operate the reactor at any time at power levels in excess of 450 kilowatts (thermal), nor

b. Operate the reactor at any power level with bulk pool temperatures in excess of that which would allow fuel surface temperatures to be as great as 230° F."

2. This amendment is effective as of the date of issuance.

Date of issuance: June 26, 1964.

For the Atomic Energy Commission.

ROGER S. BOYD,
Chief, Research and Power Reactor Safety Branch, Division of Reactor Licensing.

[F.R. Doc. 64-6640; Filed, July 2, 1964; 8:48 a.m.]

[Docket No. 50-106]

OREGON STATE UNIVERSITY

Notice of Issuance of Construction Permit

Please take notice that no request for a formal hearing having been filed fol-

lowing publication of the notice of proposed action in the FEDERAL REGISTER on June 3, 1964, 29 F.R. 7252, the Atomic Energy Commission has issued Construction Permit No. CPRR–80. The permit authorizes Oregon State University to remove its nuclear reactor Model AGN–201, Serial No. 114, from its present location in Dearborn Hall and to reconstruct the reactor in the Radiation Center Building located on the University's campus at Corvallis, Oregon.

The construction permit as issued is in the form published in the notice of proposed action.

Dated at Bethesda, Md., this 26th day of June 1964.

For the Atomic Energy Commission.

ROGER S. BOYD,
Chief, Research and Power Reactor Safety Branch, Division of Reactor Licensing.

[F.R. Doc. 64–6641; Filed, July 2, 1964; 8:48 a.m.]

[Docket No. 50–193]

RHODE ISLAND AND PROVIDENCE PLANTATIONS ATOMIC ENERGY COMMISSION

Notice of Proposed Issuance of Facility License

Notice is hereby given that unless within fifteen days after publication of this notice in the FEDERAL REGISTER, a request for a hearing is filed with the U.S. Atomic Energy Commission ("the Commission") by Rhode Island and Providence Plantations Atomic Energy Commission ("the licensee"), or a petition for leave to intervene is filed by any person whose interest may be affected, as provided by and in accordance with the Commission's "Rules of Practice," 10 CFR Part 2, the Commission proposes to issue a facility license substantially in the form set forth below. The proposed license would authorize the licensee to operate a pool-type nuclear reactor at a maximum steady state power level of one (1) megawatt (thermal) at Fort Kearney in Narragansett, Rhode Island. Construction of the reactor was authorized by Construction Permit No. CPRR–73 issued August 27, 1962.

Prior to issuance of the license the reactor will be inspected by representatives of the Commission to determine whether it has been constructed in accordance with the provisions of Construction Permit No. CPRR–73.

The Commission has found that:

(1) The application complies with the requirements of the Atomic Energy Act of 1954, as amended, and the Commission's regulations set forth in Title 10, Chapter I, CFR;

(2) There is reasonable assurance that (i) the activities authorized by this license can be conducted at the designated location without endangering the health and safety of the public, and (ii) such activities will be conducted in compliance with the rules and regulations of the Commission;

(3) The licensee is technically and financially qualified to engage in the proposed activities in accordance with the Commission's regulations;

(4) The licensee is a nonprofit educational institution and will use the reactor for the conduct of educational activities. The licensee is therefore exempt from the financial protection requirement of subsection 170a. of the Atomic Energy Act of 1954, as amended.

(5) The issuance of this license will not be inimical to the common defense and security or to the health and safety of the public.

For further details with respect to this proposed license, see (1) the license application dated December 21, 1961, and supplements thereto dated January 19, 1962, May 2, 1962, June 29, 1962, August 3, 1962, August 10, 1962, April 5, 1963, April 16, 1963, July 3, 1963, August 26, 1963, October 15, 1963, October 22, 1963, October 25, 1963, January 24, 1964, February 28, 1964, April 30, 1964 and May 13, 1964, (2) a related hazards analysis prepared by the Research and Power Reactor Safety Branch of the Division of Reactor Licensing and (3) the Technical Specifications referred to as Appendix A to the proposed facility license, 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, D.C., 20545, Attention: Director, Division of Reactor Licensing.

Dated at Bethesda, Md., this 1st day of July 1964.

For the Atomic Energy Commission.

ROGER S. BOYD,
Chief, Research and Power Reactor Safety Branch, Division of Reactor Licensing.

PROPOSED FACILITY LICENSE

1. This license applies to the pool-type nuclear reactor, known as the Rhode Island Nuclear Science Center Reactor, and hereinafter referred to as "the reactor," which is owned by Rhode Island and Providence Plantations Atomic Energy Commission ("the licensee"), located at Fort Kearney in Narragansett, Rhode Island, and described in the application dated December 21, 1961, and supplements thereto dated January 19, 1962, May 2, 1962, June 29, 1962, August 3, 1962, August 10, 1962, April 5, 1963, April 16, 1963, July 3, 1963, August 26, 1963, October 15, 1963, October 22, 1963, October 25, 1963, January 24, 1964, February 28, 1964, April 30, 1964 and May 13, 1964, hereinafter referred to as "the application."

2. Subject to the conditions and requirements incorporated herein, the Atomic Energy Commission ("the Commission") hereby licenses Rhode Island and Providence Plantations Atomic Energy Commission:

A. Pursuant to Section 104c of the Atomic Energy Act of 1954, as amended ("the Act"), and Title 10, CFR, Chapter I, Part 50, "Licensing of Production and Utilization Facilities," to possess, use and operate the reactor as a utilization facility at the designated location at Fort Kearney in Narragansett, Rhode Island;

B. Pursuant to the Act and Title 10, CFR, Chapter I, Part 70, "Special Nuclear Material," to receive, possess and use at any one time up to 4.0 kilograms of uranium-235 as fuel for operation of the reactor;

C. Pursuant to the Act and Title 10, CFR, Chapter I, Part 70, "Special Nuclear Material," to receive, possess and use up to 32 grams of plutonium encapsulated in two plutonium-beryllium neutron sources for startup of the reactor;

D. Pursuant to the Act and Title 10, CFR, Chapter I, Part 30, "Licensing of Byproduct Material," to receive, possess and use an antimony-beryllium neutron source, which will be activated to a minimum neutron source strength of 10 curies in connection with operation of the reactor;

E. Pursuant to the Act and Title 10, CFR, Chapter I, Part 30, "Licensing of Byproduct Material," to possess, but not to separate, such byproduct material as may be produced by operation of the reactor.

3. This license shall be deemed to contain and be subject to the conditions specified in § 50.54 of Part 50, § 70.32 of Part 70, and § 30.32 of Part 30 of the Commission's regulations, and to be subject to all applicable provisions of the Act and rules, regulations and orders of the Commission now or hereafter in effect; and is subject to the additional conditions specified below:

A. *Maximum power level.* The licensee shall not operate the reactor at steady state power levels in excess of one (1) megawatt (thermal).

B. *Technical specifications.* The Technical Specifications contained in Appendix A to this license (hereinafter the "Technical Specifications") are hereby incorporated in this license. The licensee shall operate the reactor only in accordance with the Technical Specifications. No changes shall be made in the Technical Specifications unless authorized by the Commission as provided in 10 CFR 50.59.

C. *Authorization of changes, tests, and experiments.* The licensee may (1) make changes in the reactor as described in the hazards summary report, (2) make changes in the procedures as described in the hazards summary report, and (3) conduct tests or experiments not described in the hazards summary report only in accordance with the provisions of § 50.59 of the Commission's regulations.

D. *Reports.* In addition to reports otherwise required under this license and applicable regulations:

(1) The licensee shall make an immediate report in writing to the Commission of any indication or occurrence of a possible unsafe condition relating to the operation of the reactor, including, without implied limitation, any possible unsafe condition arising out of:

a. Any substantial variance disclosed by operation of the reactor from the performance specifications set forth in the hazards summary report, and

b. Any accidental release of radioactivity, whether or not resulting in property damage or personal injury or exposure above permissible limits.

(2) The licensee shall report to the Commission in writing, within sixty (60) days, significant changes in plant organization and accident analyses, as described in the hazards summary report.

(3) The licensee shall report in writing to the Director, Division of Reactor Licensing any material changes in the composition, program or activities of the Rhode Island and Providence Plantations Atomic Energy Commission.

E. *Records.* In addition to those otherwise required under this license and applicable regulations, the licensee shall keep the following records:

(1) Reactor operating records, including power levels.

(2) Records of in-pile irradiations.

(3) Records showing radioactivity released or discharged into the air or water beyond the effective control of the licensee as measured at the point of such release or discharge.

(4) Records of emergency reactor scrams, including reasons for emergency shutdowns.

4. This license is effective as of the date of issuance and shall expire at midnight August 27, 2002.

Date of Issuance:

For the Atomic Energy Commission.

ROGER S. BOYD,
Chief, Research and Power Reactor Safety Branch, Division of Reactor Licensing.

[F.R. Doc. 64-6719; Filed, July 2, 1964; 8:52 a.m.]

PERMITS FOR ACCESS TO RESTRICTED DATA

NOTE: Federal Register Document 64-6578, published at page 8231 in the issue dated Tuesday, June 30, 1964, should not have been designated "Notice of Proposed Rule Making". The document is a general notice.

CIVIL AERONAUTICS BOARD

[Docket No. 14945; Order E-21007]

INTERNATIONAL AIR TRANSPORT ASSOCIATION

Order Regarding Specific Commodity Rates

Adopted by the Civil Aeronautics Board at its office in Washington, D.C., on the 29th day of June 1964.

An agreement adopted by Joint Conference 1-2 of the International Air Transport Association relating to specific commodity rates; Docket No. 14945, Agreement C.A.B. 17633, R-14.

There has been filed with the Board, pursuant to section 412(a) of the Federal Aviation Act of 1958 (the Act) and Part 261 of the Board's Economic Regulations, an agreement between various air carriers, foreign air carriers, and other carriers embodied in the resolutions of Joint Conference 1-2 of the International Air Transport Association (IATA), and adopted pursuant to the provisions of Resolution 590 (Commodity Rates Board).

The agreement, adopted pursuant to unprotested notices to the carriers, names an additional specific commodity rate as follows:

Item 2868, Carpets and Blankets.
Rate: 98 cents per kilogram, minimum weight 200 kilograms, between New York and Casablanca/Rabat.

The Board, acting pursuant to sections 102, 204(a) and 412 of the Act, does not find the above-described agreement to be adverse to the public interest or in violation of the Act, provided that approval thereof is conditioned as hereinafter ordered:

Accordingly, it is ordered, That Agreement C.A.B. 17633, R-14, is approved, provided that such approval shall not constitute approval of the specific commodity description contained therein for purposes of tariff publication.

Any air carrier party to the agreement, or any interested person, may, within 15 days from the date of service of this order, submit statements in writing containing reasons deemed appropriate, together with supporting data in support of or in opposition to the Board's action herein. An original and nineteen copies of the statements should be filed with the Board's Docket Section. The Board may, upon consideration of any such statements filed, modify or rescind its action herein by subsequent order.

This order will be published in the FEDERAL REGISTER.

By the Civil Aeronautics Board.

[SEAL] HAROLD R. SANDERSON,
Secretary.

[F.R. Doc. 64-6665; Filed, July 2, 1964; 8:52 a.m.]

[Docket No. 15378; Order E-21016]

ALASKA AIRLINES, INC.

Order of Investigation and Suspension Regarding Reduced Cargo Charter Rates

Adopted by the Civil Aeronautics Board at its office in Washington, D.C., on the 30th day of June 1964.

By tariff revisions marked to become effective July 1, 1964, Alaska Airlines, Inc. (ASA) proposes to establish southbound point-to-point cargo charter rates for L-1049H and L-1649A Constellation aircraft, applicable from a number of Alaskan points not on ASA's certificated routes to Seattle. The proposed charter trip rates per mile are below charter rates in effect for ASA for the aircraft for all of the points involved in the filing. The tariff bears an expiration date of November 30, 1964.

Pacific Northern Airlines, Inc. (PNA) has filed a complaint, requesting suspension and investigation. In summary, it states that ASA is endeavoring to waive the currently applicable ferry mileage charges which would accrue in positioning an aircraft at offline points; that PNA has specific commodity rates on fresh seafood in effect in the markets named in the filing, under which large quantities of such traffic have moved during the past three seasons; that, inasmuch as the rates proposed are either above or below PNA's current rates, ASA would either get no business from PNA or divert from PNA the business it has developed over the years; that the proposed rates are not promotional in character but are merely diversionary; that the whole proposal is simply a device for ASA to enter markets where the carrier is not authorized by certificate to operate—in fact, it would apply to every point on PNA's certificate; that even ASA's generally higher current charter rate is below its reported operating costs for Constellation aircraft; that the demand for additional cargo space resulting from the earthquake has had no effect on ASA; that the earthquake has actually reduced the southbound movement of seafood; and that ASA is attempting to justify its northbound rates by its southbound proposals, and its southbound proposals by its northbound rates.

In justification of its proposal and in answer to the complaint, ASA declares that its filing is intended to provide southbound cargo to enable the economic operation of flights northbound into Alaska necessitated by the earthquake; that the earthquake has resulted in a potential for the southbound movement of seafood at low rates from the points named in the proposed tariff; that the proposed rates are at the levels in effect for certain weekend and directional charters by other carriers within the United States; that the expiration date will coincide with end of the movement of the commodity involved, seafood; that, if the proposals prove noncompensatory, they will be canceled prior to such expiration date; that the ferry mileage is included in the rates proposed; that the charter mileage that ASA is authorized limits the trips it can fly, that in four of the eight markets on PNA's system the rates proposed are actually higher per pound than PNA's rates on fresh seafood in effect for much smaller shipments; that there is significant shipper demand for the all-cargo aircraft service that ASA is introducing; that the traffic to be carried under the proposed rates will be a backhaul for MATS flights; and that ASA's experienced costs indicate that the rates will be compensatory on a promotional basis.

Upon consideration of all relevant matters, the Board finds that ASA's proposed charter rates to Seattle from Cordova, Kenai, Homer, and King Salmon may be unjust or unreasonable, unjustly discriminatory, unduly preferential, or unduly prejudicial, and should be investigated. These proposed rates are below PNA's current per pound rate in schedueld service for the principal commodity, fresh seafood, and may cause substantial diversion from that service. It thus appears that such rates may disrupt the rate structure and cause an undue dilution of the carriers' revenue. Since highly subsidized carriers are involved, the Board has further decided to suspend the aforementioned proposed charter rates and defer their use pending investigation.

Accordingly, pursuant to the Federal Aviation Act of 1958 and particularly sections 204(a) and 1002 thereof:

It is ordered, That:

1. An investigation be instituted to determine whether the cargo charter charges per trip from Cordova, Homer, Kenai, and King Salmon, Alaska, to Seattle, Washington, appearing on 1st Revised Page 11 of Alaska Airlines, Inc., C.A.B. No. 109 are, or will be, unjust or unreasonable, unjustly discriminatory, unduly preferential, unduly prejudicial, or otherwise unlawful and if found to be unlawful to determine and prescribe the lawful charges;

2. Pending hearing and decision by the Board, the cargo charter charges per trip from Cordova, Homer, Kenai, and King Salmon, Alaska, to Seattle, Washington, appearing on 1st Revised Page 11 of Alaska Airlines, Inc., C.A.B. No. 109, are suspended and their use deferred to and including September 28, 1964, unless otherwise ordered by the Board and that no changes be made therein during the

period of suspension except by order or special permission of the Board;

3. The complaint of Pacific Northern Airlines, Inc., in Docket 15317, to the extent granted, is consolidated herein;

4. The proceeding ordered herein be assigned for hearing before an examiner of the Board at a time and place hereafter to be designated; and

5. Copies of this order shall be filed with the tariff and shall be served upon Alaska Airlines, Inc., and Pacific Northern Airlines, Inc., which are hereby made parties to this proceeding.

This order will be published in the FEDERAL REGISTER.

By the Civil Aeronautics Board.

[SEAL] HAROLD R. SANDERSON,
Secretary.

[F.R. Doc. 64-6666; Filed, July 2, 1964; 8:52 a.m.]

[Docket No. 15376; Order E-21013]

WESTERN ALASKA AIRLINES, INC.

Order of Investigation and Suspension Regarding Increased Charges for Excess Valuation of Baggage and Reduction in Limitation of Valuation

Adopted by the Civil Aeronautics Board at its office in Washington, D.C., on the 30th day of June 1964.

On June 1, 1964, Western Alaska Airlines, Inc. (Western), issued a tariff [1] to become effective on July 1, 1964. Rule 65(i) of this tariff proposes to increase the excess value charges on baggage from 15 cents for each $100 or fraction thereof to 50 cents per each $10, or fraction thereof. This increased charge would be applicable to valuation in excess of $100 which is included in the purchase price of the related passenger ticket. This tariff revision, also, reduces the limit of the maximum valuation which the passenger may place on his baggage from $5,000 to $500.

The revised tariff by Rule 45(c) also imposes a new restriction with regard to refunds which would require persons who obtained reservations to apply for refund on the unused ticket at the office which issued the ticket within 30 days after the date of the commencement of the flight on which the reservation was held.

The carrier has filed no information or data in support of the increased charges for excess valuation, or the reduction in the maximum amount of valuation passengers may declare for their baggage to $500. If claims against Western Alaska for lost or damaged baggage are abnormally high, as its tariff proposal seems to indicate, it would appear that the carrier should take measures to reduce claims by increased protection of the passengers' baggage, rather than by limiting the maximum amount of loss recoverable by passengers to $500 and increasing excess baggage charges by more than 3,000 percent ($0.15 per hundred to $5.00 per hundred).

The carrier's proposal to require persons who obtain reservations to apply for refunds within 30 days after scheduled departure at the office where the tickets were purchased raises significant questions of reasonableness, discrimination, and preference and prejudice. This restriction would apply whether such passengers canceled their reservations well in advance of scheduled departure time or did not. We are aware of no valid reason why the making of a reservation, per se, justifies any special restriction upon refunds or different treatment in this respect than would apply in the absence of a reservation.

In view of the magnitude of the increase in the charge for excess valuation of baggage, and the decrease in the value the passenger may place upon his baggage, the nature of the refund restrictions proposed, and the absence of any data or information justifying these proposals, the Board will order an investigation of these tariff revisions and will order their suspension pending investigation.

Accordingly, pursuant to the Federal Aviation Act of 1958, and particularly sections 204(a), 403, 404 and 1002 thereof,

It is ordered, That:

1. An investigation be instituted to determine whether the provisions of Rule No. 45(c) on Original Page 7 and the charges and provisions of Rule No. 65(i) on Original Page 9 of Western Alaska Airlines, Inc., C.A.B. No. 11 are, or will be, unjust or unreasonable, unjustly discriminatory, unduly preferential, unduly and prejudicial, or otherwise unlawful and if found to be unlawful to determine and prescribe the lawful charges and provisions;

2. Pending hearing and decision by the Board, Rule No. 45(c) on Original Page 7 and Rule No. 65(i) on Original Page 9 of Western Alaska Airlines, Inc., C.A.B. No. 11 are suspended and their use deferred to and including September 28, 1964, unless otherwise ordered by the Board and that no changes be made therein during the period of suspension except by order or special permission of the Board;

3. This investigation shall be set for hearing before an Examiner of the Board at a time and place hereafter to be designated; and

4. A copy of this order shall be filed with the aforementioned tariff and be served upon Western Alaska Airlines, Inc., who is made a party to the investigation ordered herein.

This order will be published in the FEDERAL REGISTER.

By the Civil Aeronautics Board.

[SEAL] HAROLD R. SANDERSON,
Secretary.

[F.R. Doc. 64-6667; Filed, July 2, 1964; 8:51 a.m.]

[1] Western Alaska Airlines, Inc., Local Passenger Rules Tariff No. 2, C.A.B. No. 11, which cancels Western Alaska Airlines, Inc., Local Passenger Rules, Fares and Charter Rates Tariff No. 1, C.A.B. No. 2. See Rules 65(i) and 45(c).

[Docket No. 14868]

LAKE CENTRAL AIRLINES ROUTE INVESTIGATION

Notice of Hearing

In the matter of an investigation involving various questions of the public convenience and necessity and concerning route 88 served by Lake Central Airlines, Inc.

Notice is hereby given, pursuant to the Federal Aviation Act of 1958, as amended, that public hearings in the above-entitled proceedings will be held on November 10, 1964, at 10:00 a.m., local time, in Room 725, Universal Building, 1825 Connecticut Avenue NW., Washington, D.C., before the undersigned examiner.

For further information regarding the issues involved in these proceedings, interested persons are hereby referred to the various orders of the Board instituting this investigation, the report of prehearing conference in this matter served April 28, 1964, and a supplemental report of prehearing conference served June 5, 1964, each of which documents is on file in the Docket Section of the Civil Aeronautics Board.

Dated at Washington, D.C., June 29, 1964.

[SEAL] EDWARD T. STODOLA,
Hearing Examiner.

[F.R. Doc. 64-6668; Filed, July 2, 1964; 8:52 a.m.]

FEDERAL COMMUNICATIONS COMMISSION

[Docket No. 15520; FCC 64M-609]

CONANT BROADCASTING CO., INC. (WHIL)

Order Scheduling Hearing

In re application of Conant Broadcasting Company, Inc. (WHIL), Medford, Massachusetts, Docket No. 15520, File No. BP-15030; for construction permit.

It is ordered, This 29th day of June 1964, that Elizabeth C. Smith shall serve as the presiding officer in the above-entitled proceeding; that the hearings therein shall commence at 10:00 a.m. on September 16, 1964; and that a prehearing conference shall be convened at 9:00 a.m. on July 30, 1964: *And, it is further ordered,* That all proceedings shall be held in the Offices of the Commission, Washington, D.C.

Released: June 29, 1964.

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] BEN F. WAPLE,
Secretary.

[F.R. Doc. 64-6659; Filed, July 2, 1964; 8:51 a.m.]

[Docket Nos. 15440, 15441; FCC 64M-616]

CONTEMPORARY RADIO, INC. (WAYL) AND HUBBARD BROADCASTING, INC.

Order Continuing Hearing

In re applications of Contemporary Radio, Inc. (WYAL), Minneapolis, Min-

nesota, Docket No. 15440, File No. BPH–4142; Hubbard Broadcasting, Inc., Minneapolis, Minnesota, Docket No. 15441, File No. BPH–4167; for construction permits.

The Hearing Examiner having before him the Commission's Memorandum Opinion and Order released June 29, 1964, in Docket No. 15513;

It appearing, that by Order released June 2, 1964, the Chief Hearing Examiner scheduled a prehearing conference in the subject proceeding for 9:00 a.m., June 30, 1964, and commencement of hearing for July 23, 1964; and

It further appearing, that the Commission's Memorandum Opinion and Order directs that "pending disposition of the rule making proposals" in Docket No. 15513, "further proceedings in Docket Nos. 15440 and 15441 are stayed";

It is ordered, This 29th day of June 1964, that the prehearing conference, presently scheduled for 9:00 a.m., June 30, 1964, and the hearing, presently scheduled to commence on July 23, 1964, are continued pending disposition of the referenced rule making proceeding.

Released: June 30, 1964.

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] BEN F. WAPLE,
Secretary.

[F.R. Doc. 64–6660; Filed, July 2, 1964; 8:51 a.m.]

[Docket No. 14650; FCC 64M–612]

DOMESTIC TELEGRAPH SERVICE

Order Continuing Hearing

The Examiner having under consideration an informal oral request of the Common Carrier Bureau seeking a postponement of the hearing sessions presently scheduled to commence June 30, 1964; and

It appearing, that the other interested parties have been orally advised of the pendency of this request, and it being impracticable, because of the time element, to pursue such request in writing with service upon all interested parties, etc.; and

It further appearing, that good cause has been shown for the relief requested:

It is ordered, This 29th day of June 1964, that the hearing sessions herein scheduled to commence on June 30, 1964, are postponed to July 20, 1964, at 2:00 p.m. at the Commission's offices in Washington, D.C., and that further examination of the American Telephone and Telegraph Company's witnesses (Messrs. A. M. Froggatt and F. J. Woods) shall be completed on or before July 31, 1964.

Released: June 29, 1964.

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] BEN F. WAPLE,
Secretary.

[F.R. Doc. 64–6661; Filed, July 2, 1964; 8:51 a.m.]

[Docket Nos. 15442, 15443; FCC 64M–621]

DUBUQUE BROADCASTING CO. AND TELEGRAPH-HERALD

Order Continuing Hearing

In re applications of Dubuque Broadcasting Company, Dubuque, Iowa, Docket No. 15442, File No. BPH–3920; Telegraph-Herald, Dubuque, Iowa, Docket No. 15443, File No. BPH–4288; for construction permits.

The Hearing Examiner having before him a letter request from attorneys for Dubuque Broadcasting Company, dated June 25, 1964, for postponement of the hearing in the above-entitled proceeding from July 27, 1964, to September 22, 1964; and

It appearing that final action on Dubuque Broadcasting Company's petition for rule making may be taken during the month of September and if such action is taken need for hearing may be avoided; and

It further appearing that counsel for Telegraph-Herald joins in the request and counsel for the Broadcast Bureau, the only other party to the proceeding, has no objection to grant:

It is ordered, This 29th day of June 1964, that the letter request for postponement of hearing in the above-entitled proceeding is granted; and hearing now scheduled for July 27, 1964, is continued to September 22, 1964.

Released: June 30, 1964.

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] BEN F. WAPLE,
Secretary.

[F.R. Doc. 64–6662; Filed, July 2, 1964; 8:51 a.m.]

[Docket Nos. 15482, 15483; FCC 64M–614]

SOUTH JERSEY TELEVISION CABLE CO.

Order Continuing Hearing

In re application of South Jersey Television Cable Co., Docket No. 15482, File No. 17325–IB–114X, for operational fixed stations in the business radio service; and South Jersey Television Cable Co., Docket No. 15483, File No. 17326–IB–114X, for operational fixed stations in the business radio service.

Pursuant to agreement of counsel arrived at during the further session of the prehearing conference in the above-styled proceeding held on this date: *It is ordered,* This 26th day of June 1964, that the hearing presently scheduled to commence on July 20, 1964, be and the same is hereby continued to September 14, 1964, at 10 a.m., in Washington, D.C.

Released: June 30, 1964.

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] BEN F. WAPLE,
Secretary.

[F.R. Doc. 64–6663; Filed, July 2, 1964; 8:51 a.m.]

[Docket No. 15518; FCC 64M–608]

WESTERN SLOPE BROADCASTING CO., INC. (KREX)

Order Scheduling Hearing

In re application of Western Slope Broadcasting Company, Inc. (KREX), Grand Junction, Colorado, Docket No. 15518, File No. BP–15328; for construction permit.

It is ordered, This 29th day of June 1964, that Forest L. McClenning shall serve as the presiding officer in the above-entitled proceeding; that the hearings therein shall commence at 10:00 a.m. on September 17, 1964; and that a prehearing conference shall be convened at 9:00 a.m. on July 30, 1964: *And, it is further ordered,* That all proceedings shall be held in the Offices of the Commission, Washington, D.C.

Released: June 29, 1964.

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] BEN F. WAPLE,
Secretary.

[F.R. Doc. 64–6664; Filed, July 2, 1964; 8:52 a.m.]

[Docket Nos. 8218 etc.; FCC 64M–602]

NORTHWESTERN INDIANA RADIO CO., INC. ET AL.

Order re Procedural Dates

In re applications of Northwestern Indiana Radio Company, Inc., Valparaiso, Indiana, Docket No. 8218; File No. BP–5574; Anthony Santucci, Robert Jones, Kenneth Berres, Albert Geller and Gabriel Aprati, d/b as Valley Broadcasting, Kankakee, Illinois, Docket No. 15359, File No. BP–15459; Merlin J. Meythaler, Merton J. Gonstead, Rex N. Eyler and James B. Goetz, d/b as Livingston County Broadcasting Company, Pontiac, Illinois, Docket No, 15360, File No. BP–15470; for construction permits.

The Hearing Examiner has for consideration the informal request of Valley Broadcasting for extension of certain procedural dates herein, together with the statement of counsel for Valley that counsel for all other parties have consented to a grant of the requested relief:

It is ordered, This 24th day of June 1964, that the procedural dates herein are rescheduled as follows:

	From—	To—
Formal exchange	June 24, 1964	July 10, 1964
Notification of witnesses	June 30, 1964	July 15, 1964
Commencement of hearing	July 6, 1964	July 20, 1964

Released: June 26, 1964.

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] BEN F. WAPLE,
Secretary.

[F.R. Doc. 64–6606; Filed, July 2, 1964; 8:45 a.m.]

[Docket No. 15518; FCC 64-560]

WESTERN SLOPE BROADCASTING CO., INC. (KREX)

Memorandum Opinion and Order Designating Application for Hearing on Stated Issues

In re application of Western Slope Broadcasting Company, Inc. (KREX), Grand Junction, Colorado, Has: 920 kc, 500 w, 5 kw-LS, U, Class III Req: 1100 kc, 50 kw, U, DA-N, and C.H., Docket No. 15518, File No. BP-15328; for construction permit.

1. The Commission has before it for consideration (a) the above-captioned and described application; (b) an "Opposition" filed on March 14, 1962, by the Westinghouse Broadcasting Company, Inc., licensee of Station KYW, Cleveland, Ohio; (c) a reply to the Westinghouse opposition filed by the Western Slope Broadcasting Company, Inc., March 26, 1962; (d) a "Supplemental Opposition" filed by the Westinghouse Broadcasting Company, Inc., on March 27, 1962; and (e) the applicant's reply to the supplemental opposition filed on April 16, 1962.

2. Petitioner alleges that interference would be caused within the secondary service area of Station KYW and, therefore, the rights of the licensee would be violated by a grant of the KREX application without prior notice of the resultant modification of the KYW licensee being given to the Petitioner. In view of this alleged electrical intereference, petitioner requests that the KREX proposal be denied or, in the alternative that the application be placed in the pending file pending (1) disposition of the Westinghouse petition, filed October 16, 1961, For Reconsideration of the Clear Channel Decision, Docket No. 6741, or (2) action by the Congress on the pending legislation relating to the Clear Channels, or in the alternative to delay action until the Commission has first issued the required notice to WBC required by section 316 of the Communications Act of 1934, as amended, and finally disposed of the proceedings and public hearing, if requested, resulting therefrom.

3. Petitioner's request that action on the KREX application be withheld pending disposition of the aforementioned Westinghouse petition filed October 16, 1961 is now moot and will be denied since this pleading was denied by Commission action of November 21, 1962 (See Memorandum Opinion and Order FCC 62-1214). Moreover, the United States Court of Appeals on October 31, 1963 released a decision upholding the Commission's decision in Docket No. 6741.

4. In reaching the aforementioned decision of November 21, 1962, the Commission took cognizance of the House of Representative Resolution of July 2, 1962 as well as the 1938 Senate Resolution to the contrary and, accordingly found it appropriate to withhold any implementation of the Clear Channel Decision until July 2, 1963, but stated, that, in the absence of any controlling legislation during this period of time, no further administrative delay in implementing the decision was contemplated and that the applications would thereafter be acted on according to the rules. Accordingly, in view of the public interest considerations and the absence of any controlling legislation to date, the Commission feels constrained to implement the decision without further delay. Accordingly, the WBC request that action on the above-captioned KREX application be withheld pending further action by the Congress will be denied.

5. We now turn our attention to consideration of Petitioner's allegation that a grant of the KREX proposal would cause interference to Station KYW. Commission studies indicate that no electrical interference would be caused within the normally protected service area of KYW, as determined by the rules, if the proposed antenna system were adjusted and maintained within proposed limits of radiation. However, as alleged by the Petitioner, the proposed directional antenna system appears critical with regard to providing adequate protection to KYW. In this regard, Commission studies indicate that very slight variations in relative phase and/or change in magnitude of the individual antenna currents proposed would result in radiation exceeding that proposed and objectionable interference would be caused within the normally protected KYW nighttime service area. Moreover, the photographs on file of the applicant's proposed transmitter site indicate substantial terrain irregularities and since no evidence has been submitted in the form of a site survey (nondirectional and directional measurements made from a test installation at the proposed site) which would permit a determination regarding the extent of signal scatter and reradiation which may obtain, a substantial question exists as to whether the proposed antenna system can be adjusted and maintained within the proposed limits of radiation. Thus, it appears necessary that the above-captioned KREX application be designated for a hearing and the Commission, on its own motion will make the Westinghouse Broadcasting Company, Inc., a party to the proceeding.

6. Mr. Rex Howell, President of the Western Slope Broadcasting Company, Inc., has a 51 percent interest in Station KGLN located at Glenwood Springs, Colorado, and studies indicate that the proposed operation would result in increased overlap of service areas with KGLN raising a question of compliance with § 73.35(a) of our rules.

7. Except as indicated by the issues specified below, the applicant is legally, technically, financially and otherwise qualified to construct and operate as proposed. However, the Commission is unable to make a statutory finding that a grant of the subject application would serve the public interest, convenience and necessity, and is of the opinion that the application of KREX must be designated for a hearing on the issues set forth below:

It is ordered, That pursuant to section 309(e) of the Communications Act of 1934, as amended, the above-captioned application of the Western Slope Broadcasting Company, Inc., is designated for hearing, at a time and place to be specified in the subsequent order, upon the following issues:

1. To determine the areas and populations which may be expected to gain or lose primary service from the proposed operation of Station KREX and the availability of other primary service to such areas and populations.

2. To determine whether a grant of the proposal would be in contravention of § 73.35(a) of the Commission rules with respect to multiple ownership of stations.

3. To determine whether the transmitter site of the proposed operation is satisfactory with particular regard to any conditions that may exist in the vicinity of the antenna system which would prevent satisfactory adjustment and maintenance of the proposed directional antenna system.

4. To determine whether the proposed directional antenna system can be adjusted and maintained as proposed and whether adequate nighttime protection will be afforded Station KYW, Cleveland, Ohio.

5. To determine, in the light of the evidence adduced pursuant to the foregoing issues, whether a grant of the application would serve the public interest, convenience and necessity.

It is further ordered, That Westinghouse Broadcasting Co., Inc., licensee of Station KYW, Cleveland, Ohio, is made a party to the proceeding.

It is further ordered, That, in the event of a grant of the application the construction permit shall contain the following conditions:

This authorization is subject to compliance by permittee with any applicable procedures of the FAA.

Pending a decision in Docket No. 14419 with respect to presunrise operation with daytime facilities, the provisions of § 73.87 of the Commission rules are not extended to this authorization and such operation is precluded.

It is further ordered, That, to avail themselves of the opportunity to be heard, the applicant and party respondent herein, pursuant to § 1.221(c) of the Commission rules, in person or by attorney, shall, within twenty (20) days of the mailing of this order, file with the Commission in triplicate, a written appearance stating an intention to appear on the date fixed for the hearing and present evidence on the issues specified in this order.

It is further ordered, That the applicant herein shall, pursuant to section 311(a)(2) of the Communications Act of 1934, as amended, and § 1.594 of the Commission's rules, give notice of the hearing within the time and in the manner prescribed in such rule, and shall advise the Commission of the publication of such notice as required by § 1.594(g) of the rules.

Adopted: June 22, 1964.

Released: June 26, 1964.

FEDERAL COMMUNICATIONS COMMISSION,[1]

[SEAL] BEN F. WAPLE,
Secretary.

[F.R. Doc. 64-6607; Filed, July 2, 1964; 8:45 a.m.]

[1] Commissioner Lee abstaining from voting.

[Docket Nos. 15476, 15477; FCC 64M-557]

WEZY, INC. AND WKKO RADIO, INC.

Order Continuing Hearing

In re applications of WEZY, Inc., Cocoa, Florida, Docket No. 15476, File No. BPH-4172; WKKO Radio, Inc., Cocoa, Florida, Docket No. 15477, File No. BPH-4173; for construction permits.

Pursuant to agreements reached at the further prehearing conference held on June 25, 1964, the evidentiary hearing in the above-entitled proceeding is continued from July 20, 1964, to September 14, 1964, beginning at 10:00 a.m. in the offices of the Commission, Washington, D.C.

It is so ordered, This the 25th day of June 1964.

Released: June 26, 1964.

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] BEN F. WAPLE,
Secretary.

[F.R. Doc. 64-6608; Filed, July 2, 1964; 8:45 a.m.]

FEDERAL MARITIME COMMISSION

AMERICAN PRESIDENT LINES, LTD., AND CHINA NAVIGATION CO., LTD.

Notice of Filing of Agreement

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 9358 between American President Lines, Ltd., and China Navigation Co., Ltd., covers the transportation of "United States Navy Radio Communications Project" cargo under through bills of lading from ports on the West Coast of the United States and Hawaii, with transhipment at Yokohama, Japan, to ports in Western Australia.

Interested parties may inspect this agreement and obtain copies thereof at the Bureau of Foreign Regulation, Federal 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, D.C., 20573, 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: June 29, 1964.

By order of the Federal Maritime Commission.

THOMAS LISI,
Secretary.

[F.R. Doc. 64-6637; Filed, July 2, 1964; 8:48 a.m.]

INTERNATIONAL SHIPPING SERVICES, INC., ET AL.

Notice of Agreements Filed for Approval

Notice is hereby given that the following freight forwarder cooperative working agreements have been filed with the Commission for approval pursuant to section 15 of the Shipping Act, 1916, as amended (39 Stat. 733, 75 Stat. 763, 46 U.S.C. 814).

Interested parties may inspect and obtain a copy of the agreements at the Washington office of the Federal Maritime Commission, 1321 H Street NW., Room 301. Comments with reference to an agreement including a request for hearing, if desired, may be submitted to the Secretary, Federal Maritime Commission, Washington, D.C., 20573, within 20 days after publication of this notice in the FEDERAL REGISTER. A copy of any such statement or request for a hearing should also be forwarded to each of the parties to the agreement (as indicated hereinafter), and the comments should indicate that this has been done.

Unless otherwise indicated, these agreements are non-exclusive, cooperative working arrangements under which the parties may perform freight forwarding services for each other, dividing forwarding and service fees as agreed on each transaction. Ocean freight compensation is to be divided as agreed between the parties.

International Shipping Services, Inc., Houston, Texas, is party to the following agreements, the terms of which are identical. The other parties are:

John W. Newton, Jr., Beaumont, Tex ---------- FF-1554
A. L. Rankin, Corpus Christi, Tex.. FF-1555
James Loudon & Co., Inc., San Francisco, Calif ---------- FF-1556
H. B. Thomas & Co., San Francisco, Calif ---------- FF-1557

The Cottman Company, Baltimore, Md., is party to the following agreements, the terms of which are identical. The other parties are:

Terramar Shipping Co., Inc., New York, N.Y ---------- FF-1562
H. A. Gogarty, Inc., New York, N.Y.. FF-1570
Franoren Shipping Corp., New York, N.Y ---------- FF-1571
J. S. Stass Co., New York, N.Y.; New Orleans, La ---------- FF-1572
Trans World Shipping Corp., New York, N.Y ---------- FF-1574

Wolf & Gerber, Inc., New York, N.Y., is party to the following agreements, the terms of which are identical. The other parties are:

Schenkers International, Inc., Chicago, Ill ---------- FF-1560
Schenkers International Forwarders, Inc., New York, N.Y ---------- FF-1561

Alba Forwarding Company, Inc., New York, N.Y., is party to the following agreements, the terms of which are identical. The other parties are:

A & M Custom Brokers Company, Boston, Mass ---------- FF-1563
Charles A. Redden, Inc., Newark, N.J ---------- FF-1564
George Stern, Baltimore, Md ---------- FF-1565
N. D. Cunningham & Co., Inc., Mobile, Ala ---------- FF-1566
Maher & Company, New Orleans, La.. FF-1567
Williams Exporters, Portland, Oreg.. FF-1568

The following agreements have similar terms:

Air-Sea Forwarders, Inc., Los Angeles, Calif., and Geo. S. Bush & Co., Inc., Portland, Oreg ---------- FF-1537
Maron Shipping Agency, Inc., New York, N.Y., and Coastal Forwarders, Charleston, S.C ---------- FF-1538
Seaway Forwarding Co., Cleveland, Ohio, and Frank P. Dow Co., Inc., Portland, Oreg.; Seattle, Wash ---------- FF-1539
Fred P. Gaskell Co., Inc., New York, N.Y., and Southern Shipping Co., Jacksonville, Fla.; Savannah, Ga.; Charleston, S.C ---------- FF-1540
Karr, Ellis & Co., Inc., New York, N.Y., and Howard Hartry, Inc., San Pedro, Calif ---------- FF-1541
L. E. Coppersmith, Inc., Los Angeles, Calif., and J. W. Hampton, Jr. & Co., Philadelphia, Pa ---------- FF-1542
R. W. Smith & Co., New Orleans, La., and Robert L. Keller, Miami, Fla ---------- FF-1543
Godwin Shipping Company, Inc., Mobile, Ala., and Buchholz & Kuttruff, Inc., New Orleans, La ---------- FF-1544
John V. Carr & Son, Inc., Detroit, Mich., and James G. Wiley Co., Los Angeles, Calif ---------- FF-1546
William H. Masson, Inc., Baltimore, Md., and W. R. Filbin & Co., Inc., Detroit, Mich ---------- FF-1547
Acco Foreign Shipping, Inc., Miami, Fla., and Air-Sea Forwarders, Inc., Los Angeles, Calif ---------- FF-1548
Gerard F. Tujague, Inc., New Orleans, La., and Victory Shipping Co., Inc., New York, N.Y ---------- FF-1550
Inter-Maritime Forwarding Co., Inc., New York, N.Y., and Coastal Forwarders, Charleston, S.C ---------- FF-1551
Chas. Kurz Co., Philadelphia, Pa., and John H. Hunter & Son, Inc., New York, N.Y ---------- FF-1552
Frank P. Dow Co., Inc., Seattle, Wash.; Frank P. Dow Co., Inc., San Francisco, Calif.; Frank P. Dow Co., Inc. of L.A., Los Angeles, Calif.; Frank P. Dow Co., Inc., Portland, Oreg.; and R. W. Smith & Co., Houston, Tex ---------- FF-1573

Agreement No. FF-1545 between Darrell J. Sekin & Company, Dallas, Texas, and Stone Forwarding Company, Galveston, Texas, is an arrangement whereunder forwarding and service fees are divided as agreed. Ocean freight compensation is to be divided equally.

Agreement No. FF-1549 between Acco Foreign Shipping, Inc., Miami, Florida, and William H. Masson, Inc., Baltimore, Maryland, is an arrangement whereunder forwarding and service fees will be $6.50 per shipment. Ocean freight compensation is to be divided equally between the parties.

Agreement No. FF-1553 between Sunshine Forwarders, Inc., Jacksonville, Florida, and Robert L. Keller, Miami, Florida, is an arrangement under which forwarding and service fees are to be as follows:

Bermuda & Nassau: $2.50.
All other countries:
To pass completed export declarations ---------- $1.25
To pass completed bills of lading.. 1.25
To prepare or complete and pass export declarations ---------- 2.50
To prepare or complete and pass bills of lading ---------- 2.50

All other countries—Continued
Preparation of Consul documents ... $5.00
Consular documents (at cost)
Telephone calls, teletypes or telegrams (at cost)

Ocean freight compensation is to be divided equally on a 50/50 basis between both parties.

H. L. Ziegler, Inc., Houston, Texas, is party to the following agreements, the terms of which provide that forwarding and service fees will be divided equally. Ocean freight compensation is also to be divided equally. The other parties are:

Gaynar Shipping Corporation, New York, N.Y. ... FF–1558
Enterprise Shipping Co., San Francisco, Calif. ... FF–1559
Seaboard Forwarding Co., Inc., New York, N.Y. ... FF–1569

By the Federal Maritime Commission.

Dated: June 29, 1964.

THOMAS LISI,
Secretary.

[F.R. Doc. 64–6638; Filed, July 2, 1964; 8:48 a.m.]

FEDERAL POWER COMMISSION

[Docket No. E–7090]

ARKANSAS POWER & LIGHT CO.

Order Granting Motion

JUNE 26, 1964.

By order dated April 16, 1963, the Respondent was requested to show cause why it should not file certain of the Company's wholesale rates pursuant to section 205 of the Federal Power Act. A hearing, initially scheduled for June 24, 1963, has been postponed from time to time and is now scheduled for June 29, 1964.

By Motion for Postponement filed June 16, 1964, Respondent indicates that while the Company believes that the aforementioned rates are not jurisdictional, it proposes to undertake to file rate schedules therefor in the event that this proceeding results in jurisdictional determinations adverse to the Company's contentions, and states that it proposes to tender the rates at issue as initial rates. Respondent cites Commission Order No. 282 (issued April 21, 1964) and requests a postponement of this proceeding until September 9, 1964 to complete work antecedent to these submittals. Respondent supports its request citing additional time needed to "prepare the contracts, rate schedules, related billing data and other data required by the Commission's regulations" under the Federal Power Act. Respondent further notes that Commission staff has completed a proposed form of stipulation (together with exhibits) of factual data bearing upon the issues here before the Commission. Respondent states that in the event the parties are able to resolve any of the factual issues in such manner the hearing will be materially shortened, but in any event the Company does not propose to seek further continuances of this matter beyond September 9, 1964.

In view of the fact that a proposed stipulation of fact in this case was served by staff upon petitioner on June 19, 1964, which if agreed to in whole or in part would materially shorten the hearing, we believe the requested postponement is appropriate. Nor will the prospective filing of petitioner's rate schedules together with a reservation of jurisdiction in accordance with Order No. 282, in any way moot the proceeding or deprive petitioner of a right to court review.

The Commission further finds. It is appropriate for the purposes of the Federal Power Act that the hearing in this matter be postponed as hereinafter ordered.

The Commission orders. The hearing previously scheduled for June 29, 1964, is hereby adjourned to commence on September 9, 1964.

By the Commission.

[SEAL] JOSEPH H. GUTRIDE,
Secretary.

[F.R. Doc. 64–6621; Filed, July 2, 1964; 8:47 a.m.]

[Docket No. CP64–214]

OHIO FUEL GAS CO.

Notice of Application

JUNE 26, 1964.

Take notice that on March 26, 1964, The Ohio Fuel Gas Company (Applicant), 99 North Front Street, Columbus, Ohio, 43215, filed in Docket No. CP64–214 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 certain facilities necessary for the activation and operation of a proposed additional underground storage area, referred to as the Lucas extension of the Weaver Storage Field, Ashland County, Ohio, all as more fully set forth in the application on file with the Commission and open to public inspection.

Applicant proposes to construct and operate approximately 30.1 miles of 4½-inch to 20-inch storage lines and to install and operate two 3,400 horsepower compressor units at the existing Lucas Compressor Station. Further, Applicant proposes to convert 48 existing producing wells to storage use and to drill an additional 152 wells over a three year period beginning in 1964.

The proposed storage addition will be located adjacent to Applicant's existing Weaver 3–A and 3–D Storage Fields. The proposed field will be joined with the Weaver 3–A and 3–D Fields to operate as a single combined unit having access to both existing Lucas and Weaver compressor stations.

The application indicates that the proposed field will have an ultimate storage capacity of 30,000,000 Mcf of gas and be capable of a 100,000 Mcf maximum daily withdrawal potential.

The application shows the estimated total cost of the proposed project to be $6,969,512. Financing for the project will be secured through the parent company, The Columbia Gas System, Inc.

Applicant states that the proposed additional storage project is necessary to provide increased capacity to serve the growing requirements of existing markets and to assure adequate market service for the winter 1965–66 and thereafter.

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 preliminary staff analysis has indicated that there are no problems which would warrant a recommendation that the Commission designate this application for formal hearing before an examiner and 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 may be held without further notice before the Commission on this application provided no protest or petition to intervene is filed within the time required herein. Where a protest or petition for leave to intervene is timely filed, or where the Commission on its own motion believes that a formal hearing is required, further notice of such hearing will be duly given.

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 Commission, Washington, D.C., 20426, in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) on or before July 22, 1964.

JOSEPH H. GUTRIDE,
Secretary.

[F.R. Doc. 64–6625; Filed, July 2, 1964; 8:47 a.m.]

[Docket Nos. RI64–790 etc.]

DELHI-TAYLOR OIL CORP. ET AL.

Order Providing for Hearings on and Suspension of Proposed Changes in Rates [1]

JUNE 26, 1964.

The Respondents named herein have filed proposed increased rates and charges of currently effective rate schedules for sales of natural gas under Commission jurisdiction, as set forth in appendix A below.

The proposed changed rates and charges may be unjust, unreasonable, unduly discriminatory, or preferential, or otherwise unlawful.

The Commission finds. It is in the public interest and consistent with the Natural Gas Act that the Commission enter upon hearings regarding the lawfulness of the proposed changes, and that the supplements herein be suspended and their use be deferred as ordered below.

The Commission orders:

[1] Does not consolidate for hearing or dispose of the several matters herein.

(A) Under the Natural Gas Act, particularly sections 4 and 15, the regulations pertaining thereto (18 CFR Ch. I), and the Commission's rules of practice and procedure, public hearings shall be held concerning the lawfulness of the proposed changes.

(B) Pending hearings and decisions thereon, the rate supplements herein are suspended and their use deferred until date shown in the Date suspended until—column, and thereafter until made effective as prescribed by the Natural Gas Act.

(C) Until otherwise ordered by the Commission, neither the suspended supplements, nor the rate schedules sought to be altered, shall be changed until disposition of these proceedings or expiration of the suspension period.

(D) Notices of intervention or petitions to intervene may be filed with the Federal Power Commission, Washington, D.C., 20426, in accordance with the rules of practice and procedure (18 CFR 1.8 and 1.37(f)) on or before August 12, 1964.

By the Commission.

[SEAL] JOSEPH H. GUTRIDE, *Secretary.*

Docket No.	Respondent	Rate schedule No.	Supplement No.	Purchaser and producing area	Amount of annual increase	Date filing tendered	Effective date unless suspended	Date suspended until—	Cents per Mcf: Rate in effect	Cents per Mcf: Proposed increased rate	Rate in effect subject to refund in docket Nos.
RI64-790	Delhi-Taylor Oil Corp., Fidelity Union Tower, Dallas, Tex., 75201, Attn: Dr. Elton D. Soltes.	27	4	South Texas Natural Gas Gathering Co. (Sheperd Field, Hidalgo County, Tex.) (R.R. Dist. No. 4).	$2,580	6-1-64	[3] 7-2-64	12-2-64	[5] [6] 16.0	[3] [4] [5] 17.0	
RI64-791	Shell Oil Co. (Operator), et al., 50 West 50th St., New York 20, N.Y.	260	1	United Gas Pipe Line Co. (Little Creek Plant, Pike County, Miss.).	365	6-3-64	[7] 7-10-64	12-10-64	[5] [6] 18.0	[3] [5] [8] 19.0	
RI64-792	Texaco Inc., Domestic Producing Department (East) Houston Division, P.O. Box 52332, Houston, Tex., 77052, Attn: Mr. W. V. Vietti.	222	4	Natural Gas Pipeline Co. of America (Tijerina-Canales-Blucher, Kelsey, and Encinitas Fields, Jim Wells and Brooks Counties, Tex.) (R.R. Dist. No. 4).	76,040	6-8-64	[3] 7-9-64	12-9-64	[10] [11] 15.0	[4] [9] [10] 17.0	
	Texaco Inc.	282	5	Natural Gas Pipeline Co. of America (Encino, Luby, and Petronilla Fields, San Patricio and Nueces Counties, Tex.) (R.R. Dist. No. 4).	156,500	6-8-64	[3] 7-9-64	12-9-64	[10] [11] 15.0	[4] [9] [10] 17.0	
RI64-793	Union Oil Co., of California, Union Oil Center, Los Angeles, Calif., 90017.	37	1	Natural Gas Pipeline Co. of America (SE Camrick Gas Pool, Beaver County, Okla.) (Oklahoma-Panhandle Area).	3,830	6-8-64	[7] 7-9-64	12-9-64	[5] 16.0	[3] [4] [5] 17.0	
RI64-794	H. F. Sears (Operator), et al., 624 Petroleum Bldg., Amarillo, Tex.	8	3	Colorado Interstate Gas Co. (West Panhandle and West Panhandle Red Cave Fields, Hutchinson County, Tex.) (R.R. Dist. No. 10).	4,509	6-5-64	[3] 7-6-64	12-6-64	[5] 12.0	[4] [5] [12] 13.0	
RI64-795	Investors Royalty Co., Inc., 1309 Thompson Bldg., Tulsa 23, Okla.	1	1	Natural Gas Pipeline Co. of America (SE Boyd Area, Beaver County, Okla.) (Oklahoma-Panhandle Area).	58	6-8-64	[3] 7-9-64	12-9-64	[5] 16.0	[3] [4] [5] 17.0	
RI64-796	The Nueces Co. (Operator), P.O. Box 1253, Corpus Christi, Tex., 78403, Attn: Mr. John W. Crutchfield.	3	9	El Paso Natural Gas Co. (Fort Stockton Field Area and Two-Freds-Quito-Pyote Fields Area, Pecos, Ward, Loving, and Reeves Counties, Tex.) (R.R. Dist. No. 8) (Permian Basin Area).	73,122	6-1-64	[13] 8-1-64	1-1-65	17.0807	[3] [4] 18.0949	G-20412.
RI64-797	Socony Mobil Oil Co., Inc. (Operator), 150 East 42d St., New York, N.Y., 10017, Attn: Mr. Tom P. Hamill.	48	13	El Paso Natural Gas Co. (Pegasus Field, Midland and Upton Counties, Tex.) (R.R. Dist. 8 and 7-c) (Permian Basin Area).	14	5-27-64	[3] 6-27-64	11-27-64	10.0469	[4] [12] 17.2295	G-20408.
RI64-798	Sun Oil Co., P.O. Box 2880, Dallas, Tex., 75221, Attn: Mr. R. L. Sullivan.	60	11	Northern Natural Gas Co. (Eumont Pool, Lea County, N. Mex.) (Permian Basin Area).	1,254	6-2-64	[7] 7-3-64	12-3-64	[14] 10.7021	[3] [4] [14] 11.7212	RI64-711.

[2] The stated effective date if the first day after expiration of the required statutory notice.
[3] Periodic rate increase.
[4] Pressure base is 14.65 psia.
[5] Rate subject to downward Btu adjustment.
[6] Initial rate.
[7] The stated effective date is the effective date requested by respondent.
[8] Pressure base is 15.025 psia.
[9] Contractually provided initial rate is 18.5 cents per Mcf exclusive of tax reimbursement and dehydration allowance. Producer is filing to recover a portion of such initial rate.
[10] Rate inclusive of tax reimbursement and 0.25 cents per Mcf allowance for dehydration.
[11] Initial rate set by Commission order in Opinion No. 383, issued Mar. 27, 1963, as modified Aug. 27, 1963, granting permanent certificates to producer in Docket Nos. CI61-118 and CI61-119.
[12] Renegotiated rate increase.
[13] Contractually provided effective date.
[14] Includes partial reimbursement for full 2.55 percent New Mexico Emergency School Tax.

Delhi-Taylor Oil Corporation and Texaco Inc. (Texaco) request that their proposed rate increases be allowed to become effective July 1, 1964; Union Oil Company of California and Investors Royalty Company, Inc., request an effective date of July 7, 1964; H. F. Sears (Operator), et al., request an effective date of May 1, 1964, and Socony Mobil Oil Company, Inc. (Operator), requests a June 26, 1964, effective date. Good cause has not been shown for waiving the 30-day notice requirement provided in section 4(d) of the Natural Gas Act to permit earlier effective dates for the aforementioned producers' rate filings and such requests are denied.

The notices of change filed by Texaco represent changes in rates from the permanently certificated initial rates of 15.0 cents per Mcf, ordered by the Commission in Opinion No. 383, to 17.0 cents per Mcf, both rates inclusive of applicable tax reimbursement and a dehydration allowance of 0.25 cent per Mcf. The contracts provide for initial base rates of 18.5 cents per Mcf. The proposed rate of 17.0 cents per Mcf does not establish a new plateau for increased rates nor does it in itself trigger rates in the applicable area.

All of the proposed increased rates and charges exceed the applicable area price level for increased rates as set forth in the Commission's Statement of General Policy No. 61-1, as amended (18 CFR Ch. I, Part 2, § 2.56).

[F.R. Doc. 64-6622; Filed, July 2, 1964; 8:47 a.m.]

[Docket No. CP64-99]

EL PASO NATURAL GAS CO.

Notice of Application To Amend Order

JUNE 25, 1964.

Take notice that on April 21, 1964, El Paso Natural Gas Company (Applicant), P.O. Box 1492, El Paso, Texas, 79999, filed an application to amend the Commis-

sion's order issued February 18, 1964, in Docket No. CP64–99 by authorizing Applicant to participate in the cost, as to its undivided one-third interest therein, of drilling two additional observation wells into Zone No. 1 of the Jackson Prairie Storage Unit, Lewis County, Washington, all as more fully set forth in the application to amend on file with the Commission and open to public inspection.

The order of February 18, 1964, authorized Applicant to construct and operate certain facilities; to sell and deliver natural gas and, with respect to Applicant's interest therein, to share in the cost of the facilities to be constructed and operated by The Washington Water Power Company (Water Power), all solely for the purpose of testing the Jackson Prairie Storage Unit.

The application indicates that the subject additional wells are intended to evaluate any possibility of gas migration. The observation wells utilized so far have indicated a restriction of flow.

The two additional wells will be drilled by Water Power, as operator of the storage unit, at an estimated cost of $27,000 each, for a total expenditure of $54,000.

Protests, petitions to intervene or requests for hearing in this proceeding may be filed with the Federal Power Commission, Washington, D.C., 20426, in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) on or before July 16, 1964.

JOSEPH H. GUTRIDE,
Secretary.

[F.R. Doc. 64–6623; Filed, July 2, 1964; 8:47 a.m.]

[Docket No. RI64–799]

HOUSTON NATURAL GAS PRODUCTION CO.

Order Providing for Hearing on and Suspension of Proposed Change in Rate, and Allowing Rate Change To Become Effective Subject to Refund

JUNE 26, 1964.

Respondent named herein has filed a proposed change in rate and charge of a currently effective rate schedule for the sale of natural gas under Commission jurisdiction, as set forth in Appendix A below.

The proposed changed rate and charge may be unjust, unreasonable, unduly discriminatory, or preferential, or otherwise unlawful.

The Commission finds. It is in the public interest and consistent with the Natural Gas Act that the Commission enter upon a hearing regarding the lawfulness of the proposed change, and that the supplement herein be suspended and its use be deferred as ordered below.

The Commission orders:

(A) Under the Natural Gas Act, particularly sections 4 and 15, the regulations pertaining thereto (18 CFR, Chapter I), and the Commission's rules of practice and procedure, a public hearing shall be held concerning the lawfulness of the proposed change.

(B) Pending hearing and decision thereon, the rate supplement herein is suspended and its use deferred until date shown in the "Date Suspended Until" column, and thereafter until made effective as prescribed by the Natural Gas Act: *Provided, however,* That the supplement to the rate schedule filed by Respondent shall become effective subject to refund on the date and in the manner herein prescribed if within 20 days from the date of the issuance of this order Respondent shall execute and file under its above-designated docket number with the Secretary of the Commission its agreement and undertaking to comply with the refunding and reporting procedure required by the Natural Gas Act and § 154.102 of the regulations thereunder, accompanied by a certificate showing service of a copy thereof upon the purchaser under the rate schedule involved. Unless Respondent is advised to the contrary within 15 days after the filing of its agreement and undertaking, such agreement and undertaking shall be deemed to have been accepted.

(C) Until otherwise ordered by the Commission, neither the suspended supplement, nor the rate schedule sought to be altered, shall be changed until disposition of this proceeding or expiration of the suspension period.

(D) Notices of intervention or petitions to intervene may be filed with the Federal Power Commission, Washington, D.C., 20426, in accordance with the rules of practice and procedure (18 CFR 1.8 and 1.37(f)) on or before August 10, 1964.

By the Commission.

[SEAL] JOSEPH H. GUTRIDE,
Secretary.

On May 28, 1964, Houston Natural Gas Production Company [1] (Houston) tendered for filing a proposed change in its presently effective rate schedule for sales of natural gas subject to the jurisdiction of the Commission. The proposed change, which constitutes an increased rate and charge, is contained in the following designated filing:

Description, Notice of Change, dated May 28, 1964.
Purchaser, Valley Gas Transmission, Inc. (Valley Gas).[2]
Producing area, Whitted Field, Hildalgo County, Texas. (R.R. Dist. No. 4).
Rate schedule designation, Supplement No. 3 to Houston's FPC Gas Rate Schedule No. 5.
Effective date, June 28, 1964.[3]
Proposed rate, 15.0 cents per Mcf.[4]
Effective rate, 14.0 cents per Mcf.
Pressure base, 14.65 psia.
Annual increase, $19,500.
Date suspended until, June 29, 1964.

Concurrent with the filing of the proposed increased rate, Houston filed an Offer of Settlement to settle the issues raised by its rate filing. Houston proposes that in return for permitting a life-of-contract settlement rate of 15.0 cents per Mcf under the subject rate schedule, it will eliminate from the related contract the periodic price escalation clause which provides for 1.0 cent per Mcf increases on the first day of January 1964, 1969 and 1974. Our action herein in suspending the above-mentioned proposed rate is without prejudice to any action we may take in connection with such offer.

Houston's proposed rate increase exceeds the 14.0 cents ceiling for increased rates in Texas Railroad District No. 4 as set forth in the Commission's Statement of General Policy No. 61–1, as amended (18 CFR, Ch. I, Part 2, § 2.56).

[F.R. Doc. 64–6624; Filed, July 2, 1964; 8:47 a.m.]

[1] Address is: P.O. Box 1188, Houston 1, Texas.

[2] Houston and Valley Gas are wholly owned subsidiaries of Houston Natural Gas Corporation.

[3] The effective date is the effective date proposed by Respondent.

[4] Periodic increase.

[Docket No. CP64–96]

TRANSCONTINENTAL GAS PIPE LINE CORP.

Notice of Application To Amend

JUNE 25, 1964.

Take notice that on April 29, 1964, Transcontinental Gas Pipe Line Corporation (Applicant), P.O. Box 1396, Houston, Texas, 77001, filed an application to amend the Commission's order issued April 17, 1964, in Docket No. CP64–96 by authorizing Applicant to construct and operate approximately 15.5 miles of 16-inch lateral pipeline in lieu of the 15.5 miles of 10-inch pipeline lateral heretofore authorized in this proceeding, all as more fully set forth in the application to amend on file with the Commission and open to public inspection.

The order of April 17, 1964, authorized Applicant to construct and operate, among other facilities, 15.5 miles of 10-inch pipeline extending from a point on Applicant's main transmission line near Coatesville, Pennsylvania, to the Pennsylvania-Delaware border. The subject line was for service to Applicant's existing customers, the Philadelphia Electric Company and the Delaware Power & Light Company. Applicant states that subsequent studies indicate that a looping of the 10-inch line would have to be undertaken within a short period of years and that by installing a 16-inch line at the present time at relatively little additional cost, such a looping program at a substantially greater cost will be avoided.

The estimated cost of the 16-inch lateral is shown to be $1,480,481; the 10-inch lateral was estimated to cost $1,185,822.

Protests, petitions to intervene or requests for hearing in this proceeding may be filed with the Federal Power Commission, Washington, D.C., 20426, in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) on or before July 17, 1964.

JOSEPH H. GUTRIDE,
Secretary.

[F.R. Doc. 64–6626; Filed, July 2, 1964; 8:47 a.m.]

[Docket No. G–17960 etc.]

TURNBULL & ZOCH DRILLING CO. ET AL.

Notice of Petition To Amend and Further Consolidation for Hearing

JUNE 25, 1964.

Turnbull & Zoch Drilling Co. (Operator), et al., Docket No. G–17960 et al.; W. H. Hudson (Operator), et al., Docket No. CI62–1074.

Take notice that on April 13, 1964, W. H. Hudson (Operator), et al. (Hudson) filed a petition to amend its certificate of public convenience and necessity in Docket No. CI62–1074. Hudson seeks authority to sell natural gas from additional acreage in Texas Railroad Commission District No. 4 for resale in interstate commerce at an initial rate of 16.5 cents per Mcf. The purchaser is Tennessee Gas Transmission Company. The contract amendment adding the acreage is dated March 31, 1964.

By order issued May 28, 1964, under the lead docket Turnbull & Zoch Drilling Co. (Operator), et al., Docket No. G–17960 the Commission consolidated for prehearing conference and subsequent hearing some 67 applications for authority to sell natural gas from Railroad District No. 4. Take notice that the petition to amend in Docket No. CI62–1074 is hereby consolidated with the proceedings in Turnbull & Zoch Drilling Co. (Operator), et al., Docket No. G–17960, et al. for prehearing conference hearing, and decision. The prehearing conference is scheduled to commence before a duly designated hearing examiner commencing at 10:00 a.m., e.d.s.t., on June 30, 1964, in a hearing room of the Federal Power Commission, 441 G Street NW., Washington, D.C.

Protests or petitions to intervene in Docket No. CI62–1074 may be filed with the Federal Power Commission, Washington, D.C., 20426 in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) on or before July 10, 1964.

JOSEPH H. GUTRIDE,
Secretary.

[F.R. Doc. 64–6627; Filed, July 2, 1964; 8:48 a.m.]

FEDERAL RESERVE SYSTEM

CAMDEN TRUST CO.

Order Denying Application for Approval of Merger of Banks

In the matter of the application of Camden Trust Company for approval of merger with Merchantville National Bank and Trust Company.

There has come before the Board of Governors, pursuant to the Bank Merger Act of 1960 (12 U.S.C. 1828(c)), an application by Camden Trust Company, Camden, New Jersey, a State member bank of the Federal Reserve System, for the Board's prior approval of the merger of that bank with Merchantville National Bank and Trust Company, Merchantville, New Jersey, under the charter and title of the former. As an incident to the merger, the main office and branch of Merchantville National Bank and Trust Company would be operated as branches of Camden Trust Company. Notice of the proposed merger, in form approved by the Board, has been published pursuant to said Act.

Upon consideration of all relevant material in the light of the factors set forth in said Act, including reports furnished by the Comptroller of the Currency, the Federal Deposit Insurance Corporation, and the Department of Justice on the competitive factors involved in the proposed merger,

It is hereby ordered, For the reasons set forth in the Board's Statement[1] of this date, that said application be and hereby is denied.

Dated at Washington, D.C., this 26th day of June 1964.

By order of the Board of Governors.[2]

[SEAL] MERRITT SHERMAN,
Secretary.

[F.R. Doc. 64–6642, Filed, July 2, 1964; 8:48 a.m.]

INTERAGENCY TEXTILE ADMINISTRATIVE COMMITTEE

COTTON TEXTILE PRODUCTS IN CATEGORY 9 PRODUCED OR MANUFACTURED IN ARGENTINA

Announcement of ITAC Actions and Restraint Levels

JUNE 30, 1964.

In furtherance of the objectives of, and under the terms of, the Long Term Arrangement Regarding International Trade in Cotton Textiles, done at Geneva on February 9, 1962, the United States Government has requested the Government of Argentina to restrain exports from Argentina to the United States of cotton textiles in Category 9 produced or manufactured in Argentina to a level of 500,000 square yards.

There is published below a letter of June 30, 1964 from the Chairman, President's Cabinet Textile Advisory Committee, to the Commissioner of Customs, directing that the amount of cotton textiles in Category 9, produced or manufactured in Argentina, which may be entered or withdrawn from warehouse, for consumption in the United States from July 1, 1964, through June 30, 1965, be limited to 500,000 square yards. Cotton textiles in Category 9 which have been exported from Argentina to the United States prior to July 1, 1964 will not be charged against the designated level.

JAMES S. LOVE, Jr.,
Chairman, Interagency Textile Administrative Committee, and Deputy to the Secretary of Commerce for Textile Programs.

[1] Filed as part of the original document. Copies available upon request to the Board of Governors of the Federal Reserve System, Washington, D.C., 20551, or to the Federal Reserve Bank of Philadelphia.

[2] Voting for this action: Governors Mills, Robertson, Shepardson, Mitchell, and Daane. Absent and not voting: Chairman Martin and Vice Chairman Balderston.

THE SECRETARY OF COMMERCE

PRESIDENT'S CABINET TEXTILE ADVISORY COMMITTEE

Washington 25, D.C.
JUNE 30, 1964.

COMMISSIONER OF CUSTOMS,
DEPARTMENT OF THE TREASURY,
Washington, D.C.

DEAR MR. COMMISSIONER: Under the terms of the Long Term Arrangement Regarding International Trade in Cotton Textiles, done at Geneva on February 9, 1962, including Article 6 relating to non-participants, and in accordance with the procedures outlined in Executive Order 11052 of September 28, 1962, you are directed to prohibit, effective July 1, 1964, and for the twelve-month period extending through June 30, 1965, entry into the United States for consumption and withdrawal from warehouse for consumption, of cotton textiles in Category 9, produced or manufactured in Argentina, in excess of the following level of restraint:

Category	*12-month level of restraint*
9	500,000 square yards

In carrying out this directive, entries of cotton textiles in Category 9 produced or manufactured in Argentina, which have been exported to the United States from Argentina prior to July 1, 1964, shall be allowed entry and withdrawal from warehouse for consumption in the United States without being counted against the level designated.

A detailed description of the categories in terms of T.S.U.S.A. numbers was published in the FEDERAL REGISTER on October 1, 1963 (28 F.R. 10551).

In carrying out the above directions, entry into the United States for consumption shall be construed to include entry for consumption into the Commonwealth of Puerto Rico.

The actions taken with respect to Argentina and with respect to imports of cotton textiles and cotton textile products from Argentina have been determined by the President's Cabinet Textile Advisory Committee to involve foreign affairs functions of the United States. Therefore, the directions to the Commissioner of Customs, being necessary to the implementation of such actions, fall within the foreign affairs exception to the notice provisions of Section 4 of the Administrative Procedure Act. This letter will be published in the FEDERAL REGISTER.

Sincerely yours,

LUTHER H. HODGES,
Secretary of Commerce, and Chairman, President's Cabinet Textile Advisory Committee.

[F.R. Doc. 64–6708; Filed, July 2, 1964; 8:52 a.m.]

SECURITIES AND EXCHANGE COMMISSION

[File No. 812–1630]

TOWNSEND CORPORATION OF AMERICA AND TOWNSEND MANAGEMENT CO.

Notice of Filing of Amendment to Application for Order of Exemption and Approval

JUNE 29, 1964.

Townsend Corporation of America ("TCA") and Townsend Management Company ("TMC") 38 Chatham Road, Short Hills, New Jersey, each a closed-end investment company registered under the Investment Company Act of

1940 ("Act"), heretofore filed an application and amendments thereto pursuant to sections 6(c), 17(b) and 23(c)(3) of the Act for an order exempting from the provisions of section 17(a), and approving under section 23(c)(3), certain transactions incident to a Plan of Merger ("Plan") of TCA, TMC and Resort Airlines, Inc. ("Resort"), a majority-owned subsidiary of TCA. Such Plan was submitted to effectuate compliance with the final decree entered by the United States District Court for the District of New Jersey in an action instituted by the Commission against TCA, TMC and certain individuals seeking, among other things, to enforce compliance with the Act.

The Plan provides, among other things, for (a) the acquisition by TCA, as the surviving corporation in the merger (hereinafter called the "merged company"), of the assets of TMC and Resort; (b) the issuance by the merged company of noncumulative preferred stock and debentures in exchange for the outstanding noncumulative preferred stock and debentures, respectively, of Resort; (c) the continuation of the cumulative preferred stock of TCA and the common stock of TCA (other than the holdings of TMC and Resort) in the capital structure of the merged company; (d) the conversion of the common stock of Resort and the Class A and Class B common stocks of TMC (other than shares held by the merging companies) into common stock of the merged company; (e) the retirement of TCA's outstanding debentures, now in default, as soon as practicable after consummation of the merger; and (f) the cancellation of the outstanding perpetual warrants for the purchase of TCA common stock without recognition in the merger.

The conversion of the common stocks of Resort and TMC into common stock of the merged company will be made on the basis of the respective net asset values per common share after certain adjustments of the value of the assets of Resort, TMC, and the merged company ("adjusted net asset value"). In computing the adjusted net asset value of the Resort common stock and of the common stock of the merged company, the stock interests of the noncumulative preferred stock of Resort and of the merged company were taken at their involuntary liquidating preference of $100 a share.

After appropriate notice, a hearing was held with respect to the Plan at which the holders of Resort's outstanding noncumulative preferred stock and of Resort's outstanding debentures opposed the Plan on the ground that it is unfair to them. After the close of the hearing TCA and TMC engaged in negotiations with the holders of Resort's noncumulative preferred stock looking to the retirement of such stock. Such persons have agreed that TCA and TMC amend the Plan to provide for such retirement.

Notice is hereby given that TCA and TMC have filed an amendment to the application, designated Amendment No. 5, pursuant to sections 6(c), 17(b) and 23(c)(3) of the Act, for an order of the Commission exempting from the provisions of section 17(a) and approving under section 23(c)(3) of the Act the the transactions incident to the Plan as amended to provide for the repurchase of the noncumulative preferred stock to be issued in the merger in exchange for the Resort noncumulative preferred stock. All interested persons are referred to Amendment No. 5 on file with the Commission for a complete statement of the transactions therein proposed and of the representations contained therein, which are summarized below.

Following the merger of TCA, TMC and Resort and the issuance by the merged company of one share of its noncumulative preferred stock in exchange for each share of noncumulative preferred stock of Resort, and not earlier than the time of payment by the merged company of the presently outstanding TCA debentures, the merged company will repurchase all of its noncumulative preferred stock for a cash payment equal to 63 percent of its par value of $100 a share, or an aggregate amount of $88,515.

The number of shares of the merged company common stock proposed to be allocated to each share of common stock of the merging companies is to remain the same as originally proposed under the Plan. The adjusted net asset value of the common stock of the merged company after giving effect to the proposal contained in Amendment No. 5 for the repurchase of all of the merged company's noncumulative preferred stock for $88,515 would be $1.40 a share, as compared with $1.37 a share in the absence of the proposed repurchase.

The number of shares of common stock of the merged company proposed to be allocated under the Plan to each share of common stock of the merging companies, and the adjusted net asset value of the merged company common stock so allocable before and after the proposed repurchase are shown in the following table:

Security	Merged company common stock allocated		
	Number of shares for each share	Adjusted net asset value	
		Before repurchase	After repurchase
TCA—Common stock	1.00	$1.37	$1.40
TMC—do	5.32	7.29	7.45
Resort—do	5.47	7.49	7.66

Amendment No. 5 states that the holders of Resort noncumulative preferred stock and Resort debentures withdraw all their objections to the Plan in the event the Commission shall approve a Plan providing for the retirement of the noncumulative preferred stock substantially upon the terms set forth in Amendment No. 5.

Notice is further given that any interested person may, not later than July 20, 1964, at 5:30 p.m. submit to the Commission in writing a request for a hearing thereon, accompanied by a statement as to the nature of his interest, the reason for such request, and an offer of proof, in detail, as to what evidence he proposes to adduce in the event the Commission shall order a hearing on Amendment No. 5. Any such communication should be addressed: Secretary, Securities and Exchange Commission, Washington, D.C., 20549. Any such communication 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 the applicants at the address stated hereinabove. 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 such date, a findings and opinion or an order disposing of the application, as amended, may be issued by the Commission upon the basis of the record in this proceeding, including the contents of Amendment No. 5, unless an order for a hearing on Amendment No. 5 shall be issued upon request or upon the Commission's own motion.

It is further ordered, That the Secretary of the Commission shall mail a copy of this Notice to the Interim Board of Directors of TCA and TMC, to Resort and to each of the persons (or his attorney) who has heretofore been given leave to be heard in this proceeding and that notice to all other persons be given by publication of this Notice in the FEDERAL REGISTER, and that a general release of this Commission in respect of this Notice be distributed to the press and mailed to the mailing list for releases.

It is further ordered, That TCA mail a copy of this Notice to Bankers Trust Company, Trustee under the indenture securing the TCA debentures, not later than July 6, 1964.

For the Commission (pursuant to delegated authority).

[SEAL] ORVAL L. DUBOIS,
Secretary.

[F.R. Doc. 64-6648; Filed, July 2, 1964; 8:49 a.m.]

[File No. 70-4220]

ALLEGHENY POWER SYSTEM, INC., ET AL.

Notice of Proposed Merger of Two Subsidiary Companies and Related Intrasystem Transactions

JUNE 26, 1964.

In the matter of Allegheny Power System, Inc., 320 Park Avenue, New York, New York, 10022; The Potomac Edison Company, Cumberland Valley Electric Company, South Penn Power Company; File No. 70-4220.

Notice is hereby given that Allegheny Power System, Inc. ("Allegheny"), a registered holding company, and two of its subsidiary companies, The Potomac Edison Company ("Potomac"), an exempt registered holding company and an electric utility company, and Cumberland Valley Electric Company ("Cumberland"), an electric utility company, and South Penn Power Company ("South Penn"), an electric utility subsidiary

company of Potomac, have filed a joint application-declaration with this Commission pursuant to the Public Utility Holding Company Act of 1935 ("Act") designating sections 6(a), 7, 9(a), 9(b), 10, 11(b), 12(c), 12(d), and 12(f) of the Act and Rules 42, 43, 45, and 50 thereunder as applicable to the proposed transactions. All interested persons are referred to the joint application-declaration, on file at the office of the Commission, for a statement of the transactions therein proposed which are summarized below.

Cumberland and South Penn, all the outstanding common stocks of which are owned, respectively, by Allegheny and Potomac, are Pennsylvania corporations. Both companies are located and provide electric service in adjacent areas in southern Pennsylvania; and all of Cumberland's electric energy requirements are purchased from South Penn. In order to effect efficiencies in the operations of the two companies and to simplify the corporate structure of the holding-company system of Allegheny, it is proposed that Cumberland be merged into South Penn.

At March 31, 1964, Cumberland's utility plant, stated at original cost, amounted to $3,164,130, and the applicable reserve for depreciation was $692,663. For the twelve months ended on that date, Cumberland's revenues and net income amounted to $1,189,149 and $115,622, respectively. Its only publicly-held securities consist of $752,000 principal amount of 3¼ percent First Mortgage Bonds due 1970; its outstanding common stock consists of 33,500 shares with a par value of $10 per share and an aggregate book value, at March 31, 1964, of $1,800,299.

To effectuate the proposed merger (a) Allegheny will make a capital contribution of, and Potomac will acquire, the 33,500 shares of common stock of Cumberland; (b) Potomac will contribute $752,000 cash to Cumberland which will be used to redeem Cumberland's outstanding bonds at their redemption price of 100.875 percent or an aggregate of $758,580; plus accrued interest, such redemption being in accordance with the requirements of Potomac's indenture which, among other things, prohibits any of its subsidiary companies from having publicly-held long term debt in excess of $250,000; (c) South Penn will increase its authorized capital stock, without par value, from 1,400,000 to 2,800,000 shares; (d) South Penn will issue and deliver, and Potomac will acquire, 500,000 additional shares of capital stock of South Penn pursuant to the retirement and conversion of the 33,500 shares of Cumberland's capital stock; (e) South Penn will acquire, through the merger, all of the rights, privileges, franchises and all the estate and property, real and personal, and rights of action of Cumberland, subject to all of the debts, duties and other liabilities of Cumberland other than Cumberland's first mortgage bonds to be redeemed; and (f) Potomac will pledge the 500,000 shares of capital stock of South Penn with Chemical Bank New York Trust Company as required by Potomac's indenture securing its outstanding bonds.

Upon consummation of the merger, the assets and liabilities of Cumberland will be recorded on the books of South Penn at the amounts reflected on Cumberland's books; in respect of the 500,000 additional South Penn shares to be received by Potomac, the latter will increase its investment in South Penn by $2,537,449, an amount equal to the pro forma book value of the assets, less liabilities, of Cumberland to be acquired in the merger by South Penn; Allegheny will increase its investment in Potomac by $3,225,188, equivalent to the cost of its investment in the common stock of Cumberland, to be contributed to Potomac.

The fees and expenses to be incurred in connection with the proposed transactions, are estimated to aggregate $22,500, of which $400 is to be paid by Cumberland for Trustee's fees and expenses, and $22,100 is to be paid by South Penn including counsel fees, $7,500, Pennsylvania tax on increased shares, $14,000, filing and recording fees, $200, and miscellaneous expense, $400.

The filing indicates that Cumberland and South Penn have applied to the Pennsylvania Public Utility Commission for approval of the transfer of all the property and rights of the former to the latter. Potomac has applied to the Public Service Commission of West Virginia for approval of the acquisition of all of the shares of capital stock of Cumberland and the additional shares of capital stock of South Penn. Copies of the orders entered therein are to be supplied by amendment. It is represented that no other State or Federal commission, other than this Commission, has jurisdiction over the proposed transactions.

Notice is further given that any interested person may, not later than July 17, 1964, request in writing that a hearing be held on such matter, stating the nature of his interest, the reasons for such request, and the issues of fact or law raised by said joint application-declaration which he desires to controvert; or he may request that he be notified if the Commission should order a hearing thereon. Any such request should be addressed: Secretary, Securities and Exchange Commission, Washington, D.C., 20549. 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 the applicants-declarants at the above-stated address, 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 joint application-declaration, as filed or as it may be amended, may be granted and permitted to become effective as provided in Rule 23 of the General Rules and Regulations promulgated under the Act, or the Commission may grant exemption from such rules as provided in Rules 20 (a) and 100 thereof or take such other action as it may deem appropriate.

For the Commission (pursuant to delegated authority).

[SEAL] NELLYE A. THORSEN, *Assistant Secretary.*

[F.R. Doc. 64-6618; Filed, July 2, 1964; 8:47 a.m.]

[File No. 812-1690]

NARRAGANSETT CAPITAL CORP. AND FRANKLIN CORP.

Notice of Filing of Application

JUNE 26, 1964.

Notice is hereby given that Narragansett Capital Corporation ("Narragansett") and The Franklin Corporation ("Franklin"), each of which is a closed-end investment company registered under the Investment Company Act of 1940 ("Act") and also a small business investment company licensed as such under the Small Business Investment Act of 1958, have filed a joint application pursuant to section 17(d) of the Act and Rule 17d-1 thereunder for an order granting said application so as to permit affiliated persons of Narragansett and Franklin to purchase, pursuant to a rights offering to be made to the stockholders of Narragansett and Franklin, shares of common stock of Amtel Corporation, a company controlled by Narragansett and Franklin. All interested persons are referred to the application on file with the Commission for a complete statement of the facts which are summarized below.

Pursuant to an Agreement of Merger dated May 19, 1964, Janesville Cotton Mills, Inc. ("Janesville"), which produced cushioning materials and subassemblies for the automotive industry, and Lawson Machine and Tool Co. ("Lawson"), which manufactured precision machined parts for the aircraft and missile industries, were merged with the merged company taking the name Amtel Corporation ("Amtel"). The businesses formerly conducted by Janesville and Lawson will be operated as divisions of Amtel. Prior to the merger Narragansett and Franklin each owned 42.5 percent of the outstanding stock of Janesville and 33⅓ percent of the outstanding stock of Lawson. Williard G. Van Saun, the president of Janesville, owned the remaining 15 percent of Janesville's outstanding stock; and George H. Mettler, the president of Lawson, owned the remaining 33⅓ percent of Lawson's outstanding stock. Under the merger agreement, Amtel issued 720,000 shares of common stock which were distributed as follows:

Holder	No. of shares	Percent of outstanding stock
Narragansett	282,900	39.29
Franklin	282,900	39.29
Van Saun	70,130	9.76
Mettler	84,070	11.66
Total	720,000	100.00

Amtel has filed a registration statement under the Securities Act of 1933

concerning a proposed non-underwritten offering of 250,000 shares of its common stock. Of such number, 196,460 shares (78.58 percent) will be offered at $5 per share to the holders of common stock of Narragansett and Franklin by way of non-transferable primary subscription rights on the basis of one share of Amtel for every ten shares of Narragansett and one share of Amtel for every twelve shares of Franklin. The remaining 53,540 shares are to be offered as follows: (a) 23,540 shares (9.4 percent) to Mettler, (b) 20,000 shares (8.0 percent) to Van Saun, and (c) 10,000 shares (4.0 percent) to Alfred Buckley, the president of Amtel. In addition to being shareholders, both Van Saun and Mettler are directors of Amtel. Each of these three individuals, none of whom is a shareholder or director of either Narragansett or Franklin, has indicated that he will purchase the Amtel shares to be offered him.

No fractional shares of Amtel will be issued and each shareholder of Narragansett and Franklin will receive one right for each share held. Any shareholder who receives rights not equally divisible by ten as to Narragansett or twelve as to Franklin may subscribe for one more full share of Amtel. In addition to the primary subscription rights, the stockholders of Narragansett and Franklin, but not Van Saun, Mettler, or Buckley, will have over-subscription privileges to acquire at $5 per share any Amtel stock not subscribed for pursuant to the primary rights. Shares offered to Narragansett shareholders and not subscribed for under their primary rights will be available to those shareholders of Narragansett who subscribed for stock on their primary rights; and shares offered to Franklin shareholders and not subscribed for under their primary rights will be available to those shareholders of Franklin who have subscribed for stock on their primary rights. If insufficient shares are available to satisfy all over-subscription requests, the available shares will be allotted among those who request additional shares in proportion to the respective additional amounts for which they subscribe. Narragansett shareholders will have a priority on any shares not subscribed for by Narragansett shareholders on primary rights and Franklin shareholders will have a priority on any shares not subscribed for by Franklin shareholders on primary rights. Shares not subscribed for by the shareholders of one company will be available for allotment to the shareholders of the other. If all the 196,460 shares offered to the shareholders of the two companies are not subscribed for, the unsubscribed shares will be offered at $5 per share to the public or members of management of Amtel, including Van Saun, Mettler, and Buckley.

Unless all of the 250,000 shares of Amtel's stock are sold, the entire offering will be withdrawn and all proceeds, without deduction for expenses, will be refunded. Amtel will pay any member of the National Association of Securities Dealers, Inc. whose name is inserted in a subscription warrant for not less than 100 shares, 25 cents per share on all warrants accepted.

Subject to Amtel obtaining not less than $1,150,000 of additional capital from the sale of its stock, an insurance company has agreed to purchase from Amtel its $2,500,000 face-amount 5½ percent promissory note due 1979. The proceeds from the sale of Amtel's stock and from the promissory note will be used by Amtel to prepay (a) $908,590 face-amount 6 percent notes due in quarterly installments to 1966 and 1967 and held by banks (b) $1,545,000 face-amount of 8 percent subordinated notes originally issued and sold by Lawson and held in equal amounts by Franklin, Narragansett and Mettler. The remainder will be used for working capital or plant expansion.

Royal Little, the chairman of the board of Narragansett, is chairman of Amtel's board of directors and Herman E. Goodman, the president of Franklin, is the vice chairman of Amtel's board of directors. The other directors of Amtel are Buckley, Van Saun, Mettler, and Frank L. Tucker. The Amtel registration statement represents that Little, Goodman, and Buckley have agreed to serve without any compensation other than director's fees.

The percentage of outstanding shares of Amtel that will be held by Narragansett and Franklin, if the proposal is consummated, will change from 39.29 percent as to each to 29.16 percent as to each.

Included among the stockholders of Narragansett who, as stockholders of Narragansett, will receive rights to purchase Amtel stock, are thirteen of its officers and directors and one other person holding more than 5 percent of its stock. These affiliated persons of Narragansett hold an agregate of 237,600 shares (30.015 percent) of the 791,600 outstanding shares of Narragansett stock; and, under the proposal, may subscribe, pursuant to their primary rights, for 23,760 shares of Amtel, or 2.45 percent of the 970,000 shares of Amtel to be outstanding. Franklin has seven officers and directors who hold its stock and one other person who holds more than 5 percent of its stock. These affiliated persons hold an aggregate of 192,400 shares (17.97 percent) of the 1,071,000 outstanding shares of Franklin; and, under the proposal, may subscribe, pursuant to their primary rights, for 16,038⅓ shares of Amtel, or 1.65 percent of the shares of Amtel to be outstanding.

The affiliated persons of Narragansett and Franklin will not exercise their over-subscription privilege unless and until all of non-affiliated stockholders of Narragansett and Franklin who have exercised their over-subscription privilege receive all of the shares of Amtel for which they subscribe. All of the affiliated persons of Narragansett and Franklin have indicated that they intend to exercise their primary rights. Applicants have agreed to furnish the Commission at the completion of the rights offering with a full report of the number of Amtel's shares purchased by each of the affiliates of Narragansett and Franklin pursuant to the exercise of their primary rights and over-subscription privilege (if any).

Section 17(d) of the Act and Rule 17d–1 thereunder, taken together provide, among other things, that it shall be unlawful, with certain exceptions not applicable here, for an affiliated person of a registered investment company or any affiliated person of such a person, acting as principal, to participate in, or effect any transaction in connection with any joint enterprise or arrangement in which any such registered company, or a company controlled by such registered company, is a participant unless an application regarding such arrangement has been granted by the Commission, and that, in passing upon such an application, the Commission will consider whether the participation of such registered company or controlled company in such arrangement is consistent with the provisions, policies and purposes of the Act and the extent to which such participation is on a basis different from or less advantageous than that of other participants. A joint enterprise or arrangement as used in Rule 17d–1 is defined as any written or oral plan, contract, authorization or arrangement, or any practice or understanding concerning an enterprise or undertaking whereby a registered investment company or a controlled company thereof and any affiliated person of or a principal underwriter for such registered company, or any affiliated person of such person or principal underwriter, have a joint or a joint and several participation, or share in the profits of such enterprise or undertaking.

Notice is further given that any interested person may, not later than July 13, 1964, 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, D.C., 20549. 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 addresses 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.

It is ordered, That the Secretary of the Commission shall send a copy of this notice by registered mail to the Director, Office of Investment Assistance, Small

Business Administration, Washington, D.C., 20416.

By the Commission.

[SEAL] NELLYE A. THORSEN,
Assistant Secretary.

[F.R. Doc. 64-6619; Filed, July 2, 1964; 8:47 a.m.]

SMALL BUSINESS ADMINISTRATION

[Declaration of Disaster Area 473]

NEBRASKA

Declaration of Disaster Area

Whereas, it has been reported that during the month of June 1964, because of the effects of certain disasters, damage resulted to residences and business property located in Sarpy and Douglas Counties in the State of Nebraska;

Whereas, the Small Business Administration has investigated and has received other reports of investigations of conditions in the areas affected;

Whereas, after reading and evaluating reports of such conditions, I find that the conditions in such areas constitute a catastrophe within the purview of the Small Business Act, as amended.

Now, therefore, as Executive Administrator of the Small Business Administration, I hereby determine that:

1. Applications for disaster loans under the provisions of section 7(b)(1) of the Small Business Act, as amended, may be received and considered by the Offices below indicated from persons or firms whose property, situated in the aforesaid counties and areas adjacent thereto, suffered damage or destruction resulting from floods and accompanying conditions occurring on or about June 16, 1964.

OFFICES

Small Business Administration Regional Office,
911 Walnut Street,
Kansas City 6, Missouri.

Small Business Administration Branch Office,
215 North 17th Street,
Omaha 2, Nebraska.

2. Applications for disaster loans under the authority of this Declaration will not be accepted subsequent to December 31, 1964.

Dated: June 18, 1964.

ROSS D. DAVIS,
Executive Administrator.

[F.R. Doc. 64-6609; Filed, July 2, 1964; 8:45 a.m.]

[Declaration of Disaster Area 474]

NEW MEXICO

Declaration of Disaster Area

Whereas, it has been reported that during the month of June 1964, because of the effects of certain disasters, damage resulted to residences and business property located in Eddy County in the State of New Mexico;

Whereas, the Small Business Administration has investigated and has received other reports of investigations of conditions in the area affected;

Whereas, after reading and evaluating reports of such conditions, I find that the conditions in such area constitute a catastrophe within the purview of the Small Business Act, as amended.

Now, Therefore, as Executive Administrator of the Small Business Administration, I hereby determine that:

1. Applications for disaster loans under the provisions of section 7(b)(1) of the Small Business Act, as amended, may be received and considered by the Offices below indicated from persons or firms whose property, situated in the aforesaid County and areas adjacent thereto, suffered damage or destruction resulting from floods and accompanying conditions occurring on or about June 15, 1964.

OFFICES

Small Business Administration Regional Office,
909 17th Street,
Denver 2, Colorado.

Small Business Administration Branch Office,
Fifth and Gold Streets SW.,
Albuquerque, New Mexico.

2. Applications for disaster loans under the authority of this Declaration will not be accepted subsequent to December 31, 1964.

Dated: June 17, 1964.

ROSS D. DAVIS,
Executive Administrator.

[F.R. Doc. 64-6610; Filed, July 2, 1964; 8:45 a.m.]

[Declaration of Disaster Area 475]

NEW MEXICO

Declaration of Disaster Area

Whereas, it has been reported that during the month of May 1964, because of the effects of certain disasters, damage resulted to residences and business property located in Colfax County in the State of New Mexico;

Whereas, the Small Business Administration has investigated and has received other reports of investigations of conditions in the area affected;

Whereas, after reading and evaluating reports of such conditions, I find that the conditions in such area constitute a catastrophe within the purview of the Small Business Act, as amended.

Now, Therefore, as Executive Administrator of the Small Business Administration, I hereby determine that:

1. Applications for disaster loans under the provisions of section 7(b)(1) of the Small Business Act, as amended, may be received and considered by the Offices below indicated from persons or firms whose property, situated in the aforesaid County and areas adjacent thereto, suffered damage or destruction resulting from tornado and accompanying conditions occurring on or about May 29, 1964.

OFFICES

Small Business Administration Regional Office,
909 17th Street,
Denver 2, Colorado.

Small Business Administration Branch Office,
Fifth and Gold Streets SW.,
Albuquerque, New Mexico.

2. Applications for disaster loans under the authority of this Declaration will not be accepted subsequent to December 31, 1964.

Dated: June 18, 1964.

ROSS D. DAVIS,
Executive Administrator.

[F.R. Doc. 64-6611; Filed, July 2, 1964; 8:45 a.m.]

[Declaration of Disaster Area 476]

NEW HAMPSHIRE

Declaration of Disaster Area

Whereas, it has been reported that during the month of June 1964, because of the effects of certain disasters, damage resulted to residences and business property located in the City of Lebanon in the State of New Hampshire;

Whereas, the Small Business Administration has investigated and has received other reports of investigations of conditions in the area affected;

Whereas, after reading and evaluating reports of such conditions, I find that the conditions in such area constitute a catastrophe within the purview of the Small Business Act, as amended.

Now, Therefore, as Executive Administrator of the Small Business Administration, I hereby determine that:

1. Applications for disaster loans under the provisions of section 7(b)(1) of the Small Business Act, as amended, may be received and considered by the Offices below indicated from persons or firms whose property, situated in the aforesaid City and areas adjacent thereto, suffered damage or destruction resulting from fire and accompanying conditions occurring on or about June 19, 1964.

OFFICES

Small Business Administration Regional Office,
470 Atlantic Avenue,
Boston, Massachusetts.

Small Business Administration Branch Office,
18 School Street,
Concord, New Hampshire.

2. Applications for disaster loans under the authority of this Declaration will not be accepted subsequent to December 31, 1964.

Dated: June 22, 1964.

ROSS D. DAVIS,
Executive Administrator.

[F.R. Doc. 64-6612; Filed, July 2, 1964; 8:46 a.m.]

TARIFF COMMISSION

[TEA–F–3]

DANAHO REFINING CO.

Petition for Determination of Eligibility To Apply for Adjustment Assistance; Notice of Investigation

Upon petition under section 301(a)(2) of the Trade Expansion Act of 1962, filed June 24, 1964, by the Danaho Refining Company, 4901 Richmond Avenue, Houston, Texas, the United States Tariff Commission, on June 29, 1964, instituted an investigation under section 301(c)(1) of the said Act to determine whether, as a result in major part of concessions granted under trade agreements, crude petroleum, like or directly competitive with articles produced by the aforementioned firm, is being imported into the United States in such increased quantities as to cause, or threaten to cause, serious injury to such firm.

The imported article to which this investigation relates is currently dutiable under item 475.05 or 475.10 of the Tariff Schedules of the United States at the rate of 0.125 cent per gallon if testing under 25 degrees A.P.I., or at 0.25 cent per gallon if testing 25 degrees A.P.I. or more.

Petitioner has not requested a public hearing. A hearing will be held or request of any other party showing a proper interest in the subject matter of the investigation, provided the request is filed with the Secretary of the Tariff Commission within 10 days after this notice is published in the FEDERAL REGISTER.

The petition filed in this case (except confidential data) is available for inspection at the office of the Secretary of the Commission, 8th and E Streets NW., Washington, D.C., and at the New York City office of the Tariff Commission located in Room 437 of the Customhouse.

Issued: June 30, 1964.

By order of the Commission.

[SEAL] DONN N. BENT, *Secretary.*

[F.R. Doc. 64–6658; Filed, July 2, 1964; 8:51 a.m.]

INTERSTATE COMMERCE COMMISSION

FOURTH SECTION APPLICATIONS FOR RELIEF

JUNE 30, 1964.

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. 39107: *Joint motor-rail rates—Central States.* Filed by Central States Motor Freight Bureau, Inc., agent (No. 80), for interested carriers. Rates on various commodities moving on class and commodity rates over joint routes of applicant rail and motor carriers between points in central States territory.

Grounds for relief: Motortruck competition.

Tariff: Supplement 8 to Central States Motor Freight Bureau Inc., agent, tariff MF–I.C.C. 1087.

FSA No. 39108: *Liquefied chlorine gas to Demopolis and Green Tree, Ala.* Filed by O. W. South, Jr., agent (No. A4533), for interested rail carriers. Rates on liquefied chlorine gas, in tank carloads, from Baton Rouge and North Baton Rouge, La., to Demopolis and Green Tree, Ala.

Grounds for relief: Market competition.

Tariff: Supplement 21 to Southern Freight Association, agent, tariff I.C.C. S–397.

FSA No. 39109: *Joint motor-rail rates—Middlewest Motor Freight.* Filed by Middlewest Motor Freight Bureau, agent (No. 345), for interested carriers. Rates on various commodities moving on class and commodity rates over joint routes of applicant rail and motor carriers, between points in central States territory, on the one hand, and points in middlewest territory and Canada, on the other.

Grounds for relief: Motortruck competition.

Tariff: Supplement 21 to Middlewest Motor Freight Bureau, agent, tariff MF–I.C.C. 417.

FSA No. 39110: *Sand from points in Missouri.* Filed by Southwestern Freight Bureau, agent (No. B–8555), for interested rail carriers. Rates on sand, ground or pulverized, in carloads, from Webb City and Webb City-Carterville, Mo., to Chicago and Peoria, Ill., also Gary and Hammond, Ind.

Grounds for relief: Market competition.

Tariff: Supplement 22 to Southwestern Freight Bureau, agent, tariff I.C.C. 4565.

FSA No. 39111: *Iron and steel articles to Owensboro, Ky.* Filed by Traffic Executive Association-Eastern Railroads, agent (E.R. No. 2726), for interested rail carriers. Rates on iron or steel angles, plates, sheets and structural braces, brackets, forms, posts, shoes, strutts or separators, in carloads, from Martins Ferry, Ohio, Allenport, Pa., and Beech Bottom, W. Va., to Owensboro, Ky.

Grounds for relief: Barge competition.

Tariff: Supplement 4 to Traffic Executive Association-Eastern Railroads, agent, tariff I.C.C. C–428.

FSA No. 39112: *Wheat from and to points in Texas.* Filed by Texas-Louisiana Freight Bureau, agent (No. 506), for interested rail carriers. Rates on wheat, in carloads, from specified points in Texas, to Beaumont, Corpus Christi, Freeport, Galveston, Houston, Orange, Port Arthur and Texas City, Tex. (For Export).

Grounds for relief: Unregulated truck competition.

Tariff: Supplement 185 to Texas-Louisiana Freight Bureau, agent, tariff I.C.C. 899.

FSA No. 39113: *Substituted service—T&P for Herrin.* Filed by J. D. Hughett, agent (No. 54), for interested carriers. Rates on property loaded in highway trailers and transported on railroad flat cars, between Dallas, Tex., and New Orleans, La., on traffic originating at or destined to such points or points beyond as described in the application.

Grounds for relief: Motortruck competition.

Tariff: Supplement 5 to J. D. Hughett, agent, tariff MF–I.C.C. 375.

FSA No. 39114: *Substituted service—SLSF for chief freight lines.* Filed by J. D. Hughett, Agent (No. 55), for interested carriers. Rates on property loaded in highway trailers and transported on railroad flat cars, between Tulsa, Okla., and Dallas (Irving), Tex., on traffic originating at or destined to such points or points beyond as described in the application.

Grounds for relief: Motortruck competition.

Tariff: Supplement 5 to J. D. Hughett, agent, tariff MF–I.C.C. 375.

FSA No. 39115: *Joint motor-rail Rates—Eastern Central.* Filed by The Eastern Central Motor Carriers Association, Inc., agent (No. 269), for interested carriers. Rates on various commodities moving on class and commodity rates over joint routes of applicant rail and motor carriers, between points in middlewest territory, on the one hand, and points in middle Atlantic and New England territories, on the other.

Grounds for relief: Motortruck competition.

Tariff: 15th revised page 69 to Eastern Central Motor Carriers Association, Inc., agent, tariff MF–I.C.C. A–230.

By the Commission.

[SEAL] HAROLD D. MCCOY, *Secretary.*

[F.R. Doc. 64–6635; Filed, July 2, 1964; 8:48 a.m.]

[Notice 1007]

MOTOR CARRIER TRANSFER PROCEEDINGS

JUNE 30, 1964.

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 disposition. The matters relied upon by petitioners must be specified in their petitions with particularity.

No. MC–FC 66559. By order entered June 26, 1964, the Transfer Board approved the transfer to Ronald J. Mulcahy, doing business as Mulcahy's Express, Malden, Mass., of a portion of the

operating rights in certificate in No. MC 44824, issued September 2, 1943, to Leo Edward Mulcahy, doing business as Mulcahy's Express, Malden, Mass. The portion authorized for transfer covers the transportation of: paper pulp and paper products, from Malden, Mass., to points in Rhode Island, and Maine, and specified points in New Hampshire, William F. Dierkes, 40 Court Street, Boston 8, Mass., attorney for applicants.

No. MC–FC 66787. By order of June 26, 1964, the Transfer Board approved the transfer to Great Plains Transportation Company, a corporation, Holdrege, Nebr., of certificate in No. MC 24188, issued October 13, 1954, to E. D. Nickel, doing business as Fullerton Freight Line, Fullerton, Nebr., and acquired by Fullerton Freight Lines, Inc., Fullerton, Nebr., pursuant to approval and consumation in No. MC–FC 66267, authorizing the transportation of: general commodities, except those of unusual value, livestock, class A and B explosives, commodities requiring special equipment, commodities in bulk, and those injurious or contaminating to other lading, over regular routes, between Fullerton, Nebr., and Council Bluffs, Iowa, serving the intermediate points of Monroe, Columbus, Fremont, Omaha, and Central City, Nebr., and between Fullerton, Nebr., and Grand Island, Nebr., serving no intermediate points. Donald E. Leonard, Box 2028, Lincoln, Nebr., attorney for applicants.

No. MC–FC 66812. By order of June 25, 1964, the Transfer Board approved the transfer to Fred B. Lafferty and J. D. Lafferty, a partnership, doing business as Lafferty Trucking Company, Altoona, Pa., of permits in Nos. MC 19193, MC 19193 (Sub No. 1), MC 19193 (Sub No. 2), MC 19193 (Sub No. 4), and MC 19193 (Sub No. 5), issued August 2, 1950, August 2, 1950, November 1, 1950, March 2, 1959, and September 7, 1960, respectively, to Fred B. Lafferty, J. D. Lafferty and Charles W. Albright, Jr., a partnership, doing business as Lafferty Trucking Company, Altoona, Pa., authorizing the transportation of: such merchandise as is dealt in by wholesale, retail, and chain grocery and food business houses, and, in connection therewith, equipment, materials, and supplies used in the conduct of such business, store fixtures and store equipment, bananas, and frozen fruits, from, to, or between, specified points or parts of, Pennsylvania, Maryland, West Virginia, Ohio, New York, and New Jersey. Robert H. Griswold, Commerce Building, Harrisburg, Pa., attorney for applicants.

No. MC–FC 66912. By order of June 25, 1964, the Transfer Board approved the transfer to Willard Graese Transport Service, Inc., Mondovi, Wis., of Certificate No. MC 79113, issued November 23, 1960, to Olson Transport Service, Inc., Eleva, Wis., and acquired March 7, 1963, pursuant to No. MC–FC 65646, by Willard E. Graese, doing business as Willard E. Graese Transport Service, Eleva, Wis., authorizing the transportation, over regular routes, of general commodities, excluding household goods, and other specified commodities, between Strum, Wis., and Minneapolis; beer from Minneapolis and St. Paul, Minn., to Eleva, Wis., and empty beer containers, from Eleva, Wis., to Minneapolis and St. Paul, and from Strum, Wis., to Minneapolis and St. Paul, and over irregular routes, of general commodities, excluding household goods and other specified commodities from Minneapolis, St. Paul and South St. Paul, Minn., to Strum, Wis., empty petroleum containers, from Strum, Wis., to Minneapolis, St. Paul, and South St. Paul, Minn., feed and flour, livestock and agricultural commodities, seed, farm machinery and implements and parts thereof, and building supplies, hardware, building materials, and grain, from, to, and between specified points in Minnesota and Wisconsin, varying with the commodities transported. John O. Ward, Osseo, Wisconsin, attorney for applicants.

No. MC–FC 66921. By order of June 25, 1964, the Transfer Board approved the transfer to Douglas Sternhagen, Tabor, S. Dak., of the operating rights in certificate No. MC 37084, issued August 25, 1955, to Charles J. Lane, Tabor, S. Dak., authorizing the transportation, over irregular routes, of livestock and farm products, from Tabor, S. Dak., to points in South Dakota within 10 miles of Tabor, to Sioux City, Iowa, feed, tankage, salt, oil and grease in containers, hardware, and farm machinery, from Sioux City to points in South Dakota within 10 miles of Tabor, and household goods, and emigrant movables, between points in South Dakota within 10 miles of Tabor, on the one hand, and, on the other, points in Iowa and Nebraska. Ray E. Post, Tyndall, South Dakota, attorney for applicants.

No. MC–FC 66926. By order of June 25, 1964, the Transfer Board approved the transfer to Wayne Johnston and Pringle Johnston, a partnership, doing business as Johnston Brothers, Arcadia, Kans., of the operating rights in certificates in Nos. MC 107859 and MC 107859 (Sub No. 2), issued July 18, 1947, and April 2, 1947, respectively, to Neil K. Mobley, doing business as Mobley Truck Service, Garland, Kans., authorizing the transportation, over irregular routes, of livestock, from Garland, Kans., and points within 10 miles of Garland, to Kansas City, Mo., agricultural machinery and implements and parts, building materials, and hardware, from Kansas City and North Kansas City, Mo., to Garland, Kans., and points within 10 miles of Garland, and feed, from Kansas City, Kans., and Kansas City, and North Kansas City, Mo., to Garland, Kans., and points within 10 miles thereof. John L. Ibson, Ibson Building, 1½ miles North on U.S. 69, Fort Scott, Kansas, attorney for applicants.

[SEAL] HAROLD D. McCOY, *Secretary.*

[F.R. Doc. 64–6636; Filed, July 2, 1964; 8:48 a.m.]

CUMULATIVE CODIFICATION GUIDE—JULY

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 July.