FEDERAL REGISTER

VOLUME 33 • NUMBER 252

Saturday, December 28, 1968 • Washington, D.C.

Pages 19893–19993

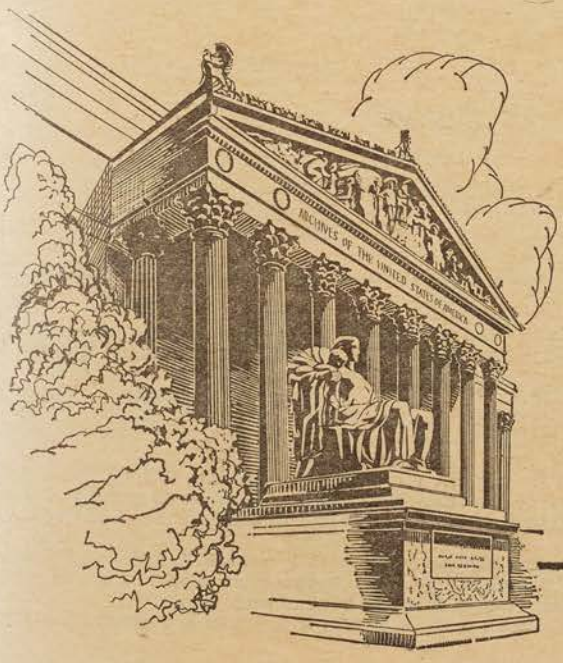
PART I

(Part II begins on page 19981)

Agencies in this issue—

Agricultural Research Service
Civil Aeronautics Board
Civil Service Commission
Coast Guard
Consumer and Marketing Service
Defense Department
Federal Aviation Administration
Federal Highway Administration
Federal Maritime Commission
Federal Power Commission
Federal Reserve System
Federal Trade Commission
Housing and Urban Development Department
International Commerce Bureau
Interstate Commerce Commission
Labor Department
Land Management Bureau
Patent Office
Securities and Exchange Commission

Detailed list of Contents appears inside.



Current White House Releases

WEEKLY COMPILATION OF PRESIDENTIAL DOCUMENTS

The *Weekly Compilation of Presidential Documents* began with the issue dated Monday, August 2, 1965. It contains transcripts of the President's news conferences, messages to Congress, public speeches, remarks and statements, and other Presidential material released by the White House up to 5 p.m. of each Friday. This weekly service includes an Index of Contents preceding the text and a Cumulative Index to Prior Issues at the end. Cumulation of this index terminates at the end of each quarter and begins anew with the following issue. Semiannual and annual indexes are published separately.

The *Weekly Compilation of Presidential Documents* is sold to the public on a subscription basis. The price of individual copies varies.

Subscription Price: $6.00 per year

Compiled by Office of the Federal Register, National Archives and Records Service, General Services Administration

Order from: Superintendent of Documents,
U.S. Government Printing Office,
Washington, D.C. 20402

FEDERAL REGISTER
Area Code 202 Phone 962-8626

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. 15), 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, U.S. 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 per year, payable in advance. The charge for individual copies varies in proportion to the size of the issue (15 cents for the first 80 pages and 5 cents for each additional group of 40 pages, as actually bound). Remit check or money order, made payable to the Superintendent of Documents, U.S. 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 (44 U.S.C. 1510). 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.

Contents

AGRICULTURAL RESEARCH SERVICE

Rules and Regulations

Domestic quarantine; Japanese beetle; regulated areas 19939

AGRICULTURE DEPARTMENT

See Agricultural Research Service; Consumer and Marketing Service.

CIVIL AERONAUTICS BOARD

Notices

Hearings, etc.:
Orion Airways, Inc. (3 documents) 19959, 19960
Ross Aviation, Inc 19960
Southeast Airlines, Inc 19961

CIVIL SERVICE COMMISSION

Rules and Regulations

Excepted service; Department of Agriculture and Department of Health, Education, and Welfare 19897
Pay administration:
Authorized allotters 19897
Relationship to other payments 19897

Notices

Nurses, Fort Knox, Ky.; adjustment of minimum rates and rate ranges 19961

COAST GUARD

Rules and Regulations

Vessel inspection and certification; miscellaneous amendments 19982

COMMERCE DEPARTMENT

See International Commerce Bureau; Patent Office.

CONSUMER AND MARKETING SERVICE

Rules and Regulations

Lemons grown in California and Arizona; handling limitation 19942
Onions grown in South Texas; expenses and rate of assessment 19942

DEFENSE DEPARTMENT

Rules and Regulations

Armed services procurement; miscellaneous amendments 19900

FEDERAL AVIATION ADMINISTRATION

Rules and Regulations

Airworthiness directive; McDonnell Douglas Model DC–8 and DC–8F Series airplanes 19897
Control zone and transition area; alteration 19899

Proposed Rule Making

Transition areas; alterations (4 documents) 19952, 19953

FEDERAL HIGHWAY ADMINISTRATION

Rules and Regulations

National Highway Safety Bureau; revision of chapter heading 19899

FEDERAL MARITIME COMMISSION

Notices

Agreements filed for approval:
American West African Freight Conference 19962
Gulf Associated Freight Conference 19962
Gulf/Mediterranean Ports Conference 19962
Gulf/Scandinavian and Baltic Sea Ports Conference 19963
Gulf/United Kingdom Conference 19963
Independent ocean freight forwarder licenses; revocations:
Moller, Herbert B 19962
Pacific Air Freight, Inc 19962
Proposed cancellation of agreements; River Plate and Brazil Conference et al 19963

FEDERAL POWER COMMISSION

Notices

Hearings, etc.:
Arizona Public Service Co. (2 documents) 19963, 19964
Cities Service Gas Co 19964
Mallard Petroleum, Inc., et al 19964
Panhandle Eastern Pipe Line Co 19965
Shawnee Pipeline Co. and Kentucky Gas Transmission Corp 19965
Transcontinental Gas Pipe Line Corp 19965
Tyra & Tyra 19966

FEDERAL RESERVE SYSTEM

Notices

Hearings, etc.:
Charter Bankshares Corp 19966
First Bank System, Inc 19967
First Empire State Corp 19967
First National Bank of Fort Worth 19967
First Security Corp 19966
Hawkeye Bancorporation (3 documents) 19967, 19968
Huntington Bancshares Inc 19968

FEDERAL TRADE COMMISSION

Rules and Regulations

Prohibited trade practices:
Tashof, Leon A., and New York Jewelry Co 19946
Western Union Assurance Co. et al 19947

HOUSING AND URBAN DEVELOPMENT DEPARTMENT

Notices

Authority delegation; Assistant Secretary for Mortgage Credit and Federal Housing Commissioner 19958

INTERIOR DEPARTMENT

See Land Management Bureau.

INTERNATIONAL COMMERCE BUREAU

Rules and Regulations

Export regulations; miscellaneous amendments to chapter 19942

INTERSTATE COMMERCE COMMISSION

Notices

Motor carrier, broker, water carrier, and freight forwarder applications 19969

LABOR DEPARTMENT

Rules and Regulations

Safety and health standards for Federal supply contracts; radiation standards for mining 19947

LAND MANAGEMENT BUREAU

Rules and Regulations

Public land orders:
Idaho 19948
Oregon 19948

Notices

Alaska:
Classification of lands for multiple use management 19957
Proposed withdrawal of unreserved lands; opportunity for comments 19955
New Mexico; modification of certain grazing districts 19955

PATENT OFFICE

Proposed Rule Making

Rules of practice in patent cases; interference practice 19949

SECURITIES AND EXCHANGE COMMISSION

Notices

Top Notch Uranium and Mining Corp.; suspension of trading 19969

TRANSPORTATION DEPARTMENT

See Coast Guard; Federal Aviation Administration; Federal Highway Administration.

List of CFR Parts Affected

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, 1968, and specifies how they are affected.

5 CFR

213 19897
550 (2 documents) 19897

7 CFR

301 19939
910 19942
959 19942

14 CFR

39 19897
71 19899

PROPOSED RULES:

71 (4 documents) 19952, 19953

15 CFR

370 19942
371 19943
372 19944
373 19944
374 19944
376 19945
385 19945

16 CFR

13 (2 documents) 19946, 19947

23 CFR

Ch. II 19899

32 CFR

1 19900
2 19902
3 19902
4 19910
5 19911
6 19912
7 19912
8 19921
9 19922
10 19922
12 19923
13 19923
14 19924
15 19925
16 19926
17 19928
18 19928
22 19929
23 19930
25 19930
30 19932

37 CFR

PROPOSED RULES:

1 19949

41 CFR

50–204 19947

43 CFR

PUBLIC LAND ORDERS:

4545 19948
4546 19948

46 CFR

26 19982
30 19983
32 19983
33 19983
38 19985
70 19985
75 19985
78 19986
94 19986
97 19987
98 19987
110 19987
111 19988
112 19991
113 19991
180 19992
181 19992
182 19992
192 19993

Rules and Regulations

Title 5—ADMINISTRATIVE PERSONNEL

Chapter I—Civil Service Commission

PART 213—EXCEPTED SERVICE

Department of Agriculture and Department of Health, Education, and Welfare

1. Section 213.3113 is amended to extend, with certain revisions, the Schedule A authority for positions directly concerned with programs of the Department for employment of Cuban refugees possessing college level training appropriate for such positions. No new appointments may be made under the authority after December 31, 1968, but the requirement that employment under the authority be limited to some specified period has been eliminated. Effective on publication in the FEDERAL REGISTER, subparagraph (8) of paragraph (a) is amended as set out below.

§ 213.3113 Department of Agriculture.

(a) *General.* * * *

(8) Not to exceed 10 positions directly concerned with programs of the Department for employment of Cuban refugees possessing college-level training appropriate for such positions. No new appointments may be made under this authority after December 31, 1968.

* * * * *

2. Section 213.3116 is amended to extend, with certain revisions, two Schedule A authorities designed to facilitate the Department's programs for Cuban refugees. Henceforth, no new appointments may be made under the authority for employment of refugees in medical and related occupations, and only Cuban refugees may be given new appointments under the authority covering positions in the Social and Rehabilitation Administration. The requirement that employment under the authorities be limited to some specified period has been eliminated. Effective on publication in the FEDERAL REGISTER, subparagraph (1) of paragraph (e) and subparagraph (1) of paragraph (g) are amended as set out below.

§ 213.3116 Department of Health, Education, and Welfare.

* * * * *

(e) *General.* (1) Not to exceed 40 positions in medical and related occupations for employment under the Cuban refugee program. No new appointments may be made after December 31, 1968.

* * * * *

(g) *Social and Rehabilitation Administration.* (1) Not to exceed 195 positions directly concerned with programs conducted by the Department in connection with the problems of Cuban refugees: *Provided,* That new appointments shall be limited to Cuban refugees.

(5 U.S.C. 3301, 3302, E.O. 10577, 19 F.R. 7521, 3 CFR 1954–1958 Comp., p. 218)

UNITED STATES CIVIL SERVICE COMMISSION,
[SEAL] JAMES C. SPRY,
Executive Assistant to the Commissioners.

[F.R. Doc. 68–15453; Filed Dec. 27, 1968; 8:45 a.m.]

PART 550—PAY ADMINISTRATION (GENERAL)

Relationship to Other Payments

Section 550.163(d) is amended to reflect a change in law which makes certain premium pay base pay for certain purposes. Effective on publication in the FEDERAL REGISTER, paragraph (d) is amended as set out below.

§ 550.163 Relationship to other payments.

* * * * *

(d) (1) Except as provided in subparagraph (2) of this paragraph, premium pay on an annual basis under § 550.141 or § 550.151 is not base pay and is not included in the base used in computing foreign and nonforeign allowances and differentials, or any other benefits or deductions that are computed on base pay alone.

(2) Premium pay on an annual basis under § 550.141 is base pay for the purpose of section 5595(c), section 8114(e), section 8331(3), and section 8704(c) of title 5, United States Code.

(5 U.S.C. 5548)

UNITED STATES CIVIL SERVICE COMMISSION,
[SEAL] JAMES C. SPRY,
Executive Assistant to the Commissioners.

[F.R. Doc. 68–15451; Filed, Dec. 27, 1968; 8:45 a.m.]

PART 550—PAY ADMINISTRATION (GENERAL)

Authorized Allotters

Section 550.303 is amended to permit agencies to authorize payroll allotments by certain temporary employees to a Combined Federal Campaign. Effective on publication in the FEDERAL REGISTER, paragraph (c) of § 550.303 is amended as set out below.

§ 550.303 Authorized allotters.

* * * * *

(c) An employee serving under an appointment limited to 1 year or less may make an allotment to a Combined Federal Campaign under § 550.304(a)(6) only when an appropriate official of the employing agency determines the employee will continue his employment for a period sufficient to justify an allotment.

(5 U.S.C. 5527, E.O. 10982; 3 CFR, 1959–1963 Comp., p. 502)

UNITED STATES CIVIL SERVICE COMMISSION,
[SEAL] JAMES C. SPRY,
Executive Assistant to the Commissioners.

[F.R. Doc. 68–15450; Filed, Dec. 27, 1968; 8:45 a.m.]

Title 14—AERONAUTICS AND SPACE

Chapter I—Federal Aviation Administration, Department of Transportation

[Airworthiness Docket No. 68–WE–25–AD; Amdt. 39–700]

PART 39—AIRWORTHINESS DIRECTIVES

McDonnell Douglas Model DC–8 and DC–8F Series Airplanes

Amendment 665 (29 F.R. 13), AD 63–27–1, as amended by Amendments 720 (29 F.R. 5542), and 793 (29 F.R. 11590), requires inspection of forward bogie beam swivel joint lugs and swivel bolts of certain bogie beam assemblies and repair or replacement of any found defective on Douglas Model DC–8 Series Airplanes. Amendment 39–491 (32 F.R. 14151), further amended AD 63–27–1 by eliminating the requirement for repetitive lubrication of bogie beam assemblies reworked per Kit "A" or Kit "E" of Douglas DC–8 Service Bulletin No. 32–79 and increased the repetitive lubrication interval from 75 to 100 hours time in service for all bogie beam assemblies that have not been reworked per Kit "A" or Kit "E."

Amendment 773 (29 F.R. 9962), AD 64–17–7, as amended by Amendment 39–10 (29 F.R. 16317), requires inspection of the "critical area" on the bottom of certain bogie beam assemblies and rework or replacement of any found defective on Douglas Model DC–8 and DC–8F Series airplanes. A notice of proposed rule making (32 F.R. 9), January 4, 1967, was issued proposing to supersede AD 64–17–7 by introducing a definitive service life limitation to all reworked bogie beams, and adding two bogie beam assemblies to the applicability statement, and requiring inspection, rework, or replacement of the bogie beams on a revised schedule. Since the publication of this notice, additional information has been received

which dictated further review of the entire bogie beam problem. The actions proposed in this notice, as well as the additional information received, have been incorporated into this AD.

After issuing Amendment 793 for AD 63–27–1 and Amendment 39–10 and the NPRM (32 F.R. 9) for AD 64–17–7, the Administration determined that: (1) Due to service experience, the bogie beam assembly part numbers should be clarified; (2) the boot installed in accordance with Kit "D" has occasionally come loose, thereby permitting moisture to enter the keyway area, and causing the failure of certain parts; and (3) the results of fatigue tests indicate that service life limits should be established on forward bogie beams with a "critical area." Therefore, Amendment 665 (29 F.R. 13), AD 63–27–1, as amended, and Amendment 773 (29 F.R. 9962), AD 64–17–7, as amended, are being superseded with a new AD that: (1) Combines the basic provisions of the two existing AD's; (2) clarifies the bogie beam assembly part numbers; (3) requires the installation of a "boot" in accordance with Kit "A" or Kit "E" of McDonnell Douglas Service Bulletin No. 32–79; (4) establishes service life limits on certain bogie beams; and (5) incorporates such changes as reference to the latest service documents and the identification of such documents with the current type certificate holder (McDonnell Douglas).

The airworthiness directive has been coordinated with the manufacturer and the Air Transport Association. The ATA has furnished comments from several air carriers. These comments have been considered and, where feasible and acceptable, have been incorporated into the airworthiness directive.

The Administration has determined that, for the reasons stated above, this airworthiness directive is necessary in the the interest of public safety in air transportation and air commerce, and that notice and public procedure hereon are impracticable and good cause exists for making this amendment effective 30 days from publication in the FEDERAL REGISTER.

In consideration of the foregoing, and pursuant to the authority delegated to me by the Administrator (31 F.R. 13697), § 39.13 of Part 39 of the Federal Aviation Regulations is amended by adding the following new airworthiness directive:

McDONNELL DOUGLAS. Applies to Model DC–8 and DC–8F airplanes having certain identified main landing gear forward bogie beam assemblies installed.

Compliance required as indicated.

Several failures in the "critical area" on the bottom of certain main landing gear forward bogie beams have been attributed to fatigue resulting from localized high loads during ground operation. The "critical area" is defined in McDonnell Douglas Letter C1–78–987/WBM. Failures have also occurred in the main landing gear forward bogie beam swivel pin lower lugs due to cracking as a result of corrosion. To preclude further failures of this nature, accomplish the following or an equivalent approved by the Chief, Aircraft Engineering Division, FAA Western Region.

PART I ("KEYWAY AREA")

(a) Part I of this AD applies to airplanes having a main landing gear forward bogie beam assembly, P/N's 5760590, 5760602, or 5719123, installed (hereinafter referred to as the Bogie Beam Assembly).

NOTE: AD 63–27–1, which is superseded, lists parts other than these. These parts may be found either as a component of the main landing gear forward bogie beam and axle assemblies, P/N's 5760631, 5760633, or 5719124, or as a component of main landing gear aft and forward bogie beam assemblies, P/N's 5760630, 5760635, or 5716469.

(b) Rework each Bogie Beam Assembly per that portion of Appendix II, McDonnell Douglas Letter C1–78–228/WBM (or later FAA approved revision) dated February 16, 1965, entitled *"IV. Rework Instructions,"* except that, in lieu of Notes 1, 2, and 3 under 5.A, remove 0.040 inch of material in a manner prescribed in 5.B following removal of crack indications. Rework may also be accomplished in accordance with procedures approved by the Chief, Aircraft Engineering Division, FAA Western Region. The applicable times are:

(1) For bogie beams that have never been reworked:

Within the next 400 landings after the effective date of this AD or before the accumulation of a total of 4,000 landings, whichever occurs later; and again within 6,000 landings (for Bogie Beam Assembly P/N's 5760602 and 5719123) or 10,000 landings (for Bogie Beam Assembly P/N 5760590) after the initial rework.

(2) For bogie beams that have undergone one instance of rework in which 0.040 inch of material have been removed from an uncracked Bogie Beam Assembly or in which 0.040 inch of material have been removed following removal of crack indications:

Within 6,000 landings (for Bogie Beam Assembly P/N's 5760602 and 5719123) or 10,000 landings (for Bogie Beam Assembly P/N 5760590) after the initial rework, or within the next 400 landings after the effective date of this AD, whichever occurs later.

(3) For bogie beams that have undergone one or more instances of rework in which less than the specified 0.040 inch of material have been removed from an uncracked Bogie Beam Assembly or in which less than 0.040 inch of material have been removed following removal of crack indications:

The applicable times will be as established by the Chief, Aircraft Engineering Division, FAA Western Region, for each specific case.

(c) In accomplishing the rework per (b) of Part I of this AD, the total depth of material removed at the centerline of the keyway, including the material removed during all phases of any rework previously performed, shall not exceed 0.120 inch without prior approval by the Chief, Aircraft Engineering Division, FAA Western Region.

(d) Within the next 400 landings after the effective date of this AD or before the accumulation of a total of 4,000 landings, whichever occurs later, install "Kit A" or "Kit E" per that portion of McDonnell Douglas Service Bulletin No. 32–79, Reissue No. 1, Revision No. 3 (or later FAA approved revision) dated January 26, 1968, entitled "2. *Accomplishment Instructions*. Kit A and Kit E," or perform a rework approved by the Chief, Aircraft Engineering Division, FAA Western Region.

(e) Lubricate each Bogie Beam Assembly at the bogie beam swivel joint in accordance with the lubrication instructions contained in Figure 2, Sheets 1 through 3, of McDonnell Douglas Service Bulletin No. 32–79, Reissue No. 1, Revision No. 3, dated January 26, 1968, or later FAA-approved revision, or by a method approved by the Chief, Aircraft Engineering Division, FAA Western Region, within the next 100 hours time in service after the effective date of this AD and thereafter at intervals not to exceed 100 hours time in service from the last lubrication. Lubrication under this paragraph may be discontinued upon the installation of "Kit A" or "Kit E" in accordance with (d) of Part I of this AD.

NOTE: While not part of this AD, Bogie Beam Assemblies reworked per "Kit A" or "Kit E" should still be lubricated between the swivel pin and the lower swivel lug bushing in accordance with good maintenance practice.

(f) For the purpose of complying with Part I of this AD:

(1) Operators who have not kept records of the number of landings accumulated by individual Bogie Beam Assemblies shall, in lieu thereof, substitute the total number of landings of the airplanes on which the Bogie Beam Assembly has been installed.

(2) Subject to acceptance by the assigned FAA Maintenance Inspector, the operator may determine the number of landings by dividing each airplane's hours time in service by the operator's fleet average time from takeoff to landing for the airplane type.

(3) Upon request of the operator, an FAA Maintenance Inspector, subject to prior approval of the Chief, Aircraft Engineering Division, FAA Western Region, may adjust the repetitive intervals for lubrication in (e) of Part I of this AD if the request contains substantiating data to justify the increase for such operator.

PART II ("CRITICAL AREA")

(a) Part II of this AD applies to airplanes having a main landing gear forward bogie beam assembly, P/N's 5760602, 5719123, 5773032, 5773033, or 5777346, installed (hereinafter referred to as the Bogie Beam Assembly).

NOTE: AD 64–17–7, which is superseded, does not list all of these parts. These parts may also be found either as a component of main landing gear forward bogie beam and axle assemblies, P/N's 5760631 or 5719124, or as a component of main landing gear aft and forward bogie beam assemblies, P/N's 5760630, 5716469, or 5774700.

(b) Inspect each Bogie Beam Assembly "critical area" in accordance with McDonnell Douglas Letter C1–78–987/WBM, Revision 1, dated July 17, 1964, or later FAA-approved revision, or in accordance with an inspection procedure approved by the Chief, Aircraft Engineering Division, FAA Western Region, within the next 400 landings after the effective date of this AD or before the accumulation of a total of 4,000 landings, whichever occurs later, unless an initial 0.006 inch of material has been removed (per McDonnell Douglas Letter C1–78–987/WBM) within the last 800 landings prior to the effective date of this AD or unless 0.040 inch of material has been removed (per McDonnell Douglas Letter C1–78–228/WBM) within the last 2,600 landings prior to the effective date of this AD.

(1) If no cracks are found and the bogie beam has not previously been reworked in the "critical area," perform (i) or (ii) below.

If the bogie beam has previously been reworked in the "critical area," perform (ii), below.

(i) Remove 0.006 inch of material in accordance with McDonnell Douglas Letter C1–78–987/WBM, Revision 1, dated July 17, 1964, or later FAA-approved revision, or perform a rework approved by the Chief, Aircraft Engineering Division, FAA Western Region. (For subsequent inspection and rework see (c), below.)

(ii) Remove 0.040 inch of material in accordance with section IV of Appendix I of McDonnell Douglas Letter C1–78–228/WBM

dated February 16, 1965, or later FAA-approved revision, or perform a rework approved by the Chief, Aircraft Engineering Division, FAA Western Region. (For subsequent inspection and rework see (d), below.)

(2) If cracks are found, remove all crack indications in accordance with the rework instructions in section IV of Appendix I of McDonnell Douglas Letter C1–78–228/WBM, dated February 16, 1965, or later FAA-approved revision or a method approved by the Chief, Aircraft Enigneering Division, FAA Western Region. After removal of crack indications, perform one of the following:

(i) If no crack indications were evident after removal of 0.003 inch of material and the bogie beam has not previously been reworked in accordance with McDonnell Douglas Letter C1–78–987/WBM or undergone any other rework, complete the rework to a total depth of 0.006 inch as specified in McDonnell Douglas Letter C1–78–987/WBM, Revision 1, dated July 17, 1964, or later FAA-approved revision, or perform a rework approved by the Chief, Aircraft Engineering Division, FAA Western Region. (For subsequent inspection and rework, see (c), below.)

(ii) If no crack indications were evident after removal of 0.003 inch of material, continue to rework by removing an additional 0.040 inch of material below the bottom of the crack in accordance with section IV of Appendix I of McDonnell Douglas Letter C1–78–228/WBM, or perform a rework approved by the Chief, Aircraft Engineering Division, FAA Western Region. (For subsequent inspection and rework, see (d), below.)

(iii) If crack indications were evident after removal of 0.003 inch of material but no crack indications were evident after removal of up to 0.030 inch of material, continue to rework by removing an additional 0.040 inch of material below the bottom of the crack in accordance with section IV of Appendix I of McDonnell Douglas Letter C1–78–228/WBM or perform a rework approved by the Chief, Aircraft Engineering Division, FAA Western Region. (For subsequent inspection and rework, see (d), below.)

(c) Reinspect each Bogie Beam Assembly "critical area" per McDonnell Douglas Letter C1–78–987/WBM, Revision 1, dated July 17, 1964, or later FAA-approved revision, or in accordance with a method approved by the Chief, Aircraft Engineering Division, FAA Western Region, within the next 400 landings after the effective date of this AD, or within the next 1,200 landings following removal of 0.006 inch of material per McDonnell Douglas Letter C1–78–987–WBM, whichever occurs later. If cracks are found, remove the cracks as specified per (b)(2)(iii). If no cracks are found, accomplish rework per (b)(2)(ii).

(d) Reinspect each Bogie Beam Assembly "critical area" per McDonnell Douglas Letter C1–78–987/WBM, Revision 1, dated July 17, 1964, or later FAA-approved revision, or in accordance with a method approved by the Chief, Aircraft Engineering Division, FAA Western Region, within the next 400 landings after the effective date of this AD, or within the next 3,000 landings following rework per McDonnell Douglas Letter C1–78–228/WBM, whichever occurs later, and reinspect at intervals not to exceed 3,000 landings following any rework performed in accordance with this paragraph. If cracks are found, remove the cracks per (b)(2)(ii) or (b)(2)(iii). If no cracks are found, remove 0.040 inch of material per (b)(2)(ii).

(See paragraph (e) of Part II of this AD for bogie beam limitations)

(e) The following limitations apply to bogie beams reworked in accordance with (b), (c), and (d), above:

(1) The bogie beam must not be reworked more than three times in accordance with section IV of Appendix I of McDonnell Douglas Letter C1–78–228/WBM or an FAA-approved equivalent rework.

(2) The bogie beam must not be used beyond a total of 3,000 landings after the third rework in accordance with section IV of Appendix I of McDonnell Douglas Letter C1–78–228/WBM or an FAA-approved equivalent rework.

(f) A bogie beam assembly specified in this AD may be replaced with one of the following:

(1) A new bogie beam approved for installation on an airplane with an approved takeoff weight equal to or in excess of the takeoff weight of the airplane receiving the replacement bogie beam. The following table lists the airplane approved takeoff weights with the appropriate bogie beam assembly part numbers.

T.O. weight (1,000 lbs.)	*Bogie beam assembly P/N*
276	5760590
	5773031
300	5760602
	5773032
315	5719123
	5773033
325	5777346
	5778946

(2) A bogie beam assembly inspected and reworked in accordance with this AD that has not exceeded the landing life limits of this AD.

(3) A bogie beam assembly approved by the Chief, Aircraft Engineering Division, FAA Western Region.

(g) For the purpose of complying with Part II of this AD:

(1) Operators who have not kept records of the number of landings accumulated by individual Bogie Beam Assemblies shall, in lieu thereof, substitute the total number of landings of the airplanes on which the Bogie Beam Assembly has been installed.

(2) Subject to acceptance by the assigned FAA Maintenance Inspector, the operator may determine the number of landings by dividing each airplane's hours time in service by the operator's fleet average time from takeoff to landing for the airplane type.

This supersedes Amendment 665 (29 F.R. 13), AD 63–27–1, as amended by Amendments 720 (29 F.R. 5542), 793 (29 F.R. 11590), and 39–491 (32 F.R. 14151), and Amendment 773 (29 F.R. 9962), AD 64–17–7, as amended by Amendment 39–10 (29 F.R. 16317).

This amendment becomes effective February 1, 1969.

(Secs. 313(a), 601, 603, Federal Aviation Act of 1958; 49 U.S.C. 1354(a), 1421, 1423; sec. 6(c), Department of Transportation Act; 49 U.S.C. 1655(c))

Issued in Los Angeles, Calif., on December 20, 1968.

ARVIN O. BASNIGHT,
Director,
FAA Western Region.

[F.R. Doc. 68–15454; Filed, Dec. 27, 1968; 8:45 a.m.]

[Airspace Docket No. 68–SO–102]

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

Alteration of Control Zone and Transition Area

The purpose of this amendment to Part 71 of the Federal Aviation Regulations is to alter the Augusta, Ga., control zone and transition area.

The Augusta control zone is described in § 71.171 (33 F.R. 2058 and 12178).

In the description, an extension is predicated on the 140° radial.

The Augusta transition area is described in § 71.181 (33 F.R. 2137 and 12178).

In the description, an extension is predicated on the 140° and 320° radials.

Since the final approach radials of AL–27–VOR–1 and AL–28–VOR–1 instrument approach procedures have been redefined from the 140° and 320° radials to the 141° and 321° radials, it is necessary to alter the descriptions accordingly.

Since this amendment is minor in nature, notice and public procedure hereon is unnecessary.

In consideration of the foregoing, Part 71 of the Federal Aviation Regulations is amended, effective 0901 G.m.t., January 16, 1969, as hereinafter set forth.

In § 71.171 (33 F.R. 2058), the Augusta, Ga., control zone (33 F.R. 12178) is amended as follows: "* * * Augusta VORTAC 140° radial * * *" is deleted and "* * * Augusta VORTAC 141° radial * * *" is substituted therefor.

In § 71.181 (33 F.R. 2137), the Augusta, Ga., transition area (33 F.R. 12178) is amended as follows: "* * * Augusta VORTAC 140° and 320° radials * * *" is deleted and "* * * Augusta VORTAC 141° and 321° radials * * *" is substituted therefor.

(Sec. 307(a), Federal Aviation Act of 1958; 49 U.S.C. 1348(a); sec. 6(c), Department of Transportation Act; 49 U.S.C. 1655(c))

Issued in East Point, Ga., on December 18, 1968.

GORDON A. WILLIAMS, Jr.,
Acting Director, Southern Region.

[F.R. Doc. 68–15455; Filed, Dec. 27, 1968; 8:45 a.m.]

Title 23—HIGHWAYS AND VEHICLES

Chapter II—National Highway Safety Bureau, Department of Transportation

The title of Chapter II of Title 23 is revised to read as set forth above.

Issued in Washington, D.C., on December 24, 1968.

JOHN R. JAMIESON,
Acting Federal Highway Administrator.

[F.R. Doc. 68–15460; Filed, Dec. 27, 1968; 8:46 a.m.]

Title 32—NATIONAL DEFENSE

Chapter I—Office of the Secretary of Defense

SUBCHAPTER A—ARMED SERVICES PROCUREMENT REGULATIONS

MISCELLANEOUS AMENDMENTS TO SUBCHAPTER

The following amendments to this subchapter are issued by direction of the Assistant Secretary of Defense (Installations and Logistics) pursuant to authority contained in Department of Defense Directive No. 4105.30, dated March 11, 1959 (24 F.R. 2260), as amended, and 10 U.S.C. 2202.

PART 1—GENERAL PROVISIONS

1. Section 1.201–32 is revised; paragraph (a)(2)(iii) of § 1.701–1 is revised; in § 1.703, paragraph (a) and the introductory text of paragraph (b) are revised; and § 1.704–3(b)(7) is revised, as follows:

§ 1.201–32 Standard dating technique.

Whenever it is necessary to insert the date on any contractual document or required report, it shall be written using seven characters in the following order: year (two digits), month (three letters), and day (two digits). For example, July 6, 1968, would be entered on contractual documents and required reports as "68 Jul 06."

§ 1.701–1 Small business concern.

(a) * * *

(2) *Industry small business size standards.* * * *

(iii) *Nonmanufacturing industries.* For a product not manufactured by the concern submitting a bid or proposal, other than for a construction or service contract, the number of employees of that concern must not exceed 500 persons, and in the case of a procurement set-aside for small business (see § 1.706) or involving equal low bids (see § 2.407–6 of this chapter), or otherwise involving the preferential treatment of small business (e.g., C.O.C. procedures, see § 1.705–4), it must agree to furnish in the performance of the contract end items manufactured or produced in the United States, its possessions, or Puerto Rico, by small business concerns. However, if the goods to be furnished are wool, worsted, knitwear, duck, or webbing, nonmanufacturers (dealers and converters), shall furnish such products which have been manufactured or produced by a small weaver (small knitter for knitwear) and, if finishing is required, by a small finisher. If the product to be furnished is thread, nonmanufacturers (dealers and converters) shall furnish thread which has been finished by a small finisher. (Finishing of thread is defined as all "dyeing, bleaching, glazing, mildew proofing, coating, waxing, and other applications required by the pertinent specification, but excluding mercerizing, spinning, throwing, or twisting operations.)

* * * * *

§ 1.703 Determination of status as small business concern.

(a) *General*—(1) *Prior to solicitation.* If a contracting officer or a small business specialist requires information from SBA concerning the size status of a concern in order to make a determination concerning (i) the initiation of a small business set-aside, or (ii) the forwarding of a small business restricted solicitation to such concern but time considerations preclude obtaining a formal SBA small business size determination, he may request informal advice on the matter from the SBA regional office having jurisdiction of the geographical area in which the contracting officer is located. While a contracting officer or a small business specialist may take action on the basis of such informal advice, such advice shall not be binding with respect to the final establishment of the eligibility of a concern as a small business for the purpose of a particular procurement; nor shall it be considered a formal SBA small business size determination (see paragraph (b)(3) and (4) of this section).

(2) *Subsequent to solicitation.* Except as provided in paragraph (b) of this section, the contracting officer shall accept at face value for the particular procurement involved, a representation by the bidder or offeror that it is a small business concern.

(b) *Representation by a bidder or offeror.* Representation by a bidder or offeror that it is a small business concern shall be effective, even though questioned in accordance with the terms of this paragraph, unless the SBA, in response to such question and pursuant to the procedures in subparagraph (3) of this paragraph, determines that the bidder or offeror in question is not a small business concern. The controlling point in time for a determination concerning the size status of a question bidder or offeror shall be the date of award, except that no bidder or offeror shall be eligible for award as a small business concern unless he has in good faith represented himself as small business prior to the opening of bids or closing date for submission of offers (but see § 2.405(b) of this chapter with respect to minor informalities and irregularities in bids). A representation by a bidder or offeror that it is a small business concern will not be accepted by the contracting officer if it is known that such concern has previously been finally determined by SBA to be ineligible as a small business for the item or service being procured, and such concern has not subsequently been certified by SBA as being a small business.

* * * * *

§ 1.704–3 Small business specialists.

* * * * *

(b) * * *

(7) He shall participate in determinations concerning responsibility of a prospective contractor (see § 1.904), including determinations involving tenacity, perseverance, and integrity factors, whenever small business concerns are involved.

* * * * *

2. In § 1.705–4(c), subparagraphs (1), (4), (5), and (6) are revised; in § 1.706–3, the first sentence of paragraph (d) is revised; in § 1.706–6(c)(1), the clause heading and clause paragraph (a) are revised; and in § 1.707–1, paragraph (b) is revised and new paragraph (c) is added, as follows:

§ 1.705–4 Certificates of competency.

* * * * *

(c) * * *

(1) Under no circumstances will a referral be made to the SBA prior to a determination by the contracting officer that the bid or proposal of the small business concern is responsive. Except for procurements resulting in construction or service contracts, a bid or proposal of an otherwise eligible nonmanufacturer shall not be referred to the SBA for Certificate of Competency action unless such nonmanufacturer meets the definition of small business for preferential treatment purposes as prescribed in § 1.701–1(a)(2)(iii).

* * * * *

(4) A referral need not be made to the SBA if the contracting officer certifies in writing that the award must be made without delay, includes such certificate and supporting documentation in the contract file, and promptly furnishes a copy to the SBA. Contracting officers shall, immediately upon receipt of sufficient information, make a determination concerning the responsibility of the low responsive prospective small business contractor. If a contracting officer makes a determination of nonresponsibility, and if only capacity or credit considerations are involved, he shall promptly refer to SBA for Certificates of Competency consideration unless he executes a documented certificate of urgency indicating the specific reasons why an award must be made without the delay incident to referral to SBA. Referral of a case to SBA or execution of a certificate of urgency shall not be deferred pending investigation and determination of the responsibility of other offerors.

(5) A referral need not be made to the SBA if (i) a contracting officer determines a small business concern nonresponsible for a reason other than lack of capacity or credit; i.e., if a concern does not satisfy the criteria of § 1.903–1 (d) and (e), and (ii) such determination is approved by the head of the procuring activity or his designee. If a concern does not meet the requirements of § 1.903–1 (c) as to a satisfactory record of performance, the matter must be referred to the SBA only if the unsatisfactory record of performance was due solely to inadequate capacity or credit. If a contracting officer has any doubts as to whether the unsatisfactory record of performance can reasonably be attributed solely to lack of capacity or credit, the matter shall be discussed with the assigned SBA representative or the nearest SBA Regional Office. If the SBA is of the opinion that the unsatisfactory record of performance is attributable solely to lack of capacity and credit and the

contracting officer disagrees, the contracting officer shall forward the matter to the head of the procuring activity or his designee with a clear indication of his views and the contrary SBA position. The decision of such higher authority shall be final.

(6) A determination by a contracting officer that a small business concern is not responsible for reasons other than deficiencies in capacity or credit (e.g., lack of integrity, business ethics, or persistent failure to apply necessary tenacity or perseverance to do an acceptable job—not whether the bidder can perform but whether he will perform) must be supported by substantial evidence documented in the contract files. These factors of responsibility are not covered by the certificate of competency procedure, but are for determination by the contracting officer, and approval by the head of the procuring activity or his designee. A copy of the approved documentation supporting the determination that a small business concern is not responsible for reasons other than deficiencies in capacity or credit shall be promptly transmitted to the assigned SBA representative or to the nearest SBA Regional Office and to the appropriate Departmental Small Business Advisor identified in § 1.704–2.

* * * * *

§ 1.706–3 Review, withdrawal, or modification of set-asides or set-aside proposals.

* * * * *

(d) If the contracting officer disagrees with the recommendation of the SBA representative regarding a small business set-aside for an individual procurement or class of procurements or a portion thereof and so notifies the SBA representative in writing, or if the SBA representative disagrees with the contracting officer regarding a withdrawal or modification of a joint or unilateral set-aside determination, the SBA representative shall be allowed two working days to appeal in writing to the head of the purchasing activity or his designee for decision. * * *

§ 1.706–6 Partial set-asides.

* * * * *

(c) (1) * * *

NOTICE OF PARTIAL SMALL BUSINESS SET-ASIDE (SEPTEMBER 1968)

(a) *General.* A portion of this procurement, as identified elsewhere in the Schedule, has been set aside for award only to one or more small business concerns. Negotiations for award of this set-aside portion will be conducted only with responsible small business concerns who have submitted responsive bids on the non-set-aside portion at a unit price within 120 percent of the highest unit price at which an award is made on the non-set-aside portion. (For the purposes of this paragraph (a), such "unit price" in the case of award of the non-set-aside portion to a foreign bidder shall be the evaluated unit price established under applicable Buy American-Balance of Payments procedures.) Negotiations shall be conducted with such small business concerns in the following order of priority:

Group 1. Small busines concerns which are also certified-eligible concerns.

Group 2. Small business concerns which are also persistent labor surplus area concerns.

Group 3. Small business concerns which are also substantial labor surplus area concerns.

Group 4. Small business concerns which are not labor surplus area concerns.

Within each of the above groups, negotiations with such concerns will be in the order of their bids on the non-set-aside portion, beginning with the lowest responsive bid. The set-aside shall be awarded at the highest unit price awarded on the non-set-aside portion, adjusted to reflect transportation and other cost factors which are considered in evaluating bids on the non-set-aside portion, except where a responsive bid has been submitted on the non-set-aside portion at a unit price which when so adjusted is lower than the adjusted highest unit price awarded on the non-set-aside portion but could not be accepted because of quantity limitations or other consideration (such as the bidder's responsibility). In the latter case if the quantity limitation or other considerations do not preclude consideration of the unit price of such unaccepted bid at the time of negotiation for the set-aside portion, a quantity of the set-aside portion equal to the quantity of such unaccepted bid shall be offered to eligible concerns in their order of priority at the adjusted unit price of such unaccepted bid. If no eligible bidder will take the entire quantity so offered at the adjusted unit price of the unaccepted bid, then all eligible concerns in their order of priority shall be offered any lesser portion at the same price. (In the event more than one such unaccepted bid is involved, the same procedure shall be applied successively to each such bid on negotiation for the set-aside portion.) Subject to the conditions set forth below any remaining quantity of the set-aside portion shall be offered to eligible concerns in their order of priority at the adjusted highest unit price awarded on the non-set-aside portion. If such an unaccepted bid is submitted by a concern eligible to participate in the set-aside, such concern must accept a quantity of the set-aside portion equal to the quantity of the unaccepted bid at the adjusted unit price of the unaccepted bid before any portion of the set-aside may be awarded to that concern at a higher price. If such an unaccepted bid is submitted by a concern not eligible to participate in the set-aside, a quantity of the set-aside portion equal to the unaccepted bid must be awarded at the adjusted unit price of such unaccepted bid before any portion of the set-aside is awarded to any eligible concern at a higher price. The Government reserves the right not to consider token bids or other devices designed to secure an unfair advantage over other bidders eligible for the set-aside portion. The partial set-aside of this procurement for small business concerns is based on a determination by the Contracting Officer, alone or in conjunction with a representative of the Small Business Administration, that it is in the interest of maintaining or mobilizing the Nation's full productive capacity, or in the interest of war or national defense programs, or in the interest of assuring that a fair portion of Government procurement is placed with small business concerns.

* * * * *

§ 1.707–1 General.

* * * * *

(b) To more effectively carry out the Government's policy objectives stated in paragraph (a) of this section, prime contractors and subcontractors having small business subcontracting programs must be informed of (1) the Government's evaluation of their efforts in carrying out an effective small business subcontracting program, (2) any specific noted deficiencies in their Small Business Subcontracting Programs, and (3) any areas of outstanding achievement where they may have exceeded contractual requirements. To motivate a contractor to improve his program, he should be advised in general terms as to the type of actions which will result in a reward, penalty, or no impact on profit or fee (see § 3.808–5 (d) of this chapter). Any evaluation and remarks to the contractor, including areas of suggested improvement and areas where the contractor has exceeded contractual requirements, must be documented to furnish a basis for evaluation in connection with future awards.

(c) The SBA is not authorized, however, to prescribe the extent to which any contractor or subcontractor shall subcontract or specify the concerns to which subcontracts shall be granted, nor does it vest in SBA authority respecting the administration of individual prime contracts or subcontracts.

3. In § 1.804–2(b) (1), the clause heading and clause paragraph (a) are revised; §§ 1.805–1, 1.806–1, and 1.806–2 are revised; and §§ 1.806–3, 1.806–4, and 1.806–5 are revoked, as follows:

§ 1–804–2 Set-aside procedures.

* * * * *

(b) (1) * * *

NOTICE OF LABOR SURPLUS AREA SET-ASIDE (SEPTEMBER 1968)

(a) *General.* A portion of this procurement, as identified elsewhere in the Schedule, has been set aside for award only to one or more labor surplus area concerns, and, to a limited extent, to small business concerns which do not qualify as labor surplus area concerns. Negotiations for award of the set-aside portion will be conducted only with responsible labor surplus area concerns (and small business concerns to the extent indicated below) who have submitted responsive bids or proposals on the non-set-aside portion at a unit price no greater than 120 percent of the highest unit price at which an award is made on the non-set-aside portion. (For the purpose of this paragraph (a), such "unit price" in the case of award of the non-set-aside portion to a foreign bidder shall be the evaluated unit price established under applicable Buy American-Balance of Payments procedures.) Negotiations for the set-aside portion will be conducted with such bidders in the following order of priority:

Group 1. Certified-eligible concerns which are also small business concerns.

Group 2. Other certified-eligible concerns.

Group 3. Persistent labor surplus area concerns which are also small business concerns.

Group 4. Other persistent labor surplus area concerns.

Group 5. Substantial labor surplus area concerns which are also small business concerns.

Group 6. Other substantial labor surplus area concerns.

Group 7. Small business concerns which are not surplus area concerns.

Within each of the above groups, negotiations with such concerns will be in the order of their bids on the non-set-aside portion, beginning with the lowest responsive bid. The set-aside portion shall be awarded at the highest unit price awarded on the non-set-aside portion, adjusted to reflect transportation and other cost factors which are

considered in evaluating bids on the non-set-aside portion, except where a responsive bid has been submitted on the non-set-aside portion at a unit price which when so adjusted is lower than the adjusted highest unit price awarded on the non-set-aside portion but could not be accepted because of quantity limitations or other consideration (such as the bidder's responsibility). In the latter case if the quantity limitation or other considerations do not preclude consideration of the unit price of such unaccepted bid at the time of negotiation for the set-aside portion, a quantity of the set-aside portion equal to the quantity of such unaccepted bid shall be offered to eligible concerns in their order of priority at the adjusted unit price of such unaccepted bid. If no eligible bidder will take the entire quantity so offered at the adjusted unit price of the unaccepted bid, then all eligible concerns in their order of priority shall be offered any lesser portion at the same price. (In the event more than one such unaccepted bid is involved, the same procedure shall be applied sucecssively to each bid on negotiation for the set-aside portion.) Subject to the conditions set forth below any remaining quantity of the set-aside portion shall be offered to eligible concerns in their order of priority at the adjusted highest unit price awarded on the non-set-aside portion. If such an unaccepted bid is submitted by a concern eligible to participate in the set-aside, such concern must accept a quantity of the set-aside portion equal to the quantity of the unaccepted bid at the adjusted unit price of the unaccepted bid before any portion of the set-aside may be awarded to that concern at a higher price. If such an unaccepted bid is submitted by a concern not eligible to participate in the set-aside, a quantity of the set-aside portion equal to the quantity of the unaccepted bid must be awarded at the adjusted unit price of such unaccepted bid before any portion of the set-aside is awarded to any eligible concern at a higher price. The Government reserves the right not to consider token bids or other devices designed to secure an unfair advantage over bidders eligible for the set-aside portion.

* * * * *

§ 1.805–1 General policy.

(a) It is the policy of the Government to promote equitable opportunities for labor surplus area concerns to compete for defense subcontracts and to encourage placement of subcontracts with concerns which will perform such contracts substantially in labor surplus areas in the order of priority described in § 1.802 where this can be done, consistent with efficient performance of contracts, at prices no higher than are obtainable elsewhere.

(b) To more effectively carry out the Government's policy objectives stated in paragraph (a) of this section, prime contractors and subcontractors having labor surplus area subcontracting programs must be informed of (1) the Government's evaluation of their efforts in carrying out an effective labor surplus area subcontracting program, (2) any specific noted deficiencies in their labor surplus area subcontracting programs, and (3) any areas of outstanding achievement where they may have exceeded contractual requirements. To motivate a contractor to improve his program, he advised in general terms as to the type of actions will result in a reward, penalty, or no impact on profit or fee (see § 3.808–5(d) of this chapter). Any evaluation and remarks to the contractor, including areas of suggested improvement and areas where the contractor has exceeded contractual requirements, must be documented to furnish a basis for evaluation in connection with future awards.

§ 1.806–1 General.

When an entire industry is depressed, the Director of the Office of Emergency Planning may, under Defense Manpower Policy No. 4, establish appropriate measures on an industry-wide, rather than on an area basis. Designations of such industries are made by the Office of Emergency Planning and such industries will be given special treatment as specified therein. Section 1.806–2 reflects pertinent requirements of such notification with respect to the petroleum and petroleum products industry. No price differentials will be paid to carry out policies of this notification.

§ 1.806–2 Petroleum and petroleum products industry (notification No. 58).

There shall be no labor surplus area set-asides in this industry.

§ 1.806–3 Petroleum and petroleum products industry (Notification No. 58). [Revoked]

§ 1.806–4 Shipbuilding and repairing industry (Notification No. 57). [Revoked]

§ 1.806–5 Textile industry (Notification No. 38). [Revoked]

PART 2—PROCUREMENT BY FORMAL ADVERTISING

4. Section 2.304 is revised, and a new subparagraph (5) is added to § 2.406–4(c), as follows:

§ 2.304 Modification or withdrawal of bids.

(a) Bids may be modified or withdrawn by written or telegraphic notice submitted so as to be received in the office designated in the invitation for bids not later than the exact time set for opening of bids. A telegraphic modification or withdrawal of a bid received in such office by telephone from the receiving telegraph office not later than the time set for opening of bids shall be considered if such message is confirmed by the telegraph company by sending a copy of the telegram which formed the basis for the telephone call. Modifications received by telegram including a record of those telephoned by the telegraph company shall be sealed in an envelope by a proper official who shall write thereon the date and time of receipt and by whom, the invitation for bid number, and his signature. No information contained herein shall be disclosed prior to the time set for bid opening. See § 2.401 for receipt and safeguarding of modifications.

(b) A bid may be withdrawn in person by a bidder or his authorized representative, provided his identity is made known and he signs a receipt for the bid, but only if the withdrawal is prior to the exact time set for opening of bids.

§ 2.406–4 Disclosure of mistakes after award.

* * * * *

(c) * * *

(5) Defense Atomic Support Agency: The Director.

* * * * *

PART 3—PROCUREMENT BY NEGOTIATION

5. Sections 3.205–3, 3.300, 3.301, 3.303(a)(2), and 3.305 are revised to read as follows:

§ 3.205–3 Limitation.

Except as authorized in § 22.902(b) of this chapter, the authority of §§ 3.205–3.205–3 shall not be used when negotiation is authorized by the provision of § 3.203 or § 3.206.

§ 3.300 Scope of subpart.

This subpart enumerates the particular determinations and findings (D&Fs) to be made (a) by the Secretary of any Department, (b) by the head of a procuring activity signing as "a chief officer responsible for procurement," and (c) by a contracting officer; and sets forth the requirements to be followed with respect to such D&Fs. Guidance for the preparation of a justification for negotiation in support of a D&F and sample formats are set forth in Appendix J, ASPR. The format for a D&F for advance payments is set forth in § 163.60 of this chapter.

§ 3.301 Nature of determinations and findings.

(a) The determinations and supporting findings that are referred to throughout this part are documents which justify the use of the authority to (1) enter into contracts by negotiation, (2) make advance payments under negotiated contracts, (3) determine the type of contract to be used, or (4) to waive a requirement for submission of cost or pricing data and certification thereof.

(b) A D&F constitutes a special form of approval required by statute or regulation as a prerequisite to the taking of certain action. While the contracting officer is responsible for preparing the D&F, requirements and technical personnel are responsible for the accuracy and adequacy of the factual information supporting the findings. Supporting information within the functional areas of requirements and technical personnel shall be furnished the contracting officer in writing. The findings are statements of fact or reasoning essential to support the determination. They must cover each requisite of the statute or regulation to support the determination and must be consistent with the determination. The determination is a conclusion based on the findings; it shall be stated in conformity with the statute or regulation.

(c) A D&F shall ordinarily be made only with respect to individual purchases or contracts. However, except as limited by § 3.303, a class D&F may be used for a specified period only to authorize negotiation of two or more contracts for

supplies or services of the same or related type. Such use is appropriate when the proposed procurements all require essentially identical justification under the same negotiation exception. Class D&Fs shall not, however, be construed to authorize the procurement by negotiation of supplies or services within the class which feasibly and practicably could be procured through formal advertising (see § 1.300–2 of this chapter).

(d) The authority to negotiate granted by a D&F is limited to the procurement which is reasonably and fairly described in the D&F. Each Department may provide for a reasonable degree of flexibility, however, in the application of an approved D&F to quantities and estimated cost, if such flexibility is not inconsistent with the negotiating authority involved. For example, if at the time a D&F is submitted for approval, historical evidence indicates the possibility of increased quantities, e.g., requirements of other Military Departments, and Military Assistance Program requirements, at the time of negotiation, the supporting data and the D&F may provide for limited additional quantities. Similarly, a provision may be included authorizing increased quantities if negotiations reveal that additional quantities can be procured under the approved program and within available funds. A superseding D&F shall be without prejudice to any action taken under the original D&F.

(e) Where an option provision in the contract is contemplated, the D&F shall set forth the approximate quantity to be awarded initially and the extent of the increase to be permitted by the option.

(f) D&Fs shall be dated at the time of signature.

(g) The authority to act under a D&F expires when the authority granted thereunder is exercised or on a specified expiration date, whichever first occurs. When the request for proposals or for quotations has been furnished to the prospective contractor prior to the expiration of the authority under the D&Fs, such authority will continue until award of the contract(s) resulting from that solicitation.

§ 3.303 Determinations and findings below the Secretarial level.

(a) * * *

(3) Determinations and findings with respect to the use of a cost or a cost-plus-a-fixed-fee or an incentive-type contract required by §§ 3.404–4, 3.405, 3.405–4 and 3.405–6; and

* * * * *

§ 3.305 Formats for determinations and findings.

A D&F with respect to (a) negotiation of an individual contract or a class of contracts, (b) the type of contract to be used, or (c) waiving a requirement for submission of cost or pricing data and certification thereof, should conform generally to the appropriate format set forth in Appendix J, ASPR. A D&F for advance payments should be prepared in accordance with the format in § 163.60 of this chapter. A D&F for any other purpose shall be prepared in accordance with Departmental procedures. Each determination and findings shall set out enough facts and circumstances to justify clearly the specific determination made. Each determination and findings for authority to negotiate either an individual contract or a class of contracts shall clearly and convincingly establish that the use of formal advertising would not be feasible and practicable.

6. Section 3.400 is revoked; in § 3.401, the section heading and paragraph (a) are revised; in § 3.402, subparagraph (2) is revised and new subparagraph (5) is added in paragraph (a), and paragraph (b)(2) is revised; and in § 3.403, paragraph (b) is revised and paragraph (c) is revoked, as follows:

§ 3.400 Implementation. [Revoked]

§ 3.401 General.

(a) To provide the flexibility needed in the purchase of the large variety and volume of military supplies and services, a wide selection of types of contracts is available to the contracting parties. The respective contract types vary as to (1) the degree and timing of responsibility assumed by the contractor for the costs of performance, and (2) the amount and type of profit incentive offered the contractor to achieve or exceed specified standards or goals. With regard to degree of cost responsibility, the various types of contracts may be arranged in order of decreasing contractor responsibility for the costs of performance. At one end is the firm fixed-price contract under which the parties agree that the contractor assumes full cost responsibility. At the other end of this range is the cost-plus-a-fixed-fee contract where profit, rather than price, is fixed and the contractor's cost responsibility is therefore minimal. In between are the various incentive contracts which provide for varying degrees of contractor cost responsibility, depending upon the degree of uncertainty involved in contract performance.

* * * * *

§ 3.402 Basic principles for use of contract types.

(a) *General.* * * *

(2) Success in harnessing the profit motive begins with the negotiation of sound performance goals and standards. This objective is met if the contractor either benefits or loses in relation to achieving or failing to achieve realistic targets. Where award is based on effective price competition, there is reasonable assurance that the contract price represents a realistic pricing standard, including a profit factor which reflects an appropriate return to the contractor for the financial risk assumed in undertaking performance at the competitive price. In the absence of competitive forces, however, the contract type selected should provide for a profit factor that will tie profits to the contractor's efficiency in controlling costs and meeting desired standards of performance, reliability, quality, and delivery. Therefore, in noncompetitive situations, the degree to which available cost estimates are realistic, and the degree of uncertainty affecting the work to be performed, should be carefully considered in determining which type of contract should be selected and how it should be used—especially where the contractor is to assume substantial cost responsibility.

* * * * *

(5) Notwithstanding the validity of profit as a motivating factor in general, there are situations, particularly in the early stages of research and development, in which the profit motive may be secondary. Harnessing the profit motive at the early stages of such procurements may not be consistent with achieving desired technical objectives. The contracting officer's objective should still be "effective and economical performance," but the relative weight of these factors must be kept in balance. (See § 3.403(b).) Of course, outstanding performance can still be rewarded under a research and development contract, by proper application of incentive techniques.

(b) *Preferred contract types.* * * *

(2) In many procurement situations, particularly in research and development (see § 3.403(b)) and sometimes in production, objectives other than cost control may also be significant. Such objectives may be (i) performance with a view toward a better or more reliable product; (ii) delivery when supplies or services are urgently required to meet military needs; or (iii) a combination of any of the objectives of cost, performance, and delivery (see § 3.407). A contractual arrangement can be used to provide incentive to obtain these objectives in addition to effective cost control. Thus, by providing for increased profit for exceeding predetermined target levels and decreased profit for failing to meet target levels, an additional incentive is created for maximum effort on the part of the contractor to accomplish the desired objectives. When additional objectives are made a part of the various types of incentive contracts described in this subpart (§§ 3.404–4, 3.405–4, and 3.405–5), particular care must be taken by the contracting officer to maintain an appropriate balance between the various incentives, by weighting incentive objectives to apportion the total incentive profits or fee in accordance with the emphasis desired by, and maximum benefit to, the Government. Without proper balancing of the incentive objectives, the Government may receive at unwarranted expense, a product of greater quality than desired or delivery before needed.

§ 3.403 Negotiation of contract type.

* * * * *

(b) *Research and development (R&D).* The selection of the appropriate contract type is, in the final analysis, the responsibility of the contracting officer. However, because of the importance of technical considerations at the R&D stage, the choice of contract type shall not be made without obtaining the recommendations of cognizant technical personnel. Generally, the selection of

contract type should also be discussed with prospective contractors. Where appropriate, R&D solicitations should permit prospective contractors to propose an alternative contract type. Any counterproposal must be supported by the contractor's rationale for his choice. The contracting officer shall include a statement in the file, setting forth his rationale for the type of contract ultimately selected. The categories of Research, Exploratory Development, Advanced Development, Engineering Development and Operational Systems Development (see § 4.101 of this chapter), represent the spectrum of the R&D Development cycle and were so designated to provide an appropriate breakdown of R&D effort for management purposes. Each category has a prime technical or functional objective and certain distinctive features. It should not be inferred, however, that each category is a discrete step in the R&D process with a clear beginning and end entirely separate and distinct each from the other. In the latter categories of development, it is possible for different parts of a project to fit several different category definitions. Thus, a project properly categorized as Engineering Development may include subsystem work or elements of work that are, because of their particular technical state of development, truly Advanced Development, or in rare cases, even Exploratory Development. Again, the contract must be selected to fit the work required, not selected solely on the basis of the classification of the overall program.

(1) *Research and Exploratory Development.* The categories of research and exploratory development form a logical grouping of the R&D process at one end of the spectrum. In research and exploratory development contracting, the nature of the work, the usual lack of definitive requirements, the inability to measure technical objectives, the inability to measure risk, the amount of government technical direction and control desired, the lack of competition, and whether the contractor will be an educational institution, commercial company, or a not-for-profit organization, may be primary considerations in choosing the type of contract. Price is not necessarily the primary factor in determining the contract type. While no restriction exists on the type of contract which may be used, the nature of the work in these categories most frequently necessitates the negotiation of a CPAF, CPFF term, cost-no-fee, or cost-sharing contract. In cases where the level of contractor effort desired can be identified and agreed upon in advance of performance, negotiation of a firm fixed-price level of effort contract may be appropriate. Incentive type contracts should not be used unless the contractor and Government agree that an incentive arrangement is desirable, can be effective, and, upon completion, can be evaluated in terms of the incentives.

(2) *Advanced development.* The primary objective of advanced development is to determine and demonstrate, experimentally, the acceptability of the technical, economic, logistic and operational characteristics of one or more advanced concepts considered suitable for solution of a clearly stated military problem or technical objective. Advanced development provides the development effort which couples the inventory of science, technological and feasibility concepts derived from research and exploratory development to the end use oriented engineering and operational system developments. Included in this is the experimental demonstration of advanced technologies, equipment, subsystems, or systems, as well as the study, design, development, test and evaluation of advanced or innovated hardware, equipment or instrumentation necessary to provide a basis for selection among alternatives. It includes systems analyses tradeoff studies, cost effectiveness analyses and particularly exploratory technological effort directly responsive to the objectives of the specific advanced development. Further, it includes concept formulation effort required to generate the information to satisfy the prerequisites to contract definition (see § 4.107 of this chapter). It is in this category that the first significant hardware for experimental test is developed. In this broad category of work, selection of the best contract type should be made only after careful identification of the specific nature of the work required. No restriction exists as to the type of contract that may be used for work in this R&D category. The nature of the work, however, often necessitates the use of CPFF completion type contracts. Incentive contracts can be effectively used in this category when realistic, measurable targets can be identified and program success can be predicted with a reasonable degree of accuracy. Contracts with only cost incentive should not be used in procurement where, at the outset, it can be expected that there will be a large number of major technical changes in the project or where actions beyond the control of the contractor may influence the just determination of the contractors' achievement.

(3) *Engineering development and operational systems development.* Engineering and operational systems development, because of many similarities, form a logical grouping in the spectrum of R&D categories. These categories, the ultimate aim of which is production and deployment, include all effort the primary objective of which is the engineering design and final engineering demonstration of the technical, economic, logistic and operational characteristics of an experimentally feasible and acceptable system, equipment, subsystem, component or process judged to be the optimum solution to clearly stated military problems or technical objectives. In Engineering Development, such effort is founded on the possibility of eventual procurement for inventory and use, and, therefore, includes effort leading to the demonstration of acceptability for such procurement. Operational Systems Development effort has the primary objective of producibility demonstration and R&D support of final service test of the logical and operational development of an acceptable system, equipment, subsystem or component, approved for procurement and operational deployment or otherwise specifically approved for inclusion in this category. It may include the building of one or more production prototypes utilizing all processes, tooling, and test equipment considered for the production process thereby constituting a demonstration and qualification of the product process. Contract Definition is often required as a prerequisite to the actual development effort in these categories. Its purpose is to reduce the risks associated with a major development program, to develop specifications, and to give a high degree of assurance that the development will be successful considering technical, schedule and cost objectives. Firm fixed-price contracts shall be used for this Contract Definition effort. (See DoD Directive 3200.9.) The development effort following the contract definition phase may be accomplished under either fixed-price, incentive or combination type contracts with the Government stating the type it believes best for the specific case considering the degree of responsibility and risk that the Government desires the contractor to assume. However, even when the overall project is in Engineering or Operational System Development, there may be integral supporting tasks that are still in the Advanced Development stage and the contract type for these tasks should be selected accordingly. Some Engineering and Operational System Developments, whether they have undergone contract definition or not, may be selected for Total Package Procurement (see § 1.330 of this chapter). Contracts for Total Package Procurement shall be either FFP or FPI. Greater flexibility in contract type selection should be given to those projects not subject to contract definition or total package procurement. For these, the type of contract selected should be decided on the basis of major factors such as: (i) the definitiveness of the project at this stage and its bearing on the accuracy of cost estimates; (ii) the completion schedule required for satisfactory operational deployment; (iii) the degree of uncertainty expected; (iv) the contractor's willingness and ability to accept a high-risk type of contract; (v) the ability to establish meaningful and measurable incentives; (vi) the need for effort overlapping that of earlier development stages; (vii) the desirability of firm technical direction by the Government, and (viii) the degree of configuration control to be exercised. Any one or combination of these factors could have a direct bearing on the type of contract selected.

(c) *Development and test.* [Revoked]

7. Sections 3.404–1 and 3.404–4(c) are revised; § 3.404–7 is redesignated as § 3.404–6; and §§ 3.405–4 (b) and (c), 3.405–5, and 3.405–6 are revised, as follows:

§ 3.404–1 General.

Fixed-price contracts are of several types so designed as to facilitate proper pricing under varying circumstances. The fixed-price type contracts provide for a

firm price, or under appropriate circumstances may provide for an adjustable price, for the supplies or services which are being procured. In providing for an adjustable price, the contract may fix a ceiling price or target price (including target cost). Unless otherwise provided in the contract, any such ceiling or target price is subject to adjustment only if required by the operation of any contract clause which provides for equitable adjustment, escalation, or other revision of the contract price upon the occurrence of an event or a contingency.

§ 3.404–4 Fixed-price incentive contracts.

* * * * *

(c) *Limitations.* Fixed-price incentive contracts shall not be used unless the contractor's accounting system is adequate for price revision purposes and permits satisfactory application of the profit and price adjustment formulas. In no case should such contracts be used where cost or pricing information adequate for firm targets is not available at the time of initial contract negotiation or at a very early point in performance, or the sole or principal purpose is to shift substantially all cost responsibility to the Government. In no case shall the firm target profit or the formula for final profit and price be established independently. Simultaneous, not sequential, agreement will be reached on all the elements of the pricing agreement. Neither type of fixed-price incentive contract shall be used unless a determination has been made, in accordance with the requirements of Subpart C of this part, that:

(1) Such method of contracting is likely to be less costly than other methods, or

(2) It is impractical to secure supplies or services of the kind or quality required without the use of such type of contract.

§ 3.404–6 Retroactive price redetermination after completion. [Redesignated]

§ 3.405–4 Cost-plus-incentive-fee contract.

* * * * *

(b) *Application.* The cost-plus-incentive-fee contract is suitable for use primarily for development and test when a cost-reimbursement type of contract is found necessary in accordance with § 3.405–1(b), and when a target and a fee adjustment formula can be negotiated which are likely to provide the contractor with a positive profit incentive for effective management. In particular, where it is highly probable that the development is feasible and the Government generally has determined its desired performance objectives, the cost-plus-incentive-fee contract should be used in conjunction with performance incentives in the development of major systems, and in other development programs where use of the cost and performance incentive approach is considered both desirable and administratively practical (see §§ 3.403(b) and 3.407–2(b)). Range of fee and the fee adjustment formula should be negotiated so as to give appropriate weight to basic procurement objectives. For example, in an initial product development contract, it may be appropriate to negotiate a cost-plus-incentive-fee contract providing for relatively small increases or decreases in fee tied to the cost incentive feature, balanced by the inclusion of performance incentive provisions providing for significant upward or downward fee adjustment as an incentive for the contractor to meet or surpass negotiated performance targets. Conversely, in subsequent development and test contracts, it may be more appropriate to negotiate an incentive formula where the opportunity to earn additional fee is based primarily on the contractor's success in controlling costs. With regard to the cost incentive provisions of a contract, the minimum and maximum fees, and the fee adjustment formula, should be negotiated so as to provide an incentive which will be effective over variations in costs throughout the full range of reasonably foreseeable variations from target cost. Whenever this type of contract, with or without the inclusion of performance incentives, is negotiated so as to provide incentive up to a high maximum fee, the contract also shall provide for a low minimum fee, which may even be a "zero" fee or, in rare cases, a "negative" fee.

(c) *Limitations.* The maximum fee shall not exceed the limitations stated in § 3.405–6(c)(2).

§ 3.405–5 Cost-plus-award-fee (CPAF) contract.

(a) *Description.* The CPAF contract is a cost reimbursement type of contract with special fee provisions. It provides a means of applying incentives in contracts which are not susceptible to finite measurements of performance necessary for structuring incentive contracts. The fee established in a CPAF contract consists of two parts: (1) A fixed amount which does not vary with performance, and (2) an award amount, in addition to the fixed amount, sufficient to provide motivation for excellence in contract performance in areas such as quality, timeliness, ingenuity, and cost effectiveness. Award fee may be earned by the contractor in whole or in part. The amount of award fee to be paid is based upon a subjective evaluation by the Government of the quality of the contractor's performance, judged in the light of criteria set forth in the contract. The number of criteria used and the requirements which are represented will differ widely from one contract to another. Therefore, when determining criteria and rating plans the using activity should be flexible and select a plan which will motivate the contractor in a positive way to improve performance. Evaluations are furnished to the contractor to afford him an opportunity to comment on the evaluation findings. The decision that award fee has been earned is based on the reports of performance made by the Government personnel knowledgeable with respect to the contract requirements. This decision is a unilateral determination made by the Government not subject to the Disputes clause of the contract.

(b) *Application.* The CPAF contract is suitable for:

(1) Level of effort contracts for performance of services where mission feasibility is established but measurement of achievement must be by subjective evaluation rather than objective measurement; and

(2) Work which would have been placed under another type of contract if the performance objectives could be expressed in advance by definite milestones, targets or goals susceptible of measuring actual performance.

(c) *Weighted guidelines.* The weighted guidelines method (see § 3.808) shall not be applied to CPAF contracts with respect to either the base (fixed) fee or the award fee.

(d) *Fee.* The amount of the base fee shall not exceed three per cent of the estimated cost of the contract exclusive of the fee, and the maximum fee (base fee plus award fee) shall not exceed the limitations stated in § 3.405–6(c)(2).

(e) *Evaluation.* (1) The contract should provide for evaluation at stated intervals during contract performance, so that the contractor will periodically be made aware of the quality of his performance and will know in which areas improvement is expected. Partial payment of fee will generally correspond to the evaluation periods. This will make effective the incentive which the award fee can create by inducing the contractor to improve poor performance or to continue good performance.

(2) Consideration may be given to (i) constituting a board to evaluate the contractor's performance and determine the amount of the award fee or recommend an amount to the contracting officer and, (ii) to afford the contractor an opportunity to present matters on his own behalf.

(3) The contract shall set forth those criteria to be used in evaluating the contractor's performance to arrive at the award fee. See examples of such criteria set forth in paragraph (h) of this section.

(f) *Disputes.* The contract shall expressly exclude from the operation of the disputes clause any dispute over the amount of the award fee.

(g) *Limitations.* (1) The CPAF contract shall not be used as an administrative technique to avoid CPFF contracts when the criteria for CPFF contracts apply, nor shall a CPAF contract be used to avoid the effort of establishing objective targets so as to make feasible the use of a CPIF type contract.

(2) The CPAF contract shall not be used where the contract amount, period of performance or the benefits expected are insufficient to warrant the additional administrative effort or cost.

(3) The CPAF contract shall not be used for procurements categorized as either Engineering Development or Operational System Development (see § 4.101(a) (6) and (7) of this chapter) which have undergone contract definition, except that where it may be more

advantageous to do so, it may be used in these categories for individual procurements, ancillary to the development of a major weapon system or equipment, where the purpose of the procurement is clearly to determine or solve specific problems associated with the major weapon system or equipment.

(h) *Examples of criteria.*

PERFORMANCE EVALUATION REPORT CRITERIA

		Submarginal 0–60	Marginal 61–70	Good 71–80	Very Good 81–90	Excellent 91–100
(A) Time of delivery.	(A–1) Adherence to plan schedule.	Consistently late on 20 percent of plans.	Late on 10 percent plans without prior agreement.	Occasonal plan late without justification.	Meets plan schedule.	Delivers all plans on schedule and meets production change requirements on schedule.
	(A–2) Action on anticipated delays.	Does not expose changes or resolve them as soon as recognized.	Exposes changes but is dilatory in resolution on plans.	Anticipates changes, advise shipyard but misses completion of design plans 10 percent.	Keeps yard posted on delays, resolves independently on plans.	Anticipates in good time, advises shipyard, resolves independently and meets production schedule.
	(A–3) Plan maintenance.	Does not complete interrelated systems studies concurrently.	System studies completed but construction plan changes delayed.	Major work plans coordinated in time to meet production schedules.	Design changes from studies and interrelated plans issued in time to meet product schedules.	Design changes, studies resolved and test data issued ahead of production requirements.
(B) Quality of work.	(B–1) Work appearance.	25 percent drawings not compatible with shipyard reproduction processes and use.	20 percent not compatible with shipyard reproduction processes and use.	10 percent not compatible with shipyard reproduction processes and use.	0 percent drawings prepared by designing agent not compatible with shipyard reproduction processes and use.	0 percent drawings presented including designing agent, vendors, subcontractor not compatible with shipyard reproduction processes and use.
	(B–2) Thoroughness and accuracy of work.	Is brief on plans tending to leave questionable situations for shipyard to resolve.	Has followed guidance, type and standard drawings.	Has followed guidance, type and standard drawings, questioning and resolving doubtful areas.	Work complete with notes and thorough explanations for anticipated questionable areas.	Work of highest caliber incorporating all pertinent data required including related activities.
	(B–3) Engineering competence.	Tendency to follow past practice with no variation to meet requirements job in hand.	Adequate engineering to use and adapt existing designs to suit job on hand for routine work.	Engineered to satisfy specifications, guidance plans and material provided.	Displays excellent knowledge of construction requirements considering systems aspect, cost, shop capabilities and procurement problems.	Exceptional knowledge of Naval shipwork and adaptability to work process incorporating knowledge of future planning in design.
	(B–4) Liaison effectiveness.	Indifferent to requirements of associated activities, related systems, and shipyard advice.	Satisfactory but dependent on shipyard to force resolution of problems without constructive recommendations to subcontractor or vendors.	Maintains normal contact with associated activities depending on shipyard for problems requiring military resolution.	Maintains independent contact with all associated activities, keeping them informed to produce compatible design with little assistance for yard.	Maintains expert contact, keeping yard informed, obtaining information from equipment, supplies without prompting by shipyard.
	(B–5) Independence and initiative.	Constant surveillance required to keep job from slipping—assign to low priority to satisfy needs.	Requires occasional prodding to stay on schedule and expects shipyard resolution of most problems.	Normal interest and desire to provide workable plans with average assistance and direction by shipyard.	Complete and accurate job, free of incompatibilities with little or no direction by shipyard.	Develops complete and accurate plans, seeks out problem areas and resolves with associated activities ahead of schedule.
(C) Effectiveness in controlling and/or reducing costs.	(C–1) Utilization of personnel.	Planning of work left to designers on drafting boards.	Supervision sets and reviews goals for designers.	System planning by supervisory, personnel, studies checked by engineers.	Design parameters established by system engineers and held in design plans.	Methods to design plans limited to less than 5 percent as result lack engineering system correlation.
	(C–2) Control direct charges (except labor).	Expenditures not controlled for services.	Expenditures reviewed occasionally by supervision.	Direct charges set and accounted for on each work package.	Provides services as part of normal design function without extra charges.	No cost overruns on original estimates absorbs service demands by shipyard.
	(C–3) Performance to cost estimate.	Does not meet cost estimate for original work or changes 30 percent time.	Does not meet cost estimate for original work or changes 20 percent time.	Exceeds original estimate on change orders 10 percent time and meets original design costs.	Exceeds original estimate on change orders 5 percent time.	Never exceeds estimates of original package or change orders.

(i) *Examples of Contractor Performance Evaluation Reports.*

CONTRACTOR PERFORMANCE EVALUATION REPORT

Ratings

Excellent	(91–100)
Very good	(81– 90)
Good	(71– 80)
Marginal	(61– 70)
Submarginal	(0– 60)

Period of ____ 19____
Contract No ____
Contractor ____
Date of report ____
PNS technical monitor(s) ____
____

Category	Criteria	Rating	Item factor	Evaluation rating	Category factor	Efficiency rating
A	Time of delivery:					
	A–1 Adherence to plan schedule	____	× .40 =	____		
	A–2 Action on anticipated delays	____	× .30 =	____		
	A–3 Plan maintenance	____	× .30 =	____		
		Total item weighed rating ____			× .30 =	____
B	Quality of work:					
	B–1 Work appearance	____	× .15 =	____		
	B–2 Thoroughness and accuracy of work	____	× .30 =	____		
	B–3 Engineering competence	____	× .20 =	____		
	B–4 Liaison effectiveness	____	× .15 =	____		
	B–5 Independence and initiative	____	× .20 =	____		
		Total item weighed rating ____			× .40 =	____
C	Effectiveness in controlling and/or reducing costs:					
	C–1 Utilization of personnel	____	× .30 =	____		
	C–2 Control of all direct charges other than labor	____	× .30 =	____		
	C–3 Performance to cost estimate	____	× .40 =	____		
		Total item weighed rating ____			× .30 =	____

Total weighed rating ____
Rated by: ____
Signature(s) ____

NOTE: Provide supporting data and/or justification for below average or outstanding item ratings.

§ 3.405–6 **Cost-plus-a-fixed-fee contract.**

(a) *Description.* The cost-plus-a-fixed-fee contract is a cost reimbursement type of contract which provides for the payment of a fixed fee to the contractor. The fixed fee once negotiated does not vary with actual cost, but may be adjusted as a result of any subsequent changes in the work or services to be performed under the contract. Because the fixed fee does not vary in relation to the contractor's ability to control costs, the cost-plus-a-fixed-fee contract provides the contractor with only a minimum incentive for effective management control of costs.

(b) *Application.* The cost-plus-a-fixed-fee contract is suitable for use when:

(1) A cost-reimbursement type of contract is found necessary in accordance with § 3.405–1(b);

(2) The parties agree that the contract should be fee bearing;

(3) The contract is for the performance of research, or preliminary exploration or study, where the level of effort required is unknown; and where measuring achievements in contract performance does not lend itself to the subjective evaluation required in CPAF contracts; or

(4) The contract is for development and test where the use of a CPIF is not practical.

(c) *Limitations.* (1) This type of contract normally should not be used in the development of major weapons and equipment, once preliminary exploration and studies have indicated a high degree of probability that the development is feasible and the Government generally has determined its desired performance objectives and schedule of completion (see § 3.405–4). The cost-plus-a-fixed-fee contract shall not be used for procurements categorized as either Engineering Development or Operational System Development (see § 4.101(a) (6) and (7) of this chapter), which have undergone contract definition, except that where it may be more advantageous to do so, and with the approval of the head of a procuring activity or his designee, it may be used in these categories for individual procurements, ancillary to the development of a major weapon system or equipment, where the purpose of the procurement is clearly to determine or solve specific problems associated with the major weapon system or equipment.

(2) 10 U.S.C. 2306(d) provides that in the case of a cost-plus-a-fixed-fee contract the fee shall not exceed ten percent (10%) of the estimated cost of the contract, exclusive of the fee, as determined by the Secretary concerned at the time of entering into such contract (except that a fee not in excess of fifteen percent (15%) of such estimated cost is authorized in any such contract for experimental, developmental, or research work and that a fee inclusive of the contractor's cost and not in excess of six percent (6%) of the estimated cost, exclusive of fees, as determined by the Secretary concerned at the time of entering into the contract, of the project to which such fee is applicable is authorized in contracts for architectural or engineering services relating to any public works or utility projects). As to fee limitations on subcontracts, see § 3.807–10(d).

(d) *Completion or term form.* The cost-plus-a-fixed-fee contract can be drawn in one of two basic forms, completion or term.

(1) The completion form is one which describes the scope of work to be done as a clearly defined task or job with a definite goal or target expressed and with a specific end-product required. This form of contract normally requires the contractor to complete and deliver the specified end-product (in certain instances, a final report of research accomplishing the goal or target) as a condition for payment of the entire fixed-fee established for the work and within the estimated cost if possible; however, in the event the work cannot be completed within the estimated cost, the Government can elect to require more work and effort from the contractor without increase in fee provided it increases the estimated cost.

(2) The term form is one which describes the scope of work to be done in general terms and which obligates the contractor to devote a specified level of effort for a stated period of time. Under this form, the fixed-fee is payable at the termination of the agreed period of time on certification of the contractor that he has exerted the level of effort specified in the contract in performing the work called for, and such performance is considered satisfactory by the Government. Renewals for further periods of performance are new procurement and involve new fee and cost arrangements.

(3) The completion form of contract, because of differences in obligation assumed by the contractor, is to be preferred over the term form whenever the work itself or specific milestones can be defined with sufficient precision to permit the development of estimates within which prospective contractors can reasonably be expected to complete the work, as is usually the case in advanced development and engineering development. A milestone is a definable point in a program when certain objectives can be said to have been accomplished.

(4) In no event should the term form of contract be used unless the contractor is obligated by the contract to provide a specific level-of-effort within a definite period of time.

8. Sections 3.406–1(a), 3.407–2(c), 3.408(d), 3.409–3(a), and 3.410–2 are revised, as follows:

§ 3.406–1 **Time and materials contracts.**

(a) The time and materials type of contract provides for the procurement of supplies or services on the basis of (1) direct labor hours at specified fixed hourly rates (which rates shall include wages, overhead, general and administrative expense, and profit), and (2) material at cost, and, in addition, where appropriate, material handling costs as a part of material cost. Material handling costs may include all indirect costs, including general and administrative expense, allocated to direct materials in accordance with the contractor's usual accounting practices consistent with Part 15 of this chapter. Such material handling cost should include only costs clearly excluded from the labor hour rate. This type of contract does not afford the contractor any positive profit incentive to control the cost of materials or to manage his labor force effectively.

* * * * *

§ 3.407–2 **Contracts with performance incentives.**

* * * * *

(c) *Limitations.* (1) Performance incentives, when related to the performance of the product, may result in increased costs and shall always, except under firm fixed-price contracts, be coupled with a balancing of range of fee or profit on the cost and performance aspects, negotiated so as to give appropriate weight to basic procurement objectives. Where incentives relating to the performance of the product are included in a contract, and earliest possible delivery is of considerable importance to the Government, the contract normally should include a performance incentive relating to time of performance or for expedited delivery schedules.

(2) In the case of cost-plus-incentive-fee or cost-plus-award-fee type contracts, the maximum fee shall not exceed the limitation stated in § 3.405–6(c)(2).

§ 3.408 **Letter contract.**

* * * * *

(d) *Content.* Letter contracts shall be specifically negotiated and, as a minimum, shall include the clauses required by Subpart H, Part 7 of this chapter. Whether executed on Standard Form 26 or Standard Form 30, a definitized contract will be numbered as a modification of the letter contract.

§ 3.409–3 **Indefinite quantity contracts.**

(a) *Description.* This type of contract provides for the furnishing of an indefinite quantity, within stated limits, of specific supplies or services, during a specified contract period, with deliveries to be scheduled by the timely placement of orders upon the contractor by activities designated either specifically or by class. Depending on the situation, the contract may provide for (1) firm fixed prices; (2) price escalation; or (3) price redetermination. The contract shall provide that during the contract period the Government shall order a stated minimum quantity of the supplies or services and that the contractor shall furnish such stated minimum and, if and as ordered, any additional quantities not exceeding a stated maximum which should be as realistic as possible. The maximum may be obtained from the records of previous requirements and consumption, or by other means. To assure that the contract is binding, the minimum must be more than a nominal quantity; yet it should not exceed the amount which the Government is fairly certain to order.

When large individual orders or orders for more than one activity are anticipated, the contract may specify the maximum quantities which may be ordered under each individual order or during a specified period of time. Similarly, when small orders are anticipated, the contract may specify the minimum quantities to be ordered. Funds for other than the stated minimum quantity are obligated by each order and not by the contract itself.

* * * * *

§ 3.410–2 Basic ordering agreement.

(a) *Description.* (1) A basic ordering agreement is not a contract (but see §§ 12.302, 12.602–1, and 12.1001 of this chapter). It is an agreement which is similar to a basic agreement (see §3.410–1) except that it also includes a description, as specific as practicable, of the supplies to be furnished or services to be performed when ordered and a description of the method for determination of the prices to be paid to the contractor for the supplies or services. Such method shall be consistent with the contract types authorized by this subpart. Either the specific terms and conditions of delivery or a description of the method for their determination shall be set forth in the basic ordering agreement. The basic ordering agreement shall list one or more activities which are authorized to issue orders under the agreement. Any activity so named may issue orders specifying the supplies or services required. Orders shall be issued on DD Form 1155 or Standard Form 26 and shall incorporate by reference the provisions of the basic ordering agreement.

(2) The basic ordering agreement shall specify the point at which each order becomes a binding contract. For example, the agreement may provide either (i) that issuance of an order gives rise to a contract immediately, (ii) that a contract arises upon the contractor's failure to reject the order within a specified number of days, or (iii) that a contract arises when the contractor accepts the order in a specified manner, such as by postcard, telegram, letter, signing and returning a copy of Standard Form 26 or DD Form 1155.

(b) *Applicability.* The basic ordering agreement may be used as a means of expediting procurement where specific items, quantities, and prices are not known at the time of execution of the agreement but where past experience or future plans indicate that a substantial number of requirements for items or services of the type covered by the basic ordering agreement will result in procurements from the contractor during the term of the agreement. Under proper circumstances, use of the procedures under the agreement is advantageous and economical in ordering parts for equipment support since such procedures substantially shorten the administrative time required for placing such articles in a production status, thereby not only decreasing the amount of support inventory required to be carried but also decreasing the possibility that parts procured will become obsolete as a result of design changes in the equipment.

(c) *Limitations.* (1) Basic ordering agreements shall not in any manner provide for or imply any agreement on the part of the Government to place future orders or contracts with the contractor involved, nor shall they be used in any manner to restrict competition.

(2) Supplies or services may be ordered under a basic ordering agreement only under the following circumstances:

(i) If it is determined at the time the order is placed that it is impracticable to obtain competition by either formal advertising or negotiation for such supplies or services; or

(ii) If after a competitive solicitation of quotations or proposals from the maximum number of qualified sources (see § 3.101), other than a solicitation accomplished by use of Standard Form 33, it is determined that the successful responsive offeror holds a basic ordering agreement, the terms of which are either identical to those of the solicitation or different in a way that could have no impact on price, quality or delivery, and if it is determined further that issuance of an order against the basic ordering agreement rather than preparation of a separate contract would not be prejudicial to the other offerors.

In situations covered by subdivision (ii) of this subparagraph, the choice of firms to be solicited shall be made in accordance with normal procedures, without regard to which firms hold basic ordering agreements; firms not holding a basic ordering agreement shall not be precluded by the solicitation from proposing or quoting; and the existence of a basic ordering agreement shall not be a consideration in source selection.

(3) The Government shall neither make any final commitment nor authorize any work by the contractor pursuant to an order under a basic ordering agreement until prices have been established, unless the order establishes a monetary limitation on the obligation of the Government and either—

(i) The order is subject to provisions contained in the basic ordering agreement which set forth adequate procedures for arriving at prices as early in contract performance as practical, but in no event shall such procedures permit the price of the entire order to be established on a retroactive basis (however, incentive provisions consistent with this subpart are permitted); or

(ii) The need for the supplies or services is compelling and of unusual urgency, as when the Government would be seriously injured, financially or otherwise, if the supplies or services were not furnished by a certain date and when they could not be furnished by that date if the contractor is not allowed to proceed with work until prices have been established. The circumstances listed in § 3.202–2 are indicative of instances in which the contractor may be permitted to proceed with work prior to establishment of prices.

As a general rule, prices should be established prior to authorizing the contractor to begin work. However, where the contractor is allowed to begin work prior to pricing in accordance with this section, the contractor and the contracting officer shall proceed with pricing as soon as practicable. The basic ordering agreement shall provide that failure to reach agreement on price in such circumstances will constitute a dispute subject to the procedures of the disputes clause.

(4) Each order issued under a basic ordering agreement shall cite the applicable negotiation authority and shall be subject to such reviews, approvals, determinations and findings (including those pertaining to types of contracts), and other requirements (including those pertaining to synopsis of the proposed procurement and contract awards) specified in this subchapter as would be applicable if the order were a contract entered into apart from the basic ordering agreement.

(5) A basic ordering agreement shall be modified only by a revision of the basic ordering agreement itself and shall not be modified or superseded by individual orders issued thereunder. To minimize modifications, revisions to this subchapter involving changes in authorized contract clauses, utilized in basic ordering agreements shall provide appropriate direction with respect to any required modifications of basic ordering agreements; and, to the extent possible, modifications shall be required only in matters resulting from changes in statutes, or Executive orders. Basic ordering agreements shall be reviewed at least annually, before the anniversary of their effective dates, and revised to conform with the current requirements of this subchapter. Modifications shall not have retroactive effect.

(6) The contracting officer issuing an order under a basic ordering agreement shall be responsible for assuring compliance with the provisions of subparagraphs (1) through (4) of this paragraph.

9. Section 3.606–1 is revised; paragraph (d) in § 3.606–2 is revoked; the clause in § 3.606–3(b)(4) is revised; and new subdivision (x) is added to § 3.608–2(b)(1), as follows:

§ 3.606–1 General.

The fast payment procedure is designed to reduce lead time to consignees and to improve supplier relations by expediting payment for small purchases. The procedure provides for payment for supplies based on the contractor's submission of an invoice which constitutes a representation that the supplies have been delivered to a post office, common carrier or point of first receipt by the Government, and that the contractor agrees to replace, repair, or correct supplies not received at destination, damaged in transit, or not conforming to purchase agreements.

§ 3.606–2 Conditions for use.

* * * * *

(d) [Revoked]

§ 3.606–3 Preparation and execution of orders.

* * * * *

(b) * * *

(4) The following clause:

FAST PAYMENT PROCEDURE (SEPTEMBER 1968)

(a) *General.* This is a fast payment order. Invoices will be paid on the basis of the Contractor's delivery to a post office, common carrier, or, in shipment by other means, to the point of first receipt by the Government.

(b) *Responsibility for Supplies.* Title to the supplies shall vest in the Government upon delivery to a post office or common carrier for shipment to the specific destination. If shipment is by means other than post office or common carrier, title to the supplies shall vest in the Government upon delivery to the point of first receipt by the Government. Notwithstanding any other provision of the purchase order, the Contractor shall assume all responsibility and risk of loss for supplies (i) not received at destination, (ii) damaged in transit, or (iii) not conforming to purchase requirements. The Contractor shall either replace, repair, or correct such supplies promptly at his expense, provided instructions to do so are furnished by the Contracting Officer within ninety (90) days from the date title to the supplies vests in the Government.

(c) *Preparation of Invoice.* (1) Upon delivery of supplies to a post office, common carrier, or in shipments by other means, the point of first receipt by the Government, the Contractor shall prepare an invoice in accordance with Clause 3 of the General Provisions of Purchase Order, except that invoices under a blanket purchase agreement shall be prepared in accordance with the provisions of the agreement. In shipments by either post office or common carrier, the Contractor shall either (A) cite on his invoice the date of shipment, name and address of carrier, bill of lading number or other shipment document number, or (B) attach copies of such documents to his invoice as evidence of shipment. In addition the invoice shall be prominently marked "Fast Pay." In case of delivery by other than post office or common carrier, a receipted copy of the Contractor's delivery document shall be attached to the invoice as evidence of delivery.

(2) If the purchase price excludes the cost of transportation, the Contractor shall enter the prepaid shipping cost on the invoice as a separate item. The cost of parcel post insurance will not be paid by the Government. If transportation charges are separately stated on the invoice, the Contractor agrees to retain related paid freight bills or other transportation billings paid separately for a period of 3 years and to furnish such bills to the Government when requested for audit purposes.

(d) *Certification of Invoice.* The Contractor agrees that the submission of an invoice to the Government for payment is a certification that the supplies for which the Government is being billed have been shipped or delivered in accordance with shipping instructions issued by the ordering officer, in the quantities shown on the invoice, and that such supplies are in the quantity and of the quality designated by the cited purchase order.

* * * * *

§ 3.608–2 Order for supplies or services/request for quotations (DD Forms 1155, 1155r, 1155r–1; Standard Form 36; DD Form 1155c–1 and Standard Form 30).

* * * * *

(b) *Conditions for use.* (1) * * *

(x) The responsibility for inspection clause, set forth in § 7.103–5(e) of this chapter, shall be inserted in the schedule.

* * * * *

10. Section 3.805–1(d) is revised; new subdivision (vii) is added to § 3.808–2 (b)(1); and in § 3.808–4(a), the portion of the table headed "Record of Contractor's Performance" is revised, as follows:

§ 3.805–1 General.

* * * * *

(d) The procedures set forth in paragraphs (a), (b), and (c) of this section may not be applicable in appropriate cases when special services (such as architect-engineer services, see § 18.402 of this chapter) are being procured.

* * * * *

§ 3.808–2 Weighted guidelines method.

* * * * *

(b) *Exceptions.* (1) * * *

(vii) Cost-plus-award-fee contracts.

* * * * *

§ 3.808–4 Profit factors.

(a) * * *

Profit factors	*Weight Ranges*
* * * *	*
Record of contractor's performance	−2 to +2%
Small business participation.	
Management.	
Cost efficiency.	
Reliability of cost estimates.	
Value engineering accomplishments.	
Timely deliveries.	
Quality of product.	
Inventive and developmental contributions.	
Labor surplus area participation.	

* * * * *

11. Section 3.808–5(d)(6) is revised; in § 3.809(b), subparagraphs (4), (5), (6), and (7) are revised and new subparagraphs (8), (9), and (10) are added; § 3.811(a) is revised; and new § 3.812 is added, as follows:

§ 3.808–5 Assignment of values to specific factors.

* * * * *

(d) * * *

(6) The following factors are to be considered in evaluating a contractor's performance record:

(i) *Small business participation.* The contractor's policies and procedures which energetically support Government small business programs pursuant to § 1.707–1 of this chapter should be given favorable consideration. Any unusual effort which the contractor displays in subcontracting with small concerns, particularly for development type work likely to result in later production opportunities, and overall effectiveness of the contractor in subcontracting with and furnishing assistance to small concerns should be considered. Conversely, failure or unwillingness on the part of the contractor to support Government small business policies should be viewed as evidence of poor performance for the purpose of establishing a profit objective.

(ii) *Management.* Stability and competence of management personnel, their willingness and ability to adjust company resources to meet peculiarly difficult and changing defense requirements are criteria for consideration. The degree of cooperation by the contractor, both business and technical, with the objectives of the Government should be considered.

(iii) *Cost efficiency.* Low cost performance reflecting economic use of facilities and manpower, sound purchasing methods and subcontracting procedures, and effective inventory control are criteria for consideration. Improvement in production efficiency through investment in plant modernization, past production efficiencies, or lack thereof, effectiveness of the contractor's make-or-buy program, purchasing and subcontracting system and inventory control should be evaluated.

(iv) *Reliability of cost estimates.* Accuracy and reliability of previous cost estimates should be considered.

(v) *Cost reduction program accomplishments.* Accomplishments of contractors who successfully reduced the cost of defense procurement under a cost reduction program established in accordance with Department of Defense criteria should be considered. Cost reduction programs of contractors who have not submitted reports under the DoD Contractor Cost Reduction Program or who are not participating in the formal program should also be evaluated.

(vi) *Value engineering accomplishments.* Outstanding accomplishments from value engineering efforts such as substantial savings in later contract costs, spare parts support, or maintenance, should be given special consideration. This factor should be used in recognition of outstanding accomplishments and is in addition to contractor sharing under value engineering incentive provisions in individual contracts.

(vii) *Timely deliveries.* The contractor's delivery record, considering excusable delays and the contractor's efforts to overcome delays, should be analyzed.

(viii) *Quality of product.* Experience with the contractor's product reliability, including the rate of rejection of his product and his acceptance of responsibility for continuing support should be considered.

(ix) *Inventive and developmental contributions.* Extent and nature of contractor-initiated and financed research, development, design work, product engineering, quality control, and manufacturing processes and techniques should be analyzed.

(x) *Labor surplus area participation.* A similar review and evaluation (as required in paragraph (a) of this section) should be given to the contractor's policies and procedures supporting the Government's Labor Surplus Area Program pursuant to § 1.805–1 of this chapter. Particular favorable consideration should be given to a contractor who (*a*) makes a significant effort to help find jobs and provide training for the hard-core unemployed, or (*b*) promotes maximum subcontractor utilization of certified-eligible concerns, as defined in § 1.801–1 of this chapter.

* * * * *

§ 3.809 Contract audit as a pricing aid.

* * * * *

(b) * * *

(4) During the course of the examination, the auditor should discuss any pertinent matters with the contractor to the extent necessary to enable the auditor to fully understand the basis for each item in the contractor's proposal and to remove any doubts which may exist in the auditor's mind as to the validity and accuracy of his conclusions and audit findings. Before such discussions are concluded, the auditor should have explored and discussed with the contractor any discrepancies noted in his examination involving cost or pricing data as defined under § 3.807–3(e).

(5) The auditor, as part of his report, shall set forth the basis and method used by the contractor in preparing his proposal. Also, the report shall clearly identify the contractor's original proposal and all subsequent written formal submissions to the contracting officer or to the auditor, of cost or pricing data identified as such by the contractor. In addition, cost or pricing data not submitted by the contractor but otherwise coming to the auditor which have a signifcant effect on the proposed cost or price shall also be described in the advisory audit report. If the auditor determines that the cost or pricing data submitted by the contractor are not accurate, complete and current, this information will be made known in his audit report. Where the resulting overall effect on the proposed cost or price is of such magnitude that the contractor's proposal is of little use as a basis for negotiation, the contracting officer should be advised. None of the above is intended to relieve the contractor of his obligation to submit accurate, complete and current cost or pricing data.

(6) Reports of technical analysis and review should be furnished to the auditor at the earliest possible date and at least 5 days prior to the due date of the audit report to enable the auditor to include the financial effect of technical findings in the audit report (for example, the necessary computations of dollar amounts arising from changes in proposed kinds and quantities of materials, labor hours, etc.). In the event the technical analyses are not available in time to be reflected in the audit report, the audit report shall so state, and this shall be made known to the ACO so that appropriate comments may be incorporated in his submission to the PCO. If technical analyses are received later by the auditor, he shall issue a supplemental report if the status of the negotiation is such that a report would serve a useful purpose. The original of all technical reports received by the auditor shall be made a part of the audit report submitted to the ACO.

(7) The audit report, giving the financial effect of related technical and other evaluations, shall be forwarded by the auditor to the ACO with an advance copy direct to the PCO. The ACO shall transmit to the PCO his analysis of prices, the original audit report, related technical comments, and any other information or analyses specifically requested by the PCO. The ACO shall not modify the audit report. If any information disclosed subsequent to the receipt of the audit report is such as to significantly affect the audit findings, the ACO should promptly advise the auditor, who shall determine whether to issue a supplemental report. A copy of the ACO's submission shall be furnished to the contract auditor. If only an audit report is requested, it shall be transmitted directly, or through the liaison auditor, to the PCO, with a copy to the ACO.

(8) Information generated through sources other than the contractor's records may be available to the contracting officer, which may significantly affect the Government's negotiating position. The auditor, therefore, will not disclose to the contractor his conclusions and recommendations to the contracting officer on the contractor's proposed costs or estimates to complete. No portion of the advisory audit report will be furnished to the contractor without the concurrences of the contracting officer. The above limitations are not intended to preclude disclosure of discrepancies or mistakes of fact such as duplications, omissions and errors in computations, contained in the contractor's cost or pricing data supporting the proposal.

(9) If in the opinion of the PCO, ACO, or auditor, the review of a prime contractor's proposal requires audit reviews of subcontractors' cost estimates at the subcontractors' plants (after due consideration of reviews performed by the prime contractor), such reviews should be arranged through audit channels. Criteria as to necessity for audit of subcontracts shall be in accordance with guidelines applicable to prime contracts. Where technical reviews are needed they shall be arranged through ACO channels.

(10) The audit report shall be made a part of the official contract file.

* * * * *

§ 3.811 Record of price negotiation.

(a) At the conclusion of each negotiation of an initial or a revised price, the contracting officer shall promptly prepare or cause to be prepared, a memorandum, setting forth the principal elements of the price negotiation, for inclusion in the contract file and for the use of any reviewing authorities. The memorandum shall be in sufficient detail to reflect the most significant considerations controlling the establishment of the initial or revised price. The memorandum should include an explanation of why cost or pricing data was, or was not, required (see § 3.807) and, if it was not required in the case of any price negotiation in excess of $100,000, a statement of the basis for determining that the price resulted from or was based on adequate price competition, established catalog or market prices of commercial items sold in substantial quantities to the general public, or prices set by law or regulation. If cost or pricing data was submitted and a certificate of cost or pricing data was required (§ 3.807–4), the memorandum shall reflect the extent to which reliance was not placed upon the factual cost or pricing data submitted and the extent to which this data was not used by the contracting officer in determining his total price objective and in negotiating the final price. The memorandum shall also reflect the extent to which the contracting officer recognized in the negotiation that any cost or pricing data submitted by the contractor was inaccurate, incomplete, or noncurrent; the action taken by the contracting officer and the contractor as a result; and the effect, if any, of such defective data on the total price negotiated. Where the total price negotiated differs significantly from the total price objective, the memorandum shall explain this difference. Whenever cost or pricing data are used in connection with a price negotiation in excess of $100,000, the contracting officer shall forward one copy of the memorandum to the cognizant Defense Contract Audit Agency officer—for use by the auditor to improve the usefulness of his audit work and related reports to negotiation officials. Where appropriate, the memorandum should include or be supplemented by information on how the auditor's advisory services can be made more effective in future negotiations with the contractor. In those cases where a copy is forwarded to the auditor, a copy will also be furnished to the ACO.

* * * * *

§ 3.812 Disposition of post award audits.

An auditor's advisory report of post award reviews of cost and pricing data may result either from a specific request of a contracting officer (see § 3.807–5) or from audit action initiated independent of a contracting officer's request. The contracting officer shall prepare a memorandum on each audit report indicating (a) whether defective data were submitted and relied upon and (b) the results of any contract action taken. A copy of the memorandum shall be forwarded to the auditor issuing the audit report and to the cognizant administrative contracting officer.

PART 4—SPECIAL TYPES AND METHODS OF PROCUREMENT

12. Section 4.116–1 is revised to read as follows:

§ 4.116–1 General.

In research and development contracts with commercial organizations, the clauses relating to property furnished by the Government or acquired by the contractor at Government expense are the same as those used in other types of contracts. (See §§ 13.702 and 13.703 of this chapter.) Different clauses are prescribed for use in research and development contracts with educational or other nonprofit institutions where no profit or fee is involved. (See §§ 13.706 and 13.707 of this chapter.) When facilities use contracts are required, special clauses are contained in §§ 7.704 and 7.706 of this chapter.

PART 5—INTERDEPARTMENTAL AND COORDINATED PROCUREMENT

13. Sections 5.101(b) and 5.102–2(b)(1) are revised; in § 5.102–3(a), so much of the table as pertains to Group 58, Communications Equipment, is revised; and §§ 5.801, 5.802, and 5.803 are revised, as follows:

§ 5.101 Federal Supply Schedule Contracts.

* * * * *

(b) *Standard Form 149, U.S. Government National Credit Card.* The U.S. Government National Credit Card (Standard Form 149) may be used in obtaining service station supplies and services under Federal Supply Schedule Contracts, FSC Group 91 (see § 3.609 of this chapter).

§ 5.102–2 Exceptions to mandatory use.

* * * * *

(b) *Similar items.* * * *

(1) *Nonemergency requirements.* When supplies or services are to be procured from other sources to satisfy a nonurgent requirement, the head of the office initiating the purchase request or his designated representative shall furnish to the purchasing office a signed statement identifying the supplies or services to be purchased. This statement shall include an explanation of why similar items listed in the applicable Federal Supply Schedule will not meet the specific requirement. The purchasing office prior to initiating purchase action shall furnish such statement to the Commissioner, Federal Supply Service, General Services Administration, with a request that the requirement for using the Federal Supply Schedule item be waived. If such waiver is not granted, the case will be referred to the head of the procuring activity or his deputy or to such higher authority as may be required by the Departments, and in the case of the Air Force, Commanders of AFLC Air Materiel Areas and Commanders of AFSC Divisions and Centers, who shall make the final decision as to whether the nonscheduled item will be purchased and shall promptly notify the Commander, Federal Supply Service, and the purchasing office of the decision reached.

* * * * *

§ 5.102–3 Applicability of listed Federal Supply Schedules.

* * * * *

(a) *Mandatory nationally.*

FSC Group	FSC Class	Title of schedule	Remarks
* * *	* * *	* * *	* * *
58		COMMUNICATION EQUIPMENT PART I	
	5835	Sound recording and transcription services (recording pressings and transcription service).	Not mandatory on instantaneous recordings; recording of one tape only; multiple duplication.
*58		COMMUNICATION EQUIPMENT, PART V, SECTION A	
		*This schedule includes certain items in the following class:	
	7440	Tape, electronic data processing, one-half inch 800 BPI.	Mandatory, except that ordering offices are not obligated to order from this schedule any items which are covered by contracts in being on March 1, 1968, prior to the expiration of such contracts.

* * * * *

§ 5.801 General.

The General Services Administration enters into areawide contracts with various utility suppliers for the furnishing of utility services (including electricity, natural and manufactured gas distributed by pipes, steam, sewerage, and water) to Federal agencies located within the service areas of such suppliers. GSA areawide contracts provide that the utility supplier, upon execution of a Government order in the form of an authorization prescribed by the contract, will furnish, without further negotiation, the services involved in accordance with such of the supplier's rate schedules as are applicable to such services and subject to all the provisions of the areawide contract.

§ 5.802 Distribution of lists and copies of GSA areawide utility contracts.

Upon request, GSA will furnish to Federal agencies a list of GSA areawide public utility contracts showing in each case the kind of utility service, the serving utility, and the area served. GSA also will make available to Federal agencies, upon request, a copy of any areawide contract. Each contract includes the specimen order form authorizing service connection, disconnection, or change. Requests should be made to the Public Utilities Division, Transportation and Communications Service, General Services Administration, Washington, D.C. 20405.

§ 5.803 Department of Defense use of GSA area contracts.

(a) DoD activities in areas covered by a GSA areawide contract shall procure utility services thereunder, unless it is determined that more advantageous competing services are available; however, when it is in the best interests of the Government, DoD activities may negotiate special rates or special services under a GSA areawide contract or under a separate contract. In determining whether it is in the best interests of the Government to negotiate special rates or special services, consideration should be given to (1) the area contract rates viewed in light of the magnitude of the service required, (2) any unusual characteristics of the service required, (3) any special equipment or facility requirements, (4) any special technical contract provisions required, and (5) any other special circumstances.

(b) When, pursuant to paragraph (a) of this section, a DoD activity determines to procure utility services under a separate contract rather than under a GSA areawide contract, the utility services shall be procured in accordance with ASPR Supplement 5. Such separate contracts shall be reported, upon execution, to the Public Utilities Division, Transportation and Communications Service, General Services Administration, Washington, D.C. 20405.

14. In § 5.1201–3, so much of the table as pertains to Code 2320P, Trucks and Truck Tractors, is revised; and in § 5.1201–7, Code 2310P and 2320P are added at the beginning of the table, to read as follows:

§ 5.1201–3 Department of the Army.

Federal supply class code	*Commodity*
* * *	* * * * *
2320 P	Trucks and Truck Tractors. Effective 1 July 1968, the above two partial Federal Supply Class assignments apply to tactical vehicles; trucks over 10,000 pounds Gross Vehicle Weight (GVW); and the following types of vehicles: Bus, convertible to ambulance. Truck, 4 x 4, convertible to ambulance. Truck, 4 x 4, dump, 9,000 pounds GVW, with cut-down cab. These assignments do not apply to tracked landing vehicles which are not under DoD Coordinated Procurement assignment, and airport crash rescue vehicles, which are under DoD Coordinated Procurement assignment to the Department of the Air Force. Effective July 1, 1968, with the exception of the types enumerated above, these assignments do not apply to commercial passenger carrying vehicles and trucks up to 10,000 pounds GVW, which are assigned for DoD Coordinated Procurement to the General Services Administration (see § 5.1201–7).

* * * * *

§ 5.1201–7 General Services Administration.

Federal supply class code	*Commodity*
2110 P	Passenger Motor Vehicles.
2320 P	Trucks and Truck Tractors The above two partial Federal Supply Class assignments, which are effective July 1, 1968, apply to all commercial passenger carrying vehicles and trucks up to 10,000 pounds Gross Vehicle Weight (GVW) except the following types which are assigned for DoD Coordinated Procurement to the Department of the Army. Bus, convertible to ambulance. Truck, 4 x 4, convertible to ambulance. Truck, 4 x 4, dump, 9,000 pounds GVW, with cut-down cab. (See § 5.1201–3 for Army Coordinated Procurement assignments in FSC 2310 and FSC 2320.)

* * * * *

PART 6—FOREIGN PURCHASES

15. New paragraph (d) is added to § 6.705–3; in § 6.805–2(b)(1), subdivision (i) (b) and (c) is revised; and §§ 6.806–1 (a), 6.1108(f), and 6.1109 are revised, as follows:

§ 6.705–3 Pricing procurements for foreign military sales.

* * * * *

(d) In the event that a diplomatic or executive agreement between the United States and a foreign government, for the sale, coproduction or cooperative logistic support of a specifically defined weapon system, major end item or support item, contains language in conflict with paragraphs (a), (b), or (c) of this section, the language of the diplomatic or executive agreement shall prevail. Current information on such agreements may be obtained from the appropriate Military Department address specified in § 6.705–2 (a)(2).

§ 6.805–2 Procurement limitations.

* * * * *

(b) * * *

(1) * * *

(i) Department of the Army:

* * * * *

(b) Commander in Chief, U.S. Army, Pacific, and ACofS, G–4, U.S. Army Pacific;

(c) Commanding General, U.S. Army Forces, Southern Command;

* * * * *

§ 6.806–1 Restricted solicitation.

(a) In the case of procurements other than those set forth in § 6.805–2 (a) and (c), where the domestic cost is estimated to exceed $10,000, cost estimates of United States and foreign end products and services shall be made prior to solicitation. If the domestic cost is estimated to exceed the foreign cost by not more than 50 percent of the foreign cost, and if the solicitation does not contain any of the clauses prescribed in Subpart C of this part, the solicitation shall be restricted to U.S. end products and services (see § 6.806–2).

* * * * *

§ 6.1108 Criteria for nonfeasibility determinations.

* * * * *

(f) Offers in excess or near-excess foreign currency were unreasonably overpriced in relation to the U.S. dollar cost or the normal local foreign currency cost to non-Department of Defense users of the same or similar items or services and payment in U.S. dollars has been authorized by the proper authority under § 6.1106–3(c).

§ 6.1109 Excess and near-excess currency countries.

(a) The Department of the Treasury holds excess foreign currency in the following countries.

Country	*Currency*
Burma	Kyat.
Ceylon	Rupee.
Guinea	Franc.
India	Rupee.
Israel	Pound.
Morocco	Dirham.
Pakistan	Rupee.
Poland (see also Subpart D of this part).	Zloty.
Tunisia	Dinar.
United Arab Republic (Egypt)	Pound.
Yugoslavia	Dinar.

(b) The Department of the Treasury holds near-excess foreign currency in the following countries.

Country	*Currency*
Bolivia	Peso.
Ghana	New Ghanian Cedis.
Indonesia	Rupiah.
Morocco	Dirham.
Libya	Pound.
Sudan	Pound.

(c) Changes in the currency position of the countries in which excess and near-excess foreign currency is held are disseminated periodically by the Military Departments to their disbursing officers.

PART 7—CONTRACT CLAUSES

16. New paragraph (e) is added to § 7.103–5; § 7.103–12(c) is revised; § 7.103–24 is revoked; § 7.104–41 is revised; new §§ 7.104–51, 7.104–77, and 7.105–3 are added; and §§ 7.106–1, 7.106–2, 7.106–3, and 7.106–4 are revised, as follows:

§ 7.103–5 Inspection.

* * * * *

(e) The following clause shall be inserted in all fixed-price supply contracts.

RESPONSIBILITY FOR INSPECTION (SEPTEMBER 1968)

Notwithstanding the requirements for any Government inspection and test contained in specifications applicable to this contract, except where specialized inspections or tests are specified for performance solely by the Government, the Contractor shall perform or have performed the inspections and tests required to substantiate that the supplies and services provided under the contract conform to the drawings, specifications and contract requirements listed herein, including if applicable the technical requirements for the manufacturers' part numbers specified herein.

§ 7.103–12 Disputes.

* * * * *

(c) In accordance with Departmental procedures, the foregoing clauses may be modified to provide for intermediate appeal in oversea areas. Such modification may provide that decisions rendered pursuant thereto may be final and conclusive upon the parties, to the extent permitted by law, when the amount involved in the appeal is $50,000 or less.

§ 7.103–24 Suspension of work. [Revoked]

§ 7.104–41 Audit and records.

(a) Insert the following clause only in firm fixed-price and fixed-price with escalation negotiated contracts which when entered into exceed $100,000 except where the price negotiated is based on adequate price competition, established catalog or market prices of commercial items sold in substantial quantities to the general public, or prices set by law or regulation. In addition, the contracting officer shall include this clause with appropriate reduction in the dollar amounts provided therein, in firm fixed-price and fixed-price with escalation negotiated contracts, not exceeding $100,000, for which he has obtained a Certificate of Current Cost or Pricing Data in accordance with § 3.807–3(a)(3) of this chapter in connection with the initial pricing of the contract.

AUDIT (NOVEMBER 1967)

(a) For purposes of verifying that certified cost or pricing data submitted, in conjunction with the negotiation of this contract or any contract change or other modification involving an amount in excess of $100,000, were accurate, complete, and current, the Contracting Officer, or his authorized representatives, shall—until the expiration of 3 years from the date of final payment under this contract—have the right to examine those books, records, documents, papers, and other supporting data which involve transactions related to this contract or which will permit adequate evaluation of the cost or pricing data submitted, along with the computations and projections used therein.

(b) The Contractor agrees to insert this clause including this paragraph (b) in all subcontracts hereunder which when entered into exceed $100,000, unless the price is based on adequate price competition, established catalog or market prices of commercial items sold in substantial quantities to the general public, or prices set by law or regulation. When so inserted, changes shall be made to designate the higher-tier subcontractor at the level involved as the contracting and certifying party; to add "of the Government prime contract" after "Contracting Officer"; and to add, at the end of (a) above, the words, "provided that, in the case of any contract change or modification, such change or modification results from a change or other modification to the Government prime contract." In each such excepted subcontract hereunder which when entered into exceeds $100,000, the Contractor shall insert the following clause.

AUDIT—PRICE ADJUSTMENTS

(a) This clause shall become operative only with respect to any change or other modification of this contract which involves a price adjustment in excess of $100,000 unless the price adjustment is based on adequate price competition, established catalog or market prices of commercial items sold in substantial quantities to the general public, or prices set by law or regulation: *Provided*, That such change or other modification to this contract results from a change or other modification to the Government prime contract.

(b) For purposes of verifying that certified cost or pricing data submitted in conjunction with such a contract change or modification were accurate, complete and current, the Contracting Officer of the Government price contract or his authorized representative shall—until the expiration of 3 years from the date of final payment under this contract—have the right to examine those books, records, documents, papers, and other supporting data which involve transactions related to this contract or which will permit

adequate evaluation of the cost or pricing data submitted, along with the computations and projections used therein.

(c) The Subcontractor agrees to insert this clause, including this paragraph (c), in all subcontracts hereunder which when entered into exceed $100,000.

(b) Insert the following clause in formally advertised contracts which are expected to exceed $100,000 when entered into; and in firm fixed-price and fixed-price with escalation negotiated contracts which when entered into, exceed $100,000 when the price is based on adequate price competition, established catalog or market prices of commercial items sold in substantial quantities to the general public, or prices set by law or regulation. In negotiated contracts, delete from paragraph (b) of the clause the words "the Comptroller General of the United States".

AUDIT—PRICE ADJUSTMENTS (NOVEMBER 1967)

(a) This clause shall become operative only with respect to any change or other modification of this contract which involves a price adjustment in excess of $100,000, unless the price adjustment is based on adequate price competition, established catalog or market prices of commercial items sold in substantial quantities to the general public, or prices set by law or regulation.

(b) For purposes of verifying that certified cost or pricing data submitted in conjunction with such a contract change or other modification were accurate, complete, and current, the Contracting Officer, the Comptroller General of the United States, or any authorized representative, shall—until the expiration of 3 years from the date of final payment under this contract—have the right to examine those books, records, documents, papers, and other supporting data which involve transactions related to this contract or which will permit adequate evaluation of the cost or pricing data submitted, along with the computations and projections used therein.

(c) The Contractor agrees to insert this clause, including this paragraph (c), in all subcontracts hereunder which when entered into exceed $100,000. When so inserted, changes shall be made to designate the higher-tier subcontractor at the level involved as the contracting and certifying party; to add "of the Government prime contract" after "Contracting Officer"; and to add, at the end of (a) above, the words, "provided that the change or other modification to the subcontract results from a change or other modification to the Government prime contract."

(c) Insert the following clause in any negotiated contract which is not firm fixed-price or fixed-price with escalation.

AUDIT AND RECORDS (NOVEMBER 1967)

(a) The Contractor shall maintain books, records, documents, and other evidence and accounting procedures and practices, sufficient to reflect properly all direct and indirect costs of whatever nature claimed to have been incurred and anticipated to be incurred for the performance of this contract. The foregoing constitute "records" for the purposes of this clause.

(b) The Contractor's plants, or such part thereof as may be engaged in the performance of this contract, and his records shall be subject at all reasonable times to inspection and audit by the Contracting Officer or his authorized representative. In addition, for purposes of verifying that cost or pricing data submitted, in conjunction with the negotiation of this contract or any contract change or other modification involving an amount in excess of $100,000, were accurate, complete, and current, the Contracting Officer, or his authorized representatives, shall—until the expiration of 3 years from the date of final payment under this contract—have the right to examine those books, records, documents, papers, and other supporting data which involve transactions related to this contract or which will permit adequate evaluation of the cost or pricing data submitted, along with the computations and projections used therein.

(c) The Contractor shall preserve and make available his records (i) until the expiration of 3 years from the date of final payment under this contract, and (ii) for such longer period, if any, as is required by applicable statute, or by other clauses of this contract, or by (A) or (B) below.

(A) If this contract is completely or partially terminated, the records relating to the work terminated shall be preserved and made available for a period of 3 years from the date of any resulting final settlement.

(B) Records which relate to (i) appeals under the "Disputes" clause of this contract or (ii) litigation or the settlement of claims arising out of the performance of this contract, shall be retained until such appeals, litigation, or claims have been disposed of.

(d) (1) The Contractor shall insert this clause, including the whole of this paragraph (d), in each subcontract hereunder that is not firm fixed-price or fixed-price with escalation. When so inserted, changes shall be made to designate the higher-tier subcontractor at the level involved in place of the Contractor; to add "of the Government prime contract" after "Contracting Officer"; and to substitute "the Government price contract" in place of "this contract" in (B) of paragraph (c) above.

(2) The Contractor shall insert the following clause in each firm fixed-price or fixed-price with escalation subcontract hereunder which when entered into exceeds $100,000, except those subcontracts covered by subparagraph (3) below.

AUDIT

(a) For purposes of verifying that certified cost or pricing data submitted in conjunction with the negotiation of this contract or any contract change or other modification involving an amount in excess of $100,000 were accurate, complete, and current, the Contracting Officer of the Government prime contract, or his authorized representatives, shall—until the expiration of 3 years from the date of final payment under this contract—have the right to examine those books, records, documents, papers, and other supporting data which involve transactions related to this contract or which will permit adequate evaluation of the cost or pricing data submitted, along with the computations and projections used therein.

(b) The Subcontractor agrees to insert this clause including this paragraph (b) in all subcontracts hereunder which when entered into exceed $100,000 unless the price is based on adequate price competition, established catalog or market prices of commercial items sold in substantial quantities to the general public, or prices set by law or regulation.

(3) The Contractor shall insert the following clause in each firm fixed-price or fixed-price with escalation subcontract hereunder which when entered into exceeds $100,000 where the price is based on adequate price competition, established catalog or market prices of commercial items sold in substantial quantities to the general public, or prices set by law or regulation.

AUDIT—PRICE ADJUSTMENTS

(a) This clause shall become operative only with respect to any change or other modification of this contract, which involves a price adjustment in excess of $100,000 unless the price adjustment is based on adequate price competition, established catalog or market prices of commercial items sold in substantial quantities to the general public, or prices set by law or regulation: *Provided*, That such change or other modification to this contract must result from a change or other modification to the Government prime contract.

(b) For purposes of verifying that any certified cost or pricing data submitted in conjunction with a contract change or other modification were accurate, complete, and current, the Contracting Officer of the Government prime contract, or his authorized representatives, shall—until the expiration of 3 years from the date of final payment under this contract—have the right to examine those books, records, documents, papers, and other supporting data which involve transactions related to this contract or which will permit adequate evaluation of the cost or pricing data submitted, along with the computations and projections used therein.

(c) The Subcontractor agrees to insert this clause including this paragraph (c) in all subcontracts hereunder which when entered into exceed $100,000.

In cost-reimbursement type contracts that have separate periods of performance and that are to include, in the Examination of Records clause prescribed by § 7.203–7, the alternate subparagraph (a)(4) which is set forth in § 7.203–7(b), the clause set forth above in this paragraph shall be modified by adding the following to paragraph (c) thereof:

Notwithstanding the foregoing, the Contractor's obligations to preserve and make available his records shall not extend beyond the period of his like obligation under the "Examination of Records" clause of this contract.

Such contracts may be administered as indicated in § 7.203–7(b).

(d) The requirement for inclusion of the clauses in paragraphs (a) and (b) of this section may be waived for contracts with foreign governments or agencies thereof under circumstances where the requirement for the clauses in §§ 7.104–29 and 7.104–42 may be waived.

(e) The following clause shall be inserted only in those firm fixed-price contracts on which Cost Information Reports are to be submitted:

AUDIT—COST INFORMATION REPORTS (SEPTEMBER 1968)

(a) The Contracting Officer or his authorized representative shall, until the expiration of 3 years from the date of final payment under this contract, have the right to examine policies, procedures, books, records, and documents of the Contractor in order to (i) evaluate the effectiveness of these policies and procedures for producing Cost Information Reports data, and (ii) selectively test the data contained in Cost Information Reports.

(b) The Contractor shall insert the substance of this clause, except this paragraph, in any subcontract hereunder calling for the furnishing of Cost Information Reports.

§ 7.104–51 Production progress report.

In accordance with the requirements of § 25.202 of this chapter, insert the clause set forth therein.

§ 7.104–77 Government delay of work.

(a) The clause in paragraph (f) of this section shall be used in all fixed-price supply contracts except that it is optional for use in contracts for commercial items (see § 3.807–1(b) of this chapter) or modified-commercial items.

(b) The clause provides a means for the fair and expeditious administrative settlement of claims arising out of certain delays and interruptions in the contract work caused by the acts, or failures to act, of the contracting officer where the contract does not otherwise specifically provide for an equitable adjustment because of such delay or interruption (e.g., Government-furnished property, changes, etc.).

(c) The clause does not authorize the contracting officer to order a suspension, delay or interruption of the work and it shall not be used as the basis for or to justify such an order.

(d) When the contracting officer has notice of an unordered delay or interruption covered by the clause, he will act to end it or take other appropriate action as soon as practicable.

(e) The contracting officer shall retain in the file a record of all negotiations leading to any adjustment made under the clause, including cost or pricing data.

(f) The clause:

GOVERNMENT DELAY OF WORK (SEPTEMBER 1968)

(a) If the performance of all or any part of the work is delayed or interrupted by an act of the Contracting Officer in the administration of this contract, which act is not expressly or impliedly authorized by this contract, or by his failure to act within the time specified in this contract (or within a reasonable time if no time is specified), and adjustment (excluding profit) shall be made for any increase in the cost of performance of this contract caused by such delay or interruption and the contract modified in writing accordingly. Adjustment shall be made also in the delivery or performance dates and any other contractual provisions affected by such delay or interruption. However, no adjustment shall be made under this clause for any delay or interruption (i) to the extent that performance would have been delayed or interrupted by any other cause, including the fault or negligence of the Contractor; or (ii) for which an adjustment is provided or excluded under any other provision of this contract.

(b) No claim under this clause shall be allowed (i) for any costs incurred more than twenty (20) days before the Contractor shall have notified the Contracting Officer in writing of the act or failure to act involved; and (ii) unless the claim, in an amount stated, is asserted in writing as soon as practicable after the termination of such delay or interruption, but not later than the date of final payment under the contract.

§ 7.105–3 Stop work orders.

(a) *Use of clause.* The clause set forth in paragraph (c) of this section is authorized for use in any negotiated fixed-price type contract under which work stoppage may be required for reasons such as advancements in the state of the art, production or engineering breakthroughs, or realignment of programs.

(b) *Use of orders.* (1) Inasmuch as stop work orders may result in increased costs to the Government by reason of standby costs, such orders will be issued only with prior approval at a level above the contracting officer. Generally, use of a stop work order will be limited to those situations where it is advisable to suspend work pending such a decision by the Government and a supplemental agreement providing for such suspension is not feasible. Although a stop work order may be used pending a decision to terminate for convenience, it will not be used pending a decision to terminate for default, nor will it be used in lieu of the issuance of a termination notice after a decision to terminate has been made.

(2) Stop work orders should include (i) a clear description of the work to be suspended, (ii) instructions as to the issuance of further orders by the contractor for material or services, (iii) guidance as to action to be taken on subcontracts, and (iv) other suggestions to the contractor for minimizing costs. Promptly after issuance, stop work orders should be discussed with the contractor and should be modified, if necessary, in the light of such discussions.

(3) As soon as feasible after a stop work order is issued, (i) the contract will be terminated; or (ii) the stop work order will either be canceled or—if necessary and if the contractor agrees—be extended beyond the period specified in the order. In any event, this must be done before the specified stop work period expires. When an extension of the stop work order is necessary, it shall be evidenced by a supplemental agreement. Any cancellation of a stop work order shall be subject to the same approvals as were required for the issuance of the order.

(c) *Clause.*

STOP WORK ORDER (SEPTEMBER 1968)

(a) The Contracting Officer may, at any time, by written order to the Contractor, require the Contractor to stop all, or any part, of the work called for by this contract for a period of ninety (90)* days after the order is delivered to the Contractor, and for any further period to which the parties may agree. Any such order shall be specifically identified as a Stop Work Order issued pursuant to this clause. Upon receipt of such an order, the Contractor shall forthwith comply with its terms and take all reasonable steps to minimize the incurrence of costs allocable to the work covered by the order during the period of work stoppage. Within a period of ninety (90)* days after a stop work order is delivered to the Contractor, or within any extension of that period to which the parties shall have agreed, the Contracting Officer shall either—

(i) Cancel the stop work order, or

(ii) Terminate the work covered by such order as provided in the "Termination for Convenience" clause of this contract.

(b) If a stop work order issued under this clause is canceled or the period of the order or any extension thereof expires, the Contractor shall resume work. An equitable adjustment shall be made in the delivery schedule or contract price, or both, and the contract shall be modified in writing accordingly, if—

(i) The stop work order results in an increase in the time required for, or in the Contractor's cost properly allocable to, the performance of any part of this contract, and

(ii) The Contractor asserts a claim for such adjustment within thirty (30) days after the end of the period of work stoppage: *Provided*, That, if the Contracting Officer decides the facts justify such action, he may receive and act upon any such claim asserted at any time prior to final payment under this contract.

(c) If a stop work order is not canceled and the work covered by such order is terminated for the convenience of the Government, the reasonable costs resulting from the stop work order shall be allowed in arriving at the termination settlement.

*The clause may provide for less than 90 days.

§ 7.106–1 Escalation clause for basic steel, aluminum, brass, bronze or copper mill products.

The following price escalation clause is authorized for use in advertised or negotiated fixed-price supply contracts for basic steel, aluminum, brass, bronze, or copper mill products, such as sheets, plates, and bars, when an established catalog or market price exists for the particular product being procured and has been verified in accordance with criteria in § 3.807–(b)(2), of his chapter. The percentage figure to be used in paragraph (c)(1) of the clause shall not exceed 10 percent. No adjustment under this clause shall be made in the contract price until the requested adjustment has been verified by the contracting officer, in accordance with the criteria set forth in § 3.807–1(b)(2) and as required by paragraph (c)(4) of the clause.

PRICE ESCALATION (SEPTEMBER 1968)

(a) The Contractor warrants that the unit price stated herein for _____ is not in excess of the Contractor's applicable established price in effect on the date set for opening of bids (or the contract date if this is not a contract entered into by means of formal advertising) for like quantities of the same item. The term "unit price" excludes any part of the price which reflects requirements for preservation, packaging and packing beyond standard commercial practice. The term "established price" means one which (i) is an established catalog or market price for a commercial item sold in substantial quantities to the general public and (ii) meets the criteria of paragraph 3–807.1(b)(2) of the Armed Services Procurement Regulation. Such price is the net price after applying any applicable standard trade discounts offered by the Contractor from his catalog, list, or schedule price.

(b) The Contractor shall promptly notify the Contracting Officer as to the amount and effective date of each decrease in any applicable established price, and each corresponding contract unit price shall be decreased by the same percentage that the said established price is decreased. Such decrease shall apply to items delivered on and after the effective date of the decrease in the Contractor's established price, and this contract shall be modified accordingly. The Contractor shall certify on each invoice that each unit price stated therein reflects all decreases required by this clause, or shall certify on the final invoice that all price decreases required by this clause have been applied in the manner herein required.

(c) If the Contractor's applicable established price is increased after the date set for opening of bids (or the contract date, if

this is not a contract entered into by means of formal advertising), the corresponding contract unit price shall be increased, upon the Contractor's request in writing to the Contracting Officer, by the same percentage that the established price is increased and the contract shall be modified accordingly: *Provided*, That:

(1) The aggregate of the increases in any contract unit price under this clause shall not exceed _____ percent of the original contract unit price;

(2) The increased contract unit price shall be effective on the effective date of the increase in the applicable established price if the Contractor's written request is received by the Contracting Officer within 10 days thereafter, but if not, the effective date of increased unit price shall be the date of receipt by the Contracting Officer of such request;

(3) The increased contract unit price shall not apply to quantities scheduled under the contract for delivery before the effective date of the increased contract unit price unless the Contractor's failure to deliver before such date results from causes beyond the control and without the fault of negligence of the Contractor, within the meaning of the "Default" clause of this contract.

(4) No modification incorporating an increase in a contract unit price shall be executed pursuant to this clause until the increase in the applicable established price has been verified by the Contracting Officer.

(d) Within 30 days after receipt of the Contractor's written request the Contracting Officer may cancel, without liability to either party, any portion of the contract affected by the requested increase and undelivered at the time of such cancellation, except that the Contractor may thereafter deliver any items which the Contractor certifies, by notice received by the Contracting Officer within 10 days after the Contractor receives the cancellation notice, were completed or in the process of manufacture at the time of receipt of such cancellation notice, and the Government shall pay for such items so delivered at the contract unit price increased to the extent provided by (c) above. Any standard steel supply shall be deemed to be in the process of manufacture when the steel therefor is in any state of processing after the beginning of the furnace melt.

(e) Pending any cancellation of this contract as provided in (d) above and thereafter there is no cancellation, the Contractor shall continue deliveries according to the delivery schedule of the contract and shall be paid for such deliveries at the contract unit price increased to the extent provided by (c) above.

§ 7.106–2 Escalation clause for nonstandard steel items.

The following price escalation clause is authorized for use in advertised or in negotiated fixed-price supply contracts when—

(a) The contractor is a steel producer and actually manufactures the standard steel mill item referred to in paragraph (d) of the clause; and

(b) The items being procured are nonstandard steel items made wholly or in part of standard steel mill items.

When this clause is included in invitations for bids, Note (8) is inapplicable and shall be omitted. Invitations for bids or requests for proposals shall instruct bidders or offerors, as appropriate, to complete all blanks in accordance with the applicable notes. When the clause is to provide for adjustment based on the contractor's "established price" (see paragraphs (a) and (d) of the clause and Note (8)), the established price must be verified in accordance with § 3.807–1(b)(2) of this chapter prior to contract award. When the clause is to provide for adjustment on another appropriate price basis (see Note (8)), that price must be adequately verified. No adjustment under this clause shall be made in the contract price until the requested adjustment has been verified by the contracting officer, in accordance with the criteria set forth in § 3.807–1(b)(2) (but see Note (8)) and as required by paragraph (f) of the clause.

PRICE ESCALATION (SEPTEMBER 1968)

(a) The term "established price" as used in this clause is one which (i) is an established catalog or market price of a commercial item sold in substantial quantities to the general public and (ii) meets the criteria of Armed Services Procurement Regulation 3–807.1(b)(2). Such a price is the net price after applying any applicable standard trade discounts offered by the Contractor from his catalog, list, or scheduled price. (But see Note (8).)

(b) Each contract unit price shall be subject to revision, pursuant to the provisions of this clause, to reflect changes in the cost of labor and steel. For the purpose of any such price revision, the proportion of the contract unit price attributable to costs of labor not otherwise included in the price of the steel item identified in paragraph (d) below shall be _____ percent, and the proportion of the contract unit price attributable to the cost of steel shall be _____ percent. (See Note (1).)

(c) For the purposes of this paragraph, the term "labor index" shall mean the average straight time hourly earnings of the Contractor's employees in the _____ shop of the Contractor's _____ plant (see Note (2)) for any particular month. The word "month" as used herein means "calendar month": *Provided, however*, That if the Contractor's accounting period does not coincide with the calendar month, then such accounting period shall be used throughout the clause in lieu of "month". Unless otherwise specified in this contract, the labor index shall be computed by dividing the total straight time earnings of the Contractor's employees in the particular shop identified above for any given month by the total number of straight time hours worked by such employees in that month. Any revision in a contract unit price to reflect changes in the cost of labor shall be computed solely by reference to the "base labor index," which shall be the average of the labor indices for the three months consisting of the month of _____, 19 __, (see Note (3)) the month immediately preceding and the month immediately following, and to the "current labor index," which shall be the average of the labor indices for the month in which delivery of supplies is required to be made in accordance with the terms of this contract and the month preceding.

(d) Any revision in a contract unit price to reflect changes in the cost of steel shall be computed solely by reference to the "base steel index," which shall be the Contractor's established price (see Note(8)) including all applicable extras of $_____ per _____ (see Note (4)) for _____ (see Note (5)) on _____, 19 __, (see Note (6)) and the "current steel index," which shall be the Contractor's established price (see Note 8)) of said item including all applicable extras in effect _____ days (see Note (7)) prior to the first day of the month in which delivery of supplies is required to be made in accordance with the terms of the contract.

(e) Each contract unit price shall be revised for each month in which, by the terms of this contract, delivery of supplies is required to be made, and such revised contract unit price shall apply to the deliveries of those quantities of supplies required to be made in that month regardless of when actual delivery be made of said quantities of supplies. Each revised contract unit price for any month shall be computed by adding together the following three amounts: (i) The amount (representing the adjusted cost of labor) obtained by multiplying _____ percent of the contract unit price by a fraction, the numerator of which shall be the current labor index and the denominator of which shall be the base labor index; (ii) the amount (representing the adjusted cost of steel) obtained by multiplying _____ percent of the contract unit price by a fraction, the numerator of which shall be the current steel index and the denominator of which shall be the base steel index; and (iii) the amount equal to _____ percent of the original contract unit price (representing that portion of such unit price which relates neither to the cost of labor nor to the cost of steel and which is therefore not subject to revision (see Note (1)): *Provided, however*, That any revised contract unit price made pursuant to the provisions of this clause shall in no event exceed 110 percent of the original contract unit price. All computations shall be made to the nearest one-hundredth of 1 cent.

(f) Pending revisions of the contract unit prices, if any, to be made pursuant to this clause, the Contractor shall be paid the contract unit prices for deliveries made. Within thirty days after the final delivery of supplies, or within such further period of time as may be authorized by the Contracting Officer, the Contractor shall furnish a statement setting forth and certifying the correctness of (i) the average straight time hourly earnings of the Contractor's employees in the shop of the Contractor identified in paragraph (c) above which earnings are relevant to the computations of the "base labor index" and the "current labor index" and (ii) the Contractor's established prices (see Note(8)) including all applicable extras for like quantities of the item identified in paragraph (d) above, which prices are relevant to the computation of the "base steel index" and the "current steel index." Upon request of the Contracting Officer, the Contractor shall make available his records used in the computation of the labor indices. After the receipt of such certificate by the Contracting Officer, the revised contract unit prices shall be computed in accordance with the provisions of this clause, and this contract shall be modified accordingly. However, no modification to this contract shall be made pursuant to this clause until the revised established price (see Note (8)) has been verified by the Contracting Officer.

(g) In the event of any total or partial termination of any item of this contract for the convenience of the Government, the month in which notice of such termination is received by the Contractor, if prior to the month in which the delivery is required by this contract, shall be considered the month in which delivery of such terminated or partially terminated item is required for the purpose of determining the current labor and steel indices under paragraphs (c) and (d) hereof: *Provided, however*, That as to the quantity of such item which is not terminated for convenience, the month in which delivery is required by this contract shall continue to apply for determining said indices. In the case of termination of any steel item for default of the Contractor, any price revision shall be limited to the quantity of such item which has been delivered by the Contractor and accepted by the Government prior to receipt by the Contractor of notice of termination for default.

(h) As used in this clause the phrase "the month in which delivery of supplies is required to be made in accordance with the terms of this contract" shall mean any month in which under the terms of this contract a specific quantity of units of the supplies called for by this contract is required to be delivered: *Provided, however,* That in the case of the failure of the Contractor to make delivery of such quantity shall have arisen out of causes beyond the control and without the fault or negligence of the Contractor, within the meaning of the clause of this contract entitled "Default," the quantity not delivered shall be required to be delivered as promptly as possible after the cessation of the cause of such failure, and the delivery schedule set forth in this contract shall be amended accordingly.

NOTES

(1) Bidder insert the same percentage figures for the corresponding blanks in paragraphs (b) and in (e) (i) and (ii). In paragraph (e) (iii), bidder insert the percentage representing the difference between the sum of the percentages inserted in paragraph (b) and 100 percent.

(2) Bidder identify the shop and plant in which the standard steel mill item identified in paragraph (d) will be finally fabricated or processed into the contract item.

(3) Bidder insert the month of bid opening, or the month in which the Contractor submitted his proposal if this is a negotiated contract.

(4) Bidder insert the unit price and unit measure of the standard steel mill item used by the Contractor in the manufacture of the contract item.

(5) Bidder identify the standard steel mill item used by the Contractor in the manufacture of the contract item.

(6) Bidder insert the date set for bid opening, or the date of the Contractor's quotation if this is a negotiated contract.

(7) Bidder insert the number of days which represents the Contractor's best estimate of the period of time required for processing the standard steel mill item in the shop identified in paragraph (c).

(8) In negotiated procurements of nonstandard steel items, when there is no "established price" or when it is not desirable to use such price, this paragraph may refer to another appropriate price basis, such as an established interplant price.

§ 7.106–3 Escalation clause for standard supplies.

The following price escalation clause is authorized for use in negotiated fixed-price supply contracts for standard supplies for which established catalog or market prices exist and have been verified in accordance with criteria in § 3.807–1 (b) (2) of this chapter. The clause may be used only when the total contract price is over $5,000 and delivery is not to be completed within 6 months after the contract date. No adjustment under this clause shall be made in the contract price until the requested adjustment has been verified by the Contracting Officer, in accordance with the criteria set forth in § 3.807–1 (b) (2) and as required by paragraph (c) (4) of the clause. The percentage figure to be used in paragraph (c) (1) of the clause shall not exceed 10 percent. If any standard trade discounts offered by the contractor from his list or catalog price are taken into account in negotiating the contract unit price, the contracting officer's file shall contain a statement setting forth the list or catalog price and the discounts. The discounts referred to do not include prompt payment or cash discounts.

PRICE ESCALATION (SEPTEMBER 1968)

(a) The Contractor warrants that the unit price stated herein for _____ is not in excess of the Contractor's applicable established price in effect on the contract date for like quantities of the same item. The term "unit price" excludes any part of the price which reflects requirements for preservation, packaging and packing beyond standard commercial practice. The term "established price" means one which (i) is an established catalog or market price for a commercial item sold in substantial quantities to the general public, and (ii) meets the criteria of paragraph 3–807.1 (b) (2) of the Armed Services Procurement Regulation. Such price is the net price after applying any applicable standard trade discounts offered by the Contractor from his catalog, list, or schedule price.

(b) The Contractor shall promptly notify the Contracting Officer as to the amount and effective date of each decrease in any applicable established price, and each corresponding contract unit price shall be decreased by the same percentage that the said established price is decreased. Such decrease shall apply to items delivered on and after the effective date of the decrease in the Contractor's established price, and this contract shall be modified accordingly. The Contractor shall certify on each invoice that each unit price stated therein reflects all decreases required by this clause, or shall certify on the final invoice that all price decreases required by this clause have been applied in the manner herein required.

(c) If the Contractor's applicable established price is increased after the contract date, the corresponding contract unit price shall be increased, upon the Contractor's request in writing to the Contracting Officer, by the same percentage that the established price is increased and the contract shall be modified accordingly: *Provided,* That:

(1) The aggregate of the increases in any contract unit price made under this clause shall not exceed _____ percent of the original contract unit price;

(2) The increased contract unit price shall be effective on the effective date of the increase in the applicable established price if the Contractor's written request is received by the Contracting Officer within 10 days thereafter, but if not, the effective date of the increased unit price shall be the date of receipt by the Contracting Officer of such request;

(3) The increased contract unit price shall not apply to quantities scheduled under the contract for delivery before the effective date of the increased contract unit price unless the Contractor's failure to deliver before such date results from causes beyond the control and without the fault or negligence of the Contractor, within the meaning of the "Default" clause of this contract;

(4) No modification incorporating an increase in a contract unit price shall be executed pursuant to this clause until the increase in the applicable established price has been verified by the Contracting Officer.

(d) Within 30 days after receipt of a Contractor's written request, the Contracting Officer may cancel, without liability, to either party, any portion of the contract affected by the requested increase and undelivered at the time of such cancellation.

(e) Pending any cancellation as provided in (d) above and thereafter if there is no cancellation, the Contractor shall continue deliveries according to the delivery schedule of the contract and shall be paid for such deliveries at the contract unit price increased to the extent provided by (c) above.

§ 7.106–4 Escalation clause for semistandard supplies.

The following price escalation clause is authorized for use in negotiated fixed-price supply contracts for semistandard supplies, the prices of which can be reasonably related to the prices of nearly equivalent standard supplies for which established catalog or market prices exist and have been verified in accordance with criteria in § 3.807–1 (b) (2) of this chapter. The clause may be used only when the total contract price is over $5,000 and delivery is not to be completed within six months after the contract date. No adjustment under this clause shall be made in the contract price until the requested adjustment has been verified by the contracting officer, in accordance with the criteria set forth in § 3.807–1 (b) (2) and as required by paragraph (c) (4) of the clause. A clear understanding shall be set forth in writing prior to entering into the contract as to the identity of the standard supply items and the corresponding contract line items to which the following clause applies. The percentage figure to be used in subparagraph (c) (1) of the clause shall not exceed 10 percent. If any standard trade discounts offered by the contractor from his list or catalog price are taken into account in negotiating a contract unit price, the contracting officer's file shall contain a statement setting forth the list or catalog price and the discounts. The discounts referred to do not include prompt payment or cash discounts. When the supplies being purchased are standard supplies in all respects except for preservation, packaging, and packing requirements, the following clause should not bt used; in such cases, the escalation clause for standard supplies, in § 7.106–3, is the appropriate clause.

PRICE ESCALATION (SEPTEMBER 1968)

(a) The Contractor warrants that the supplies identified as line items _____, _____, and _____ on the schedule of this contract are supplies for which, except for modifications required by the specifications of this contract, the Contractor has an established price. The term "established price" means one which (i) is an established catalog or market price of a commercial item sold in substantial quantities to the general public, and (ii) meets the criteria of paragraph 3–807.1 (b) (2) of the Armed Services Procurement Regulation. Such price is the net price after applying any applicable standard trade discounts offered by the Contractor from his catalog, list or schedule price. The Contractor further warrants that as of the current date any differences between the unit prices of the line items identified above, as stated in the schedule, and the Contractor's established prices for like quantities of the nearest commercial equivalents of such contract items are due to compliance with contract specifications, and to compliance with any requirements which this contract may contain for preservation, packaging, and packing beyond standard commercial practice.

(b) The Contractor shall promptly notify the Contracting Officer as to the amount and effective date of each decrease in any applicable established price, and each corresponding contract unit price, exclusive of any part of such unit price which reflects modifications resulting from compliance with

specifications or requirements for preservation, packaging, and packing beyond standard commercial practice, shall be decreased by the same percentage that the said established price is decreased. Such decrease shall apply to those items delivered on and after the effective date of the decrease in the Contractor's established price, and this contract shall be modified accordingly. The Contractor shall certify on each invoice that each unit price stated therein reflects all decreases, required by this clause or shall certify on the final invoice that all price decreases required by this clause have been applied in the manner herein required.

(c) If the Contractor's applicable established price is increased after the contract date, the corresponding contract unit price (exclusive of any part of such unit price resulting from compliance with specification or requirements for preservation, packaging, and packing, beyond standard commercial practice) shall be increased, upon the Contractor's request in writing to the Contracting Officer, by the same percentage that the established price is increased and the contract shall be increased, upon the Contractor's request in writing to the Contracting Officer, by the same percentage that the established price is increased and the contract shall be modified accordingly, provided that:

(1) The aggregate of the increases in any contract unit price made under this clause shall not exceed _____ percent of the original contract unit price;

(2) The increased contract unit price shall be effective on the effective date of the increase in the applicable established price if the Contractor's written request is received by the Contracting Officer within 10 days thereafter, but if not, the effective date of the increased unit price shall be the date of receipt by the Contracting Officer of such request;

(3) The increased contract unit price shall not apply to quantities scheduled under the contract for delivery before the effective date of the increased contract unit price unless the Contractor's failure to deliver before such date results from causes beyond the control and without the fault or negligence of the Contractor, within the meaning of the "Default" clause of this contract;

(4) No modification incorporating an increase in a contract unit price shall be executed pursuant to this clause until the increase in the applicable established price has been verified by the Contracting Officer.

(d) Within 30 days after receipt of a Contractor's written request, the Contracting Officer may cancel, without liability to either party, any portion of the contract affected by the requested increase and undelivered at the time of such cancellation.

(e) Pending any cancellation as provided in (d) above and thereafter if there is no cancellation, the Contractor shall continue deliveries according to the delivery schedule of the contract and shall be paid for such deliveries at the contract unit price increased to the extent provided by (c) above.

17. Section 7.107(c) is revised; in § 7.-108–1, the clause heading and clause paragraph (i) are revised; in § 7.108–2, the clause heading and clause paragraph (k) are revised; and § 7.109–4(a) is revised, as follows:

§ 7.107 Price escalation clause (labor and material).

* * * * *

(c) In negotiating adjustments under the clause, the contracting officer shall consider work in process and materials on hand at the time of changes in labor rates or material prices since these elements may have a significant impact on equitable price adjustments.

PRICE ESCALATION (SEPTEMBER 1968)

(a) If at any time during the performance of this contract there is an increase or decrease in the rates of pay for labor or unit prices for materials set forth in the Schedule, the Contractor shall notify the Contracting Officer thereof within 60 days of such increase or decrease or within such further period as may be approved in writing by the Contracting Officer, but in any event not later than final payment under the contract. Such notice shall include the Contractor's proposal for an equitable adjustment in the contract unit prices to be negotiated in accordance with paragraph (b) below and shall be accompanied by data, in such form as the Contracting Officer may require, explaining (i) the causes, (ii) the effective date, and (iii) the amount, both of the increase or decrease and of the Contractor's proposal for an equitable adjustment.

(b) Promptly upon receipt of any notice and data described in (a) above, the Contractor and the Contracting Officer shall negotiate an equitable adjustment, and the effective date thereof, in the contract unit prices to reflect any change in the cost of performance of this contract due to the increase or decrease in rates of pay for labor or unit prices for materials set forth in the Schedule: *Provided, however,* That such negotiations may be postponed by the Contracting Officer until an accumulation of such increases and decreases results in an adjustment allowable under (c)(v). The equitable adjustment, and the effective date thereof, shall be set forth in an amendment to this contract. Such amendment shall also revise the rates of pay for labor or unit prices for materials set forth in the Schedule to reflect the increase or decrease therein. Pending agreement on, or determination of, any such adjustment and its effective date, the Contractor shall continue performance.

(c) Notwithstanding any other provision of this clause, any price adjustment under this clause shall be subject to the following limitations:

(i) There shall be no adjustment for supplies whose production cost is not affected by a change in the rates of pay for labor or unit prices for materials set forth in the Schedule;

(ii) There shall be no adjustment other than for increases or decreases in the rates of pay for labor or unit prices of materials set forth in the Schedule;

(iii) There shall be no adjustment for any increase or decrease in the quantities of labor or materials set forth in the Schedule for each item to be delivered hereunder;

(iv) No upward adjustment shall apply to supplies which were required by the contract delivery schedule to be delivered prior to the effective date of the adjustment, unless the Contractor's failure to deliver in accordance with the delivery schedules results from causes beyond the control and without the fault or negligence of the Contractor within the meaning of the clause of this contract entitled "Default," in which case the contract shall be amended to make an equitable extension of the delivery schedule;

(v) Except as provided in (d) below, there shall be no adjustment for any change in rates of pay for labor or unit prices for materials which would not result in a net change of at least 3 percent of the then current total contract price; and

(vi) There shall be no adjustment upward which would cause any adjusted contract unit price to exceed _____ percent of the corresponding original contract unit price.

(d) If, after delivery of the last unit called for by this contract, either party requests negotiation pursuant to (b) above, the limitations of (c)(v) shall not apply.

(e) The final invoice submitted under this contract shall include a certification that the Contractor has not experienced a decrease in rates of pay for labor or unit prices for materials set forth in the Schedule or that he has given notice of all such decreases in compliance with (a) above.

(f) The Contracting Officer may examine the Contractor's books, records, and other supporting data relevant to the cost of labor and materials during all reasonable times until 3 years after final payment under this contract.

§ 7.108–1 Firm targets.

* * * * *

INCENTIVE PRICE REVISION (FIRM TARGET) (SEPTEMBER 1968)

* * * * *

(i) *Equitable Adjustment Under Other Clauses.* If an equitable adjustment in the contract price is made under any other clause of this contract before the total final price is established, the adjustment shall be made in the total target cost and may be made in the maximum dollar limit on the total final price, the total target profit or both. If such an adjustment is made after the total final price is established, adjustment shall be made only in the total final price.

* * * * *

§ 7.108–2 Successive targets.

* * * * *

INCENTIVE PRICE REVISION (SUCCESSIVE TARGETS) (SEPTEMBER 1968)

* * * * *

(k) *Equitable Adjustments Under Other Clauses.* If an equitable adjustment in the contract price is made under any other clause of this contract before the total final price is established, the adjustment shall be made in the total target cost and may be made in the maximum dollar limit on the total final price, the total target profit or both. If such an adjustment is made after the total final price is established, adjustment shall be made only in the total final price.

* * * * *

§ 7.109–4 Retroactive price redetermination after completion.

(a) *Description, applicability, and limitations.* See § 3.404–6 of this chapter.

* * * * *

18. In § 7.203–4(a), the clause heading and clause paragraph (c) are revised; in § 7.203–4(b), the clause heading and clause paragraph (c) are revised; and in § 7.203–4(c), subparagraph (4)(i) is revised and new subparagraph (7) is added, as follows:

§ 7.203–4 Allowable cost, fee, and payment.

(a) * * *

ALLOWABLE COST, FIXED FEE, AND PAYMENT (SEPTEMBER 1968)

* * * * *

(c) Promptly after receipt of each invoice or voucher and statement of cost, the Government shall, except as otherwise provided in this contract, subject to the provisions of (d) below, make payment thereon as approved by the Contracting Officer. Payment of the fixed fee, if any, shall be made to the Contractor as specified in the Schedule: *Provided, however,* That after payment of eight-five percent (85%) of the fixed fee set forth in the Schedule, the Contracting Officer may withhold further payment of fee until a reserve shall have been set aside in an

amount which he considers necessary to protect the interests of the Government, but such reserve shall not exceed fifteen percent (15%) of the total fixed fee or one hundred thousand dollars ($100,000), whichever is less.

* * * * *

(b) * * *

ALLOWABLE COST, INCENTIVE FEE, AND PAYMENT (SEPTEMBER 1968)

* * * * *

(c) Promptly after receipt of each invoice or voucher and statement of cost, the Government shall, except as otherwise provided in this contract, subject to the provisions of (d) below, make payment thereon as approved by the Contracting Officer. Normally, payment of fee shall be made to the Contractor as specified in the Schedule. However, when in the opinion of the Contracting Officer, the Contractor's performance or cost indicates that target will not be achieved, the Government shall pay on the basis of such lesser fee as is appropriate. Further when the Contractor demonstrates that his performance or cost clearly indicates that he will earn a fee significantly in excess of target fee, the Government may, in the sole discretion of the Contracting Officer, pay on the basis of such higher fee as is appropriate. After payment of eight-five percent (85%) of the applicable fee, the Contracting Officer may withhold further payment of fee until a reserve shall have been set aside in an amount which he considers necessary to protect the interests of the Government, but such reserve shall not exceed fifteen percent (15%) of the total applicable fee or one hundred thousand dollars ($100,000) whichever is less.

* * * * *

(c) * * *

(4) * * *

(i) Insert the following sentence in lieu of the second sentence of paragraph (c) of the clause set forth above, except that, if the contract does not provide for cost-sharing, delete the parenthetical references to the Government's share—

After payment of an amount equal to eighty percent (80%) of the (the Government's share of) the total estimated cost of performance of this contract set forth in the Schedule, the Contracting Officer may withhold further payment on account of allowable cost until a reserve shall have been set aside in an amount which he considers necessary to protect the interests of the Government, but such reserve shall not exceed one percent (1%) of (the Government's share of) such total estimated cost or one hundred thousand dollars ($100,000), whichever is less. (September 1968.)

* * * * *

(7) The amount to be withheld under paragraph (c) of the clauses shall normally be the maximum authorized by the clause except that the administrative contracting officer may, if he believes that such amount exceeds the amount necessary to protect the interests of the Government, review the status of all funds being withheld from the contractor under the particular contract concerned and under any other contracts with the contractor which he is administering and make appropriate recommendations to the procuring contracting officer. The procuring contracting officer shall decide whether to reduce the rate of withholding or whether to release a portion of the amount already reserved under the contract, as appropriate, and shall promptly advise the administrative contracting officer.

19. New §§ 7.204–46, 7.204–47, and 7.205–6 are added; § 7.205–7 is revoked; §§ 7.301, 7.302–27, and 7.303–44 are revised; and new § 7.304–9 is added, as follows:

§ 7.204–46 Use of excess and near-excess currency.

In accordance with the requirements of § 6.1110 of this chapter, insert the clause set forth therein.

§ 7.204–47 Production progress report.

In accordance with the requirements of § 25.202 of this chapter, insert the clause set forth therein.

§ 7.205–6 Stop work orders.

The clause set forth in § 7.105–3, if modified by changing (a) the words "the 'Termination for Convenience' clause of this contract" to "the 'Termination' clause of the contract" and (b) the words "an equitable adjustment shall be made in the delivery schedule or contract price, or both" to "an equitable adjustment shall be made in the delivery schedule, the estimated cost, the fee, or a combination thereof, and in any other provisions of the contract that may be affected," is authorized for use in any cost-reimbursement type contract under the criteria and in accordance with the instructions in § 7.105–3.

§ 7.205–7 Stop work orders. [Revoked]

§ 7.301 Applicability.

As used throughout this subpart, the term "fixed-price research and development contract" means any contract (other than a letter contract, a notice of award, or a modification not affecting new procurement) which (a) is entered into at a fixed price in an amount exceeding $2,500 (with or without any provision for price redetermination, escalation, or other form of price revision as covered in § 3.404 of this chapter) and (b) is for experimental, developmental, or research work. See § 3.403(b) of this chapter for use of types of contracts for research and development work.

§ 7.302–27 Government delay of work.

Insert the clause set forth in § 7.104–77.

§ 7.303–44 Care of laboratory animals.

In furtherance of the Department of Defense policy that all aspects of investigative programs involving the use of experimental or laboratory animals be humanely conducted in accordance with recognized principles, the following clause shall be included in all contracts awarded in the United States, its possessions, and Puerto Rico, which may involve the use of such animals.

CARE OF LABORATORY ANIMALS (SEPTEMBER 1968)

(a) In the care of any experimental live animals (dogs, cats, non-human primates, guinea pigs, hamsters, or rabbits) used in the performance of this contract, the Contractor shall adhere to the principles enunciated in the "Guide for Laboratory Animal Facilities and Care" prepared by the Institute of Laboratory Animal Resources, National Academy of Sciences—National Research Council, and in the publication "Laboratory Animal Welfare" prepared by the Agricultural Research Service, Department of Agriculture. In case of conflict between the standards in these publications, the higher standard shall be used.

(b) The Contractor shall obtain necessary copies of the publications referenced in (a) above from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

(c) The Contractor shall acquire dogs and cats used in research and development programs from a person holding a valid dealer's license issued by the Secretary of Agriculture, except as exempted by Public Law 89-544, Laboratory Animal Welfare Act, August 24, 1966.

§ 7.304–9 Stop work orders.

The clause set forth in § 7.105–3 is authorized for use under the criteria and in accordance with the instructions in § 7.105–3.

20. Sections 7.402–3(c) (5) (ii) and (11) and 7.404–5 are revised; new § 7.504–9 is added; the clause in § 7.603–28 is revised; and § 7.605–5(b) is revised, as follows:

§ 7.402–3 Allowable cost, fee, and payment.

* * * * *

(c) * * *

(5) * * *

(ii) insert the following sentence in lieu of the second sentence of paragraph (c) of the clause prescribed in (a) above except that in contracts not providing for cost-sharing, the parenthetical references to the Government's share shall be deleted—

After payment of an amount equal to eighty percent (80%) of (the Government's share of) the total estimated cost of performance of this contract set forth in the Schedule, the Contracting Officer may withhold further payment on account of allowable cost until a reserve shall have been set aside in an amount which he considers necessary to protect the interests of the Government, but such reserve shall not exceed one percent (1%) of (the Government's share of) such total estimated cost or one hundred thousand dollars ($100,000), whichever is less. (September 1968.)

* * * * *

(11) When clause paragraph (c) provides for withholding, the amount to be withheld shall normally be the maximum authorized by the clause except that the administrative contracting officer may, if he believes that such amount exceeds the amount necessary to protect the interests of the Government, review the status of all funds being withheld from the contractor under the particular contract concerned and under any other contracts with the contractor which he is administering and make appropriate recommendations to the PCO. The PCO shall decide whether to reduce the rate of withholding or whether to release a portion of the amount already reserved under the contract, as appropriate, and shall promptly advise the administrative contracting officer.

§ 7.404–5 Stop work orders.

The clause set forth in § 7.105–3, if modified as prescribed in § 7.205–6, is

authorized for use under the criteria and in accordance with the instructions in § 7.105–3.

§ 7.504–9 Production progress report.

In accordance with the requirements of § 25.202, insert the clause set forth therein.

§ 7.603–28 Identification of Government furnished property.

* * * * *

IDENTIFICATION OF GOVERNMENT-FURNISHED PROPERTY (SEPTEMBER 1968)

The Government will furnish to the Contractor the following property to be incorporated or installed in the work or used in its performance. Such property will be furnished f.o.b. railroad cars at the place specified in paragraph ____, or f.o.b. truck at the project site and the Contractor will be required to accept delivery when made, paying any demurrage or detention charges incurred, and unloading and transporting the property to the job site at his own expense. All such property will be installed or incorporated into the work at the expense of the Contractor, unless otherwise indicated herein. The Contractor shall verify the quantity and condition of such Government-furnished property when delivered to him, acknowledge receipt thereof in writing to the Contracting Officer, and in case of damage to or shortage of such property, he shall within 24 hours report in writing such damage or shortage to the Contracting Officer.

Quantity Item Description

§ 7.605–5 Allowable cost, fixed fee, and payment.

* * * * *

(b) Delete paragraph (c) and substitute the following:

(c) Promptly after receipt of each invoice or voucher and statement of cost, the Government shall, except as otherwise provided in this contract, subject to the provisions of (d) below, make payment thereon as approved by the Contracting Officer. Payment of the fixed fee, if any, shall be made to the Contractor in installments based upon the percentage of completion of the work as determined from estimates submitted to and approved by the Contracting Officer: *Provided, however,* That after payment of eighty-five percent (85%) of the fixed fee set forth in (a) above, the Contracting Officer may withhold further payment of fee until a reserve shall have been set aside in an amount which he considers necessary to protect the interests of the Government, but such reserve shall not exceed fifteen percent (15%) or the total fixed fee or one hundred thousand dollars ($100,000), whichever is less. (September 1968.)

* * * * *

21. In § 7.606–1(b)(3), subdivision (iii) is revised and new subdivision (v) is added; in § 7.702–12, the clause heading and clause paragraph (b), and paragraph (ii) of Exhibit A are revised; §§ 7.702–23 and 7.704 are revised; and new §§ 7.706 and 7.706–1 in sequence through 7.706–25 are added, as follows:

§ 7.606–1 Incentive fee clause for cost-type construction contracts.

* * * * *

(b) * * *

(3) * * *

(iii) Delete paragraph (c) and substitute the following:

"Promptly after receipt of each invoice or voucher and statement of cost the Government shall, except as otherwise provided in this contract, subject to the provisions of (d) below, make payment thereon as approved by the Contracting Officer. Payment of the fee shall be made to the Contractor in installments based upon the percentage of completion of the work as determined from estimates submitted to and approved by the Contracting Officer: *Provided, however,* That after payment of ninety-five percent (95%) of the minimum fee provided for in (i) below, the Contracting Officer may withhold further payment of fee until a reserve shall have been set aside in an amount which he considers necessary to protect the interests of the Government, but such reserve shall not exceed fifteen percent (15%) of the target fee or one hundred thousand dollars ($100,000), whichever is less."

* * * * *

(v) The additional instructions for use of the clause as set forth in § 7.203–4(c)(1), (2), (5), (6), and (7) apply.

§ 7.702–12 Use and charges.

USE AND CHARGES (JUNE 1968)

* * * * *

(b) Subject to the payment of a rental therefor, the Contractor may use all or part of the Facilities in the performance of work other than that specified in paragraph (a) above, as authorized in writing by the Contracting Officer or as specifically provided in the Schedule. Use so authorized shall not be construed to constitute a waiver of any rights the Government may have under this contract to terminate the Contractor's right to use all or any part of the Facilities. The amount of rental to be paid for the right to use the Facilities under this paragraph (b) shall be determined in accordance with the following procedures.

(1) The following bases are or shall be established in writing for the rental computation prescribed in subparagraph (2) below in advance of any use of the Facilities under this paragraph:

(i) The rental rates for the right to use the Facilities shall be those set forth in the Attachment.

(ii) The acquisition cost of the Facilities shall be the total cost to the Government, as determined by the Contracting Officer of each item of the Facilities, including the cost of transportation and installation, if such costs are borne by the Government. When Government-owned special tooling or accessories are rented with any item of the Facilities, the acquisition cost shall be increased to include the price charged the Government for such tooling or accessories. When any item of the Facilities has been modernized by substantial rebuilding at Government expense so as to enhance its original capability, the acquisition cost for that item shall include the increased value, as determined by the Contracting Officer, that such rebuilding and modernization represent. The determination made by the Contracting Officer under this subparagraph shall be final.

(iii) For the purpose of determining the amount of rental due under subparagraph (2) below, the rental period shall be not less than 1 month nor more than 6 months, as may be mutually agreed to.

(iv) For the purpose of computing any credit under subparagraph (2) below, the measurement unit for determining the amount of use of the Facilities by the Contractor shall be direct labor hours, sales, hours of use, or any other measurement unit which will result in an equitable apportionment of the rental charge, as may be mutually agreed to.

(2) The Contractor shall compute the amount of rentals to be paid for each rental period, using the bases established pursuant to subparagraph (1) above. The rental rates shall be applied to the acquisition cost of such of the Facilities as may have been authorized for use in advance pursuant to this paragraph (b), for each rental period. The full charge for each rental period, so determined, shall be reduced by a credit in the amount of such rental as would otherwise be properly allocable to work with respect to which the use of the Facilities without charge is authorized in accordance with paragraph (a) above. Such credit shall be computed by multiplying the full rental for the rental period by a fraction whose numerator is the amount of use of the Facilities by the Contractor without charge during such period, and whose denominator is the total amount of use of the Facilities by the Contractor during such period.

(3) The Contractor shall submit to the Contracting Officer within ninety (90) days after the close of each rental period a written statement of the use made of the Facilities by the Contractor and the rental due the Government hereunder, and shall make available such records and data as are determined by the Contracting Officer to be necessary to verify the information contained in the statement.

(4) If the Contractor fails to submit the statement within the prescribed ninety (90) day period, the Contractor shall be liable for the full rental for the period in question, subject to the exception stated in subparagraph (5) below.

(5) If the Contractor's failure to submit the statement within the prescribed ninety (90) day period arose out of causes beyond the control and without the fault or negligence of the Contractor, the Contracting Officer shall grant to the Contractor in writing a reasonable extension of time in which to make such submission.

* * * * *

EXHIBIT A

RENTAL RATES

* * * * *

(ii) For machinery and production equipment of the type covered by the following classes of production equipments:

Federal supply classification code Nos.	*Description*
3411 through 3419	Machine tools.
3441 through 3449	Secondary metalforming machinery.

The following rates shall apply:

Age of equipment	*Monthly rental rate (percent)*
0 to 2 years	3
Over 2 to 3 years	2
Over 3 to 6 years	1.5
Over 6 to 10 years	1.0
Over 10 years	.75

The age of each item of the Facilities shall be based on the year in which it was manufactured, with an annual birthday on January 1 of each year thereafter. On January 1, following the date of manufacture, the item shall be considered 1 year old; and on each succeeding January 1st, it shall become 1 year older. For example, if an item of equipment is manufactured on July 15, 1958, it will be considered to be 1 year old on January 1, 1959, 2 years old on January 1, 1960, 3 years old on January 1, 1961, and so forth. The item of equipment will be considered "over 2 years old" on and after January 1,

1960, "over 6 years old" on and after January 1, 1964, and "over 10 years old" on and after January 1, 1968.

* * * * *

§ 7.702–23 Notice of use of the facilities.

NOTICE OF USE OF THE FACILITIES (JUN 1968)

The Contractor shall notify the Contracting Officer in writing whenever—

(i) Use of all Facilities for Government work, in any quarterly period, is on an average less than 75 percent of the total use of the Facilities.

(ii) Any item of the Facilities which is no longer needed or usable for purposes of performing existing Government contracts or subcontracts for which use has been authorized.

§ 7.704 Required clauses for facilities use contracts.

The following clauses shall be inserted in all facilities use contracts with the optional exception of facilities use contracts with nonprofit educational institutions (see § 7.706).

§ 7.706 Facilities use contracts with nonprofit educational institutions.

As an alternative to the contract clauses in § 7.704, the following clauses, in their entirety may be used in any facilities use contract with nonprofit educational institutions.

§ 7.706–1 Purpose.

PURPOSE (SEP 1968)

This Facilities Use Contract is designed specifically for nonprofit educational institutions to set forth provisions for the use and accountability of Government facilities furnished or acquired under related procurement contracts identified elsewhere herein. There are no funds provided under this contract. Costs incurred for acquisition, maintenance, repair or replacement, disposition or for other purposes in connection with the facilities accountable hereunder will be subject to the reimbursement provisions of related procurement contracts: *Provided, however,* That should no procurement contract be available for reimbursement of such costs, this contract may be appropriately modified to provide for such reimbursement.

§ 7.706–2 Accountable facilities.

ACCOUNTABLE FACILITIES (SEP 1968)

The facilities accountable under this contract are identified in the Contractor's property control system and include those facilities furnished or acquired under related procurement contracts issued by the purchasing offices which are specifically named in the Schedule hereto.

§ 7.706–3 Definitions.

Insert the contract clause set forth in § 7.103–1, omitting paragraph (c) thereof, and adding the following:

(c) "Related procurement contract" means any Government contract or subcontract thereunder, for the furnishing of supplies or services of any description for the performance of which the use of the facilities is or may be authorized.

(d) "Facilities" means Government property having an acquisition cost of $200 or more. It excludes material and nonseverable structures but includes special tooling and special test equipment expected to remain of substantial value for more than 1 year in its original form, without being expended and without appreciable modification or incorporation into another item of Government property.

§ 7.706–4 Use of Government facilities.

USE OF GOVERNMENT FACILITIES (SEPTEMBER 1968)

The Contractor may use the Facilities without charge in the performance of:

(i) Prime contracts with the Government which specifically authorize use without charge,

(ii) Subcontracts held by the Contractor under Government prime contracts or subcontracts of any tier thereunder if the Contracting Officer having cognizance of the prime contract concerned has authorized use without charge by approving a subcontract specifically authorizing such use or has otherwise authorized such use in writing, and

(iii) Any Department of Defense contract providing such use does not interfere with the work of the contract for which such facilities are provided, and

(iv) Other work with respect to which the Contracting Officer has authorized use without charge in writing.

§ 7.706–5 Allowable costs and payments.

ALLOWABLE COSTS AND PAYMENTS (SEPTEMBER 1968)

Except as otherwise specifically provided in this contract or any related procurement contract, the failure of this contract to provide for reimbursement shall not preclude the Contractor from including, as part of the price or cost under any other Government contract or subcontract, an allocable portion of the costs incurred in the performance of any work, duty, or obligation under this contract which are not reimbursable hereunder.

§ 7.706–6 Examination of records.

Insert the contract clause set forth in § 7.702–13.

§ 7.706–7 Location of the facilities.

LOCATION OF THE FACILITIES (SEPTEMBER 1968)

The Contractor may use the Facilities at any of the locations approved by the Contracting Officer. In granting this approval, the Contracting Officer may prescribe such terms and conditions as he may deem necessary for the protection of the Government's interest in the Facilities involved. Notwithstanding and inconsistency with the provisions of this contract, such terms and conditions shall prevail.

§ 7.706–8 Maintenance.

Insert the contract clause set forth in § 7.702–14.

§ 7.706–9 Inspection.

Insert the contract clause set forth in § 7.702–6.

§ 7.706–10 Title.

TITLE (SEPTEMBER 1968)

(a) Title to all Facilities furnished by the Government shall remain in the Government. Title to all Facilities purchased by the Contractor, for the cost of which the Contractor is to be reimbursed as a direct item of cost under a related procurement contract, shall pass to and vest in the Government upon delivery of such Facilities by the vendor. Title to other Facilities, the cost of which is to be reimbursed to the Contractor under a related procurement contract, shall pass to and vest in the Government upon (i) issuance for use of such Facilities in the performance of a related procurement contract, or (ii) commencement or processing or use of such Facilities in the performance of a related procurement contract, or (iii) reimbursement of the cost thereof by the Government, whichever first occurs. All Government-furnished Facilities, together with all Facilities acquired by the Contractor, title to which vests in the Government under this paragraph, are subject to the provisions of this clause and are hereinafter collectively referred to as "Government Facilities."

(b) Title to the Government Facilities shall not be affected by the incorporation or attachment thereof to any Facilities not owned by the Government, nor shall such Government Facilities, or any part thereof, be or become a fixture or lose its identity as personalty by reason of affixation to any realty.

(c) Notwithstanding the provisions of subparagraph (a) above relative to title, and in accordance with the criteria set forth in ASPR 4–116.4, the Contracting Officer may at any time during the term of this contract, or upon completion or termination, transfer title to equipment to the Contractor upon such terms and conditions as may be agreed upon: *Provided,* That the Contractor shall not under any Government contract, or subcontract thereunder, charge for any depreciation, amortization or use of such equipment as is donated under this paragraph. Upon the transfer of title to equipment under this paragraph such equipment shall cease to be Government property.

§ 7.706–11 Access.

Insert the contract clause set forth in § 7.702–16.

§ 7.706–12 Property control.

Insert the contract clause set forth in § 7.702–17.

§ 7.706–13 Representations and warranties.

Insert the contract clause set forth in § 7.702–5.

§ 7.706–14 Liability for the facilities.

Insert the contract clause set forth in § 7.702–18.

§ 7.706–15 Termination of the use of the facilities.

TERMINATION OF THE USE OF THE FACILITIES (SEPTEMBER 1968)

(a) Subject to the provisions of the clause of this contract entitled, "Disposition of the Facilities", the Contractor may at any time, upon written notice to the Contracting Officer, terminate his authority to use any or all of the Facilities. Termination under this paragraph (a) shall not relieve the Contractor of any of his obligations or liabilities under any related procurement contract or subcontract affected thereby.

(b) The Contracting Officer may at any time, upon written notice, terminate or limit the Contractor's authority to use any or all of the Facilities. Except as may otherwise be provided in this contract or any related procurement contract, appropriate equitable adjustment may be made in any related procurement contract of the Contractor which so provides and which is affected by any such notice.

(c) Upon completion of the related procurement contract, or at any time during the life of the related procurement contract when the facilities are no longer required, it is the responsibility of the Contractor to notify the Contracting Officer in order that appropriate disposal may be made.

§ 7.706–16 Period of this contract.

Insert the contract clause set forth in § 7.702–25.

§ 7.706–17 Disposition of the facilities.

Insert the contract clause set forth in § 7.702–26.

§ 7.706–18 Disputes.

Insert the contract clause set forth in § 7.103–12.

§ 7.706–19 Officials not to benefit.

Insert the contract clause set forth in § 7.103–19.

§ 7.706–20 Gratuities.

In accordance with the requirements of § 7.104–16, insert the contract clause set forth therein.

§ 7.706–21 Covenant against contingent fees.

Insert the contract clause set forth in § 7.103–20.

§ 7.706–22 Convict labor.

In accordance with the requirements of § 12.202 of this chapter insert the contract clause set forth in § 12.203.

§ 7.706–23 Equal opportunity.

In accordance with the requirements of § 12.202 of this chapter, insert the contract clause set forth therein.

§ 7.706–24 Contract Work Hours Standards Act—Overtime Compensation.

Insert the contract clause set forth in § 12.303 of this chapter.

§ 7.706–25 Supersedure.

SUPERSEDURE (SEPTEMBER 1968)

(a) Facilities heretofore provided to the Contractor pursuant to the contracts specified in the Schedule shall become subject to the terms of this contract upon its effective date. The terms of the contract by which such Facilities may have been provided to the Contractor are hereby superseded with respect to such Facilities, except for rights and obligations which may have accrued under such other contract prior to the effective date hereof.

(b) Each item of Facilities hereafter provided to the Contractor under any related procurement contract shall become subject to the terms of this contract upon the completion of its construction, acquisition, and installation, or upon its availability for use, whichever first occurs, except as otherwise provided in the contract or other document by which such Facilities are provided to the Contractor.

22. In § 7.901–6, the clause heading and clause paragraph (b)(1) are revised; and §§ 7.1101, 7.1401–9, and 7.1401–10 are revised, as follows:

§ 7.901–6 Payments.

PAYMENTS (SEPTEMBER 1968)

* * * * *

(b) *Materials and Subcontracts.* (1) Allowable costs of direct materials shall be determined by the Contracting Officer in accordance with Part 2, Section XV, of the Armed Services Procurement Regulation in effect on the date of this contract. Reasonable and allocable material handling costs may be included in the charge for material to the extent they are clearly excluded from the hourly rate. Material handling costs are comprised of indirect costs, including, when appropriate, General and Administrative expense, allocated to direct materials in accordance with the Contractor's usual accounting practices consistent with Part 2, Section XV of the Armed Services Procurement Regulation. The Contractor shall support all material costs claimed by submitting paid invoices or storeroom requisitions, or by other substantiation acceptable to the Contracting Officer. Direct materials, as referenced by this clause, are defined as those materials which enter directly into the end product, or which are used or consumed directly in connection with the furnishing of such product.

* * * * *

§ 7.1101 Required clause—ordering.

The clause set forth below shall be inserted in indefinite delivery type contracts.

ORDERING (JUNE 1968)

(a) Supplies or services to be furnished under this contract shall be ordered by the issuance of delivery orders by the _____ (Activity) _____. Orders may be issued under this contract from _____ (Date) through _____ (Date).

(b) All delivery orders issued hereunder are subject to the terms and conditions of this contract. This contract shall control in the event of conflict with any delivery order.

(c) When mailed, a delivery order shall be "issued" for purposes of this contract at the time the Government deposits the order in the mail.

If desired and appropriate, a provision for the placing of oral orders may be added to the contract: *Provided,* That procedures have been established for obligating funds.

§ 7.1401–9 Requirements or indefinite quantity.

Insert the Requirements clause in § 7.1102–2(b) or the Indefinite Quantity clause in § 7.1102–3(b), as appropriate.

§ 7.1401–10 Ordering.

In accordance with the requirements of § 7.1101, insert the clause set forth therein.

PART 8—TERMINATION OF CONTRACTS

23. Sections 8.206–1, 8.210–3, 8.217(a), 8.602–2, 8.602–3(c), 8.602–6(c), and 8.602–7 are revised to read as follows:

§ 8.206–1 Termination status report.

Upon receipt of the termination notice, it is the responsibility of the contract administration office to prepare DD Form 1598, Contract Termination Status Report, and transmit two copies to the purchasing office except in the case of Air Force contracts issued by Air Force Systems Command activities, to the Air Force Contract Management Division, Air Force Unit Post Office, Los Angeles, Calif. 90045; and one copy to the headquarters office to which the contract administration office is directly responsible. In addition, these reports shall be furnished on a quarterly basis for the quarters ending March, June, September, and December within 30 days after the end of the respective quarter.

§ 8.210–3 Government property.

Before any settlement agreement is executed, the TCO shall determine the status of the Government property account for the terminated contract. If the audit of such property required by §§ 30.2 or 30.3, of this chapter discloses property for which the contractor cannot account, the settlement agreement shall reserve the rights of the Government with respect to such property, or make an appropriate deduction from the amount otherwise due the contractor.

§ 8.217 Settlement of terminated contracts with incentive provisions.

(a) *FPI contracts.* The settlement of terminated contracts containing an incentive clause shall be in accordance with the provisions of paragraph (h) of the clause in §§ 7.108–1 and 8.701.

(1) *Partial termination.* Under a partial termination of a FPI contract, the TCO shall negotiate a settlement pursuant to the termination for convenience clause, as provided in paragraph (h) of the clause in § 7.108–1 of this chapter and paragraph (j) of the clause in § 7.108–2. The application of the incentive price revision provisions to completed items accepted by the Government, including any for which reimbursement may be claimed in the settlement proposal, shall be accomplished by the procuring contracting officer (PCO). Reimbursement for completed articles included in the settlement proposal for which a final price has not been established shall be at target price. An appropriate reservation as to final price with respect to such completed articles shall be incorporated in the supplemental agreement.

(2) *Complete termination.* If any items were delivered and accepted by the Government, prices shall be established by the PCO under the incentive provisions of the contract. On the terminated portion of the contract, the provisions of the termination clause (see § 8.701) shall govern and the provisions of the incentive clause shall not be applicable. The TCO responsible for the termination settlement will assure himself, on the basis of evidence he deems proper (including coordination with the PCO), that no portion of the costs considered in the negotiations under the incentive provisions are included in the termination settlement.

* * * * *

§ 8.602–2 Effect of termination for default.

(a) Under a termination for default the Government is not liable for the contractor's costs on undelivered work, and is entitled to the repayment of advance payments and progress payments, if any, applicable to such work. The Government may elect, pursuant to paragraph (d) of the Default clause (see § 8.707), to require the contractor to transfer title and deliver to the Government completed supplies and manufacturing materials, in the manner and to the extent directed by the contracting officer. The PCO shall not use the Default clause as authority to acquire any completed supplies or

manufacturing materials unless he has made certain that the Government does not already have title thereto under some other provision of the contract. In the event manufacturing materials are to be acquired by the Government under the authority of the Default clause for the purpose of furnishing the materials to any other contractor, the PCO shall take such action only after giving due consideration to the difficulties that such contractor may encounter in making use of the materials.

(b) Subject to the provisions of paragraph (c) of this section, the Government shall pay to the contractor the contract price for any completed supplies, and the amount agreed upon by the PCO and the contractor for any manufacturing materials, acquired by the Government pursuant to the Default clause.

(c) To protect the Government from overpayment for any completed supplies or manufacturing materials, that might result from failure to make provision for the Government's potential liability to laborers and materialmen for lien rights outstanding against such supplies or materials after the Government has paid the contractor therefore, the PCO shall take one or more of the following measures before making the payment referred to in paragraph (b) of this section:

(1) Ascertain whether the payment bonds, if any, furnished by the contractor are adequate to satisfy all lienors' claims; or whether it is feasible to obtain similar bonds to cover outstanding liens;

(2) Require the contractor to furnish appropriate statements from laborers and materialmen disclaiming any lien rights they may have to the supplies and materials;

(3) Obtain appropriate agreement by the Government, the contractor and lienors assuring release of the Government from any potential liability to the contractors or lienors;

(4) Withhold from the amount otherwise due for the supplies or materials such amount as the PCO determines to be necessary to protect the Government's interest, but only if the measures set forth in subparagraphs (1), (2), and (3) of this paragraph cannot be accomplished or are otherwise deemed inadequate;

(5) Take any other action the PCO deems appropriate considering the particular circumstances and the degree of the contractor's solvency.

(d) The contractor is liable to the Government for any excess costs incurred in procuring supplies and services similar to those terminated for default (see § 8.602–6), and for any other damages, whether or not repurchase is effected (see § 8.602–7).

§ 8.602–3 Procedure for default.

* * * * *

(c) If, after compliance with the foregoing procedures, the PCO determines that termination for default is proper, he shall, where the termination is predicated upon the contractor's failure to make timely deliveries, issue a notice of termination at once—except in the Air Force, a notice shall be issued by a contracting officer designated for this purpose. If the termination is predicated upon any other failure of the contractor, the PCO (or, in the Air Force, the contracting officer designated for this purpose) shall give the contractor written notice specifying such failure and providing a period of 10 days (or such longer period as the PCO may authorize) in which to cure such failure. Where appropriate, this notice may be made a part of the letter described in paragraph (b) of this section. Upon expiration of the 10 days (or longer period), the PCO—or in the Air Force a contracting officer designated for this purpose, may issue a notice of termination for default unless he determines that the failure to perform has been cured. Formats of letters that may be used by the procuring contracting officer with respect to paragraph (b) of this section and this paragraph are set forth in § 8.811.

* * * * *

§ 8.602–6 Repurchase against contractor's account.

* * * * *

(c) If repurchase is effected at a price in excess of the price of the supplies terminated, the PCO shall make a written demand on the contractor for the total amount of such excess giving due consideration to any increases or decreases in other ascertainable costs such as transportation, discounts, etc., and shall take such other action as is required by Subpart F, Part 163 of this chapter, for collecting claims in favor of the Government.

§ 8.602–7 Other damages.

(a) If a contract is terminated for default or if a course of action in lieu of termination for default is followed (see § 8.602–4), the PCO shall take appropriate action in accordance with Subpart F, Part 163 of this chapter, for ascertainment and collection of any liquidated damages to which the Government may be entitled under the contract. Pursuant to the contract provisions for liquidated damages in § 7.105–5 of this chapter, such damages are in addition to any excess cost of reprocurement.

(b) If the Government has suffered any other ascertainable damages as a result of the contractor's default, the PCO, on the basis of legal advice, shall take appropriate action to assert the Government's claim for such damage in accordance with Subpart F, Part 163 of this chapter.

PART 9—PATENTS, DATA, AND COPYRIGHTS

24. In § 9.107–5(a), the clause heading and clause paragraph (c)(1) (ii) and (iii) are revised; and in paragraph (b) of same section, the clause heading and clause paragraph (c) (ii) and (iii) are revised, as follows:

§ 9.107–5 Clauses for domestic contracts.

(a) * * *

PATENT RIGHTS (TITLE) (SEPTEMBER 1968)

* * * * *

(c) * * *

(1) * * *

(ii) Interim reports at least every twelve (12) months, the initial period of which shall commence with the date of this contract, each report listing all such Inventions conceived or first actually reduced to practice more than six (6) months prior to the date of the report and not listed on a prior interim report, or certifying that there are no such unreported Inventions;

(iii) Prior to final settlement of this contract, a final report listing all such Inventions including all those previously listed in interim reports, or certifying that there are no such unreported Inventions (This Final Report and any Interim Report under (ii) above shall be submitted on DD Form 882 or other format acceptable to the Contracting Officer.);

* * * * *

(b) * * *

PATENT RIGHTS (LICENSE) (SEPTEMBER 1968)

* * * * *

(c) * * *

(ii) Interim reports at least every twelve (12) months, the initial period of which shall commence with the date of this contract, each report listing all such Inventions conceived or first actually reduced to practice more than six (6) months prior to the date of the report and not listed on a prior interim report, or certifying that there are no such unreported Inventions;

(iii) Prior to final settlement of this contract, a final report listing all such Inventions including all those previously listed in interim reports, or certifying that there are no such unreported Inventions (This Final Report and any Interim Report under (ii) above shall be submitted on DD Form 882 or other format acceptable to the Contracting Officer.); and

* * * * *

PART 10—BONDS, INSURANCE, AND INDEMNIFICATION

25. Sections 10.103–3(a) and 10.104–1 are revised; in § 10.701(b)(1), the clause heading and clause paragraph (a)(iii) are revised; and in § 10.702(b)(1), the clause heading and clause paragraph (a)(iii) are revised, as follows:

§ 10.103–3 Waiver of performance and payment bonds.

(a) The requirement of a performance and payment bond has been waived for all cost-reimbursement type construction contracts. In unusual circumstances, either or both bonds may be required of a prime contractor, subject to approval by the head of the procuring activity. Contracting officers shall, however, require a cost-reimbursement type prime contractor to obtain performance and payment bonds for any fixed-price construction subcontract exceeding $2,000 in accordance with § 10.104–1(b).

* * * * *

§ 10.104–1 General.

(a) Under Section 270e of the Miller Act (40 U.S.C. 270e) the provisions of the Act have been waived for any supply contracts covered by Sections a–d of the Act (40 U.S.C. 270a–d). Bonds required pursuant to 10–104 are bonds required pursuant to 10 U.S.C. 2381 or other general contracting authority of the Department of Defense, and not pursuant to the Miller Act.

(b) Generally, performance and payment bonds shall not be required in connection with contracts other than construction contracts, other than as provided in §§ 10.104–2 and 10.104–3, except that for any fixed-price construction subcontract exceeding $2,000, a prime contractor who has not been required to furnish a payment bond shall be required to obtain a payment bond from his subcontractor, in favor of the prime contractor, in an amount sufficient to assure payment of suppliers of labor and materials. In such a case, a performance bond in an equal amount should also be obtained if available at no additional cost. Subcontract bonds shall not be executed on Standard Forms 25 and 25–A. The forms set forth in § 16.805 (h) and (i) of this chapter are authorized and may be adapted to fit specific cases.

(c) Performance and payment bonds shall not be required unless the solicitation requires such bonds, or the requirement of such bonds is in the interest of the Government, and not prejudicial to other bidders or offerors. Where the solicitation requires such bonds, they shall not be waived except in the case of an otherwise acceptable bidder or offeror where such waiver will be favorable to the Government and the contract price will be reduced.

(d) When the requirement for performance and payment bonds is made by the terms of a contract, but the bonds are not furnished by the contractor within the time specified, the contracting officer shall notify the contractor that the contract will be terminated for default if the bonds are not furnished within the time specified in the contract clause providing for such termination (e.g., clause par. (a)(ii) in § 8.707 of this chapter).

(e) Where a bid guarantee is not required and a performance or payment bond is required as a condition precedent to the formation of the contract, but is not furnished within the time specified, the contracting officer shall if the making of the award can be delayed without prejudice to other bidders notify the bidder that if the bond is not furnished within 10 days (or such other period as the contracting officer may specify) after receipt of the notice, his bid will not be considered for award.

(f) When a contractor supports a contract with an annual performance bond, the contracting officer shall notify the office to which the contractor has furnished such bond so that the amount of coverage required may be recorded against the penal sum of the bond.

(g) Requirements for additional bond or consent of surety in connection with contract modifications are prescribed in § 10.111.

§ 10.701 Indemnification under research and development contracts against unusually hazardous risks.

* * * * *

(b) *Clause*—(1) *Clause for cost-reimbursement type contracts.*

INDEMNIFICATION UNDER 10 U.S.C. 2354 (SEPTEMBER 1968)

(a) * * *

(iii) Loss of, damage to, or loss of use of property of the Government;

to the extent that such a claim, loss or damage (A) arises out of the direct performance of this contract; (B) is not compensated by insurance or otherwise; and (C) results from a risk defined in this contract to be unusually hazardous. Any such claim, loss, or damage within deductible amounts of Contractor's insurance shall not be covered under this clause.

* * * * *

§ 10.702 Indemnification under other than research and development contracts against unusually hazardous risks and nuclear risks not considered unusually hazardous.

* * * * *

(b) *Clause*—(1) *Clause for cost-reimbursement type contracts.*

INDEMNIFICATION UNDER PUBLIC LAW 85–804 (SEPTEMBER 1968)

(a) * * *

(iii) Loss of, damage to, or loss of use of property of the Government;

to the extent that such a claim, loss or damage (A) arises out of the direct performance of this contract, (B) is not compensated by insurance or otherwise, and (C) results from a risk defined in this contract to be unusually hazardous. Any such claim, loss, or damage within deductible amounts of Contractor's insurance shall not be covered under this clause.

* * * * *

PART 12—LABOR

26. Section 12.101–2(c) is revised to read as follows:

§ 12.101–2 Contract pricing and administration.

* * * * *

(c) In some cases, labor disputes may give rise to work stoppages which cause delays in the timely performance of important contracts. The contracting officer should impress on the contractor that he will be held accountable for delays that are reasonably avoidable. It should be emphasized that the standard contract clauses dealing with default, excusable delays, etc., do not relieve the contractor for delays that are within his or his subcontractors' control, such as may be the case with delays precipitated by an unfair labor practice of the contractor. In addition, a delay caused by a strike which the contractor could not reasonably prevent can be excused only to the extent that it does not go beyond the point at which a reasonably diligent contractor could resume the delayed performance by ending the strike by such means as: Contractor could resume the delayed performance by ending the strike by such means as:

(1) Filing a charge with the National Labor Relations Board so as to permit the NLRB to seek injunctive relief in court;

(2) Recourse to the procedures of the Federal Mediation and Conciliation Service, or other available Government procedures; or

(3) Use of the National Joint Board for the Settlement of Jurisdictional Disputes, or other private Boards or organizations for the settlement of disputes.

* * * * *

PART 13—GOVERNMENT PROPERTY

27. Sections 13.000 and 13.405 are revised; § 13.701 is revoked; and in § 13.702, the introductory text of paragraph (a) is revised, as follows:

§ 13.000 Scope of part.

This part sets forth:

(a) The policies of the Department of Defense with respect to providing property for use by contractors in connection with procurement by the Military Departments; and

(b) Applicable contract clauses for contracts other than facilities contracts. (For facilities contract clauses, see subpart G, part 7 of this chapter.)

This part does not apply to the lease of property to contractors under 10 U.S.C. 2667 or other leasing authorities, except as to non-Government use of industrial plant equipment under § 13.405 or to property to which the Government has acquired a lien for title solely as a result of partial, advance or progress payments.

§ 13.405 Non-Government use of industrial plant equipment (IPE).

(a) The prior written approval of the contracting officer is required for any non-Government use of active Government-owned industrial plant equipment (see item 102.11 in § 30.2 of this chapter). Each such approval shall contain limitations on the contractor's right to use the equipment consistent with the requirements of this section. Before non-Government use exceeding 25 percent may be authorized, prior approval of the Assistant Secretary of Defense (Installations and Logistics) shall be obtained: *Provided*, That as to Government-owned machinery and tools (Production Equipment Codes Nos. 3411–3419 and 3441–3449) having a unit acquisition cost of $1,000 or more the prior approval of the Office of Emergency Planning shall be obtained through the Assistant Secretary of Defense (Installations and Logistics). Requests requiring approval by the Assistant Secretary of Defense (Installations and Logistics) shall be submitted at least six weeks in advance of the projected use and shall include:

(1) The total number of active IPE items involved and total acquisition cost thereof; and

(2) An itemized listing of active equipment having an acquisition cost of $25,000 or more, showing for each such item

the nomenclature, production equipment code, year of manufacture, and the acquisition cost.

(b) The percentage of Government and non-Government use shall be computed on the basis of time available for use. For this purpose the contractor's normal work schedule, as represented by scheduled production shift hours, shall be used. All active industrial plant equipment located at any single plant having a unit acquisition cost of less than $25,000 may be averaged over a quarterly period. Equipment having a unit acquisition cost of $25,000 or more shall be considered on an item by item basis.

(c) The approvals under paragraph (a) of this section may be granted only when it is in the interest of the Government (1) to keep the equipment in a high state of operational readiness through regular usage; (2) because substantial savings to the Government would accrue through overhead cost sharing and receipt of rental; or (3) to avoid an inequity to the contractor who is required, at the Government's request, to retain the equipment in place, often intermingled with contractor-owned equipment required for commercial production. Approval for non-Government use shall be for a period of not more than one year. Approval for non-Government use in excess of 25 percent shall be for a period of not less than three months.

§ 13.701 Applicability. [Revoked]

§ 13.702 Government property clause for fixed-price contracts.

(a) Except as provided in paragraphs (b) and (c) of this section and in §§ 13.706, 13.708 and 13.710, the following clause shall be used in fixed price contracts (see § 3.404 of this chapter) under which a Department is to furnish to the contractor, or the contractor is to acquire, Government property. The clause shall be used also in small purchases made under Subpart F, Part 3 of this chapter, and short form negotiated contracts (see § 16.102–2(c) of this chapter) where Government property having an acquisition cost in excess of $25,000 is to be furnished.

* * * * *

28. The introductory text of § 13.703 is revised; in § 13.707, the introductory text of paragraph (a) is revised; and § 13.710 is revised, as follows:

§ 13.703 Government property clause for cost-reimbursement contracts.

Except in facilities contracts (see § 13.101–11) and except as provided in § 13.707, the following clause shall be used in cost reimbursement type contracts (see § 3.405 of this chapter) for supplies and services under which a Department is to furnish to the contractor or the contractor is to acquire, Government property.

* * * * *

§ 13.707 Government property clause for cost-reimbursement type research and development contracts with nonprofit institutions.

(a) Except in facilities contracts and except as provided in paragraph (b) of this section, the following clause shall be used in cost-reimbursement type research and development contracts with non-profit institutions (provided such contracts are executed on a no-fee basis) under which a Department is to furnish to the contractor, or the contractor is to acquire, Government property.

* * * * *

§ 13.710 Short form Government property clause.

The following clause shall be used in small purchases made under Subpart F, Part 3 of this chapter (see § 3.608(b)(8)), and short form negotiated supply contracts (see § 16.102–2(c)), under which the Government is to furnish to the contractor Government property having an acquisition cost of $25,000 or less, and may be used in other fixed price contracts under which the Government is to furnish to the contractor, Government property having an acquisition cost of $25,000 or less. When used in overseas contracts, insert the words "United States" before the words "Government-furnished" wherever they appear in the clause below.

GOVERNMENT-FURNISHED PROPERTY (SHORT FORM) (NOVEMBER 1964)

(a) The Government shall deliver to the Contractor, for use only in connection with this contract, the property described in the schedule or specifications (hereinafter referred to as "Government-furnished property"), at the times and locations stated therein. If the Government-furnished property, suitable for its intended use, is not so delivered to the Contractor, the Contracting officer shall, upon timely written request made by the Contractor, and if the facts warrant such action, equitably adjust any affected provision of this contract pursuant to the procedures of the "Changes" clause hereof.

(b) Title to Government-furnished property shall remain in the Government. The Contractor shall maintain adequate property control records of Government-furnished property in accordance with sound industrial practice.

(c) Unless otherwise provided in this contract, the Contractor, upon delivery to him of any Government-furnished property, assumes the risk of, and shall be responsible for, any loss thereof or damage thereto except for reasonable wear and tear, and except to the extent that such property is consumed in the performance of this contract.

(d) The Contractor shall, upon completion of this contract, prepare for shipment, deliver f.o.b. origin, or dispose of all Government-furnished property not consumed in the performance of this contract or not theretofore delivered to the Government, as may be directed or authorized by the Contracting Officer. The net proceeds of any such disposal shall be credited to the contract price or paid in such other manner as the Contracting Officer may direct.

PART 14—PROCUREMENT QUALITY ASSURANCE

29. In § 14.101–1(c), the contract clause is revised; §§ 14.302(a) and 14.409–2(c) are revised; and new § 14.702 is added, as follows:

§ 14.101–1 Contractor responsibility provisions.

* * * * *

(c) Including the following clause in the contract.

RESPONSIBILITY FOR INSPECTION (SEPTEMBER 1968)

Notwithstanding the requirements for any Government inspection and test contained in specifications applicable to this contract, except where specialized inspections or tests are specified for performance solely by the Government, the Contractor shall perform or have performed the inspections and tests required to substantiate that the supplies and services provided under the contract conform to the drawings, specifications and contract requirements listed herein, including if applicable the technical requirements for the manufacturers' part numbers specified herein.

§ 14.302 Standard inspection clauses.

* * * * *

(a) Section 7.103–5 (e) and (a), (b), or (c) of this chapter.

* * * * *

§ 14.409–2 Alternative procedures—contractor release for shipment.

* * * * *

(c) When the alternative procedure is used, the contractor shall:

(1) Type or stamp, and sign, the following statement on the required copy or copies of the shipping paper(s) or on an attachment thereto—

The supplies comprising this shipment have been subjected to and have passed all examinations and tests required by the contract, were shipped in accordance with authorized shipping instructions, and conform to the quality, identity and condition called for in contractual requirements and to the quantity shown on this document. This shipment was released in accordance with paragraph 14–409 of the Armed Services Procurement Regulation for Authorizing Shipment of Supplies under authorization of (Name and Title of the authorized representative of the Contract Administration Office) in a letter dated (Date of authorizing letter).

(Signature and Title of Contractor's designated representative)

and

(2) Release shipment and process, in accordance with established instructions, the DD Form 250 (Material Inspection and Receiving Report) or any other receiving report authorized by this subchapter.

§ 14.702 Quality assurance among NATO countries.

The NATO Standardization Agreements (STANAG) 4107—Mutual Acceptance of Government Quality Assurance sets forth procedures, terms and conditions under which mutual Government quality assurance of military material and services is to be performed by the national authority of one NATO country on request of another NATO country, or a NATO organization. This agreement, with certain reservations, has been ratified by the United States and other nations in the North Atlantic Treaty Organization. The Military Departments may request NATO Countries to perform quality assurance in accordance with STANAG 4107. They will also perform quality assurance in accordance with STANAG 4107, if requested.

PART 15—CONTRACT COST PRINCIPLES AND PROCEDURES

30. Sections 15.203(c) and 15.302–2 are revised; new § 15.302–7 is added; § 15.309–7 (b), (c), (d), and (e) is revised; and new § 15.310 is added, as follows:

§ 15.203 **Indirect costs.**

* * * * *

(c) Each cost grouping shall be distributed to the appropriate cost objectives. This necessitates the selection of a distribution base common to all cost objectives to which the grouping is to be allocated. The base should be selected so as to permit allocation of the grouping on the basis of the benefits accruing to the several cost objectives. This principle for selection is not to be applied so rigidly as to complicate unduly the allocation where substantially the same results are achieved through less precise methods. Once an appropriate base for the distribution of indirect costs has been accepted, such base shall not be fragmented by the removal of individual elements. Consequently, all items properly includable in an indirect cost base should bear a pro-rata share of indirect costs irrespective of their acceptance as Government contract costs. For example, when a cost of sales base is deemed appropriate for the distribution of G&A, all items chargeable to cost of sales, whether allowable or unallowable, shall be included in the base and bear their pro-rata share of G&A costs.

* * * * *

§ 15.302–2 **Departmental research.**

Departmental research means research activities that are not separately budgeted and accounted for. Such research work, which includes all research activities not encompassed under the term "organized research", is regarded for purposes of this document as a part of the instructional activities of the institution.

§ 15.302–7 **Stipulated salary support.**

Stipulated salary support is a stated dollar amount of a faculty member's salary which a Government agency agrees to reimburse to an educational institution as a part of sponsored research costs. Stipulated salary support amounts will be provided in the research agreements for professional staff any part of whose compensation is chargeable to Government-sponsored research and may be provided for any other professionals who are engaged part time in sponsored research and part time in other work. The stipulated salary support for an individual will be determined by the Government and the educational institution during the proposal and award process on the basis of a considered judgment as to the monetary value of the contribution which the individual is expected to make to the research project, taking into account any cost sharing by the institution, and basing the judgment on such factors as value of the investigator's expertise to the project, the extent of his planned participation in the project and his ability to perform as planned in the light of his other commitments. It will be necessary for those who review research proposals to obtain information on the total academic year salary of the faculty members involved; the other research projects or proposals for which salary is allocated; and any other duties they may have such as teaching assignments, administrative assignments, number of graduate students for which they are responsible, or other institutional activities. Stipulated amounts for an individual must not result in increasing his official salary from the institution. In those cases in which it is not feasible to establish a stipulated salary support amount during the proposal and award process because detailed plans or knowledge of specific positions or individuals are not available, the agency and the institution may agree to use the payroll distribution procedure set forth in § 15.309–7(b) as a basis for reimbursement of salary for any individuals for whom a support amount has not been established.

§ 15.309–7 **Compensation for personal services.**

* * * * *

(b) *Payroll distribution.* Amounts charged to organized research for personal services, except stipulated salary support regardless of whether treated as direct costs or allocated as indirect costs, will be based on institutional payrolls which have been approved and documented in accordance with generally accepted institutional practices. Support for direct and indirect allocations of costs to (1) instruction, (2) organized research, (3) indirect activities as defined in § 15.305–1, or (4) other institutional activities as defined in § 15.302–4 will be provided as described in paragraphs (c), (d), and (e) of this section.

(c) *Direct charges for personal services.* The amounts stipulated for salary support (see § 15.302–7) in grants of cost-reimbursable type contracts will be treated as direct costs. The stipulated salary for the academic year will be prorated equally over the duration of the grant or contract period during the academic year, unless other arrangements have been made in the grant or contract instrument. No time or effort reporting will be required to support these amounts. Special provision for summer salaries will be required. The research agreements will state that any research covered by summer salary support must be carried out during the summer, not during the academic year, and at locations approved in advance in writing by the granting agency. The certification required in § 15.310 will attest to this requirement as well as all others in a given research agreement.

(1) Stipulated salary support remains fixed during the funding period of the grant or contract and will be costed at the rate described above unless there is a significant change in performance. For example, a significant change in performance would exist if the faculty member (i) was ill for an extended period, (ii) took sabbatical leave to devote effort to duties unrelated to his research, or (iii) was required to increase substantially his teaching assignments, administrative duties, or responsibility for more research projects. In the latter event, it will be the responsibility of the educational institution to reduce the charges to the research agreement proportionately or seek an appropriate amendment.

(2) In the case of those covered by stipulated salary support, the auditors are no longer required to review the precise accuracy of time to review the precise search projects. Rather, their reviews should include steps to determine on a sample basis that an institution is not reimbursed for more than 100 percent of each faculty member's salary and that the portion of each faculty member's salary charged to Government-sponsored research is reasonable in view of his university workload and other commitments.

(3) When an educational institution cost shares in whole or in part (see Bureau of the Budget Circular No. A–74) by using faculty salaries, the stipulated salary concept should also be applied in this instance. During the proposal and award process, approving authorities will establish, in conjunction with the institution, the share of the faculty member's contribution to the project to be reimbursed by the Government and that to be borne by the institution. The latter amount will become a part of the institution's cost share. Unless other arrangements are made the institution will prorate the stipulated salary over the period of the agreement and charge the prorated costs to the project cost records periodically to support its cost sharing amounts. No time or effort reporting will be required to support these charges. As in the case of stipulated salary amounts that are reimbursed by the Government, any significant change in performance, as defined in that context, which would affect the agreed-upon cost sharing amount must be promptly recognized by other cost sharing or amendment to the research agreement. It will be the responsibility of the educational institution to assure that this action is taken.

(4) Nonprofessorial professional staff includes research associates and assistants, graduate students, and other persons performing professional work; for example, chemists and engineers. The direct cost charged to organized research for the services of such professionals, exclusive of those whose salaries are stipulated in the research agreement will be based on institutional payroll systems. Such institutional payroll systems must be supported by either an adequate appointment and workload distribution system accompanied by monthly review performed by responsible officials and a reporting of any significant changes in workload distribution of each professional, or by a monthly after-the-fact certification system which will require the individual investigators, deans, departmental chairmen or supervisors having first-hand knowledge of the services performed on each research agreement to report the distribution of effort. Reported changes will be incorporated during the accounting period into the payroll distribution system and into the accounting records. Direct charges for salaries and wages of nonprofessionals

will be supported by time and attendance and payroll distribution records.

(d) *Indirect personal services costs.* Allowable indirect personal services costs will be supported by the educational institution's accounting system, which is maintained in accordance with generally accepted institutional practices. Where a comprehensive accounting system does not exist, the institution should make periodic surveys no less frequently than annually to support the indirect personal services costs for inclusion in the overhead pool. Such supporting documentation must be retained for subsequent review by Government officials.

(e) *General guidance for charging personal services.* Budget estimates on a monthly, quarterly, semester, or yearly basis do not qualify as support for charges to federally sponsored research projects and should not be used unless confirmed after the fact. Charges to research agreements may include reasonable amounts for activities contributing and intimately related to work under the agreement, such as preparing and delivering special lectures about specific aspects of the ongoing research, writing research reports and articles, participating in appropriate research seminars, consulting with colleagues and graduate students with respect to related research, and attending appropriate scientific meetings and conferences. In no case should charges be made to federally sponsored research projects for lecturing or preparing for formal courses listed in the catalog and offered for degree credit, or for committee or administrative work related to university business.

* * * * *

§ 15.310 Certification of charges.

To assure that expenditures for research grants and contracts are proper and in accordance with the research agreement documents and approved project budgets, the annual and/or final fiscal reports for grants and the vouchers requesting payment under contracts will include a certification which reads essentially as follows.

I certify that all expenditures reported (or payments requested) are for appropriate purposes and in accordance with the agreements set forth in the application and award documents.

(Signed by an Authorized Official of the University)

PART 16—PROCUREMENT FORMS

31. Section 16.102–2 (a) and (b) (3) is revised; in § 16.104–2, add new item, Block 26, to the table; in § 16.104–3, add new item, Block 6, to the table; and §§ 16.104–4, 16.300, and 16.303 are revised, as follows:

§ 16.102–2 Award/Contract (Standard Form 26).

(a) *General.* Standard Form 26 is designed for use primarily when entering into contracts resulting from negotiation where the signature of both parties on a single document is appropriate. (See also § 16.102–3 for use of this form as an award pursuant to receipt of a firm offer on Solicitation, Offer, and Award (Standard Form 33) and § 3.410–2(a) of this chapter for use of this form to place orders against basic ordering agreements.)

(b) *Conditions for use.* * * *

(3) Procurements for which special contract forms are prescribed by this subchapter (for example, §§ 16.503, 16.504 and 16.505, or Subpart P, Part 1, of this chapter); and

* * * * *

§ 16.104–2 Solicitation, Offer, and Award (Standard Form 33).

Instructions for block entries are as follows:

Block No.	*Title and/or Instructions*
* *	* * *
26	Administered By—In lower right-hand corner, insert the pre-award survey serial number if survey was performed; if "none," so state.

§ 16.104–3 Award/Contract (Standard Form 26).

Instructions for block entries are as follows:

Block No.	*Title and/or Instructions*
* *	* * *
6	Administered by—In lower right-hand corner, insert the pre-award survey serial number if survey was performed; if "none," so state.

* * * * *

§ 16.104–4 Amendment of Solicitation/Modification of Contract (Standard Form 30).

Instructions for block entries are as follows:

Block No.	*Title and/or Instructions*
1	Amendment / Modification No. —. See Section XX, Part 2, ASPR.
2	Effective Date—For an amendment of a Solicitation, or for a Change Order or an Administrative Change, the effective date shall be the issue date of such amendment, Change Order, or Administrative Change. For a Supplemental Agreement, the effective date shall be the date agreed to by the contracting parties. See § 16.102–2(h).
8	Check the appropriate block and in the corresponding blanks insert number and date of original Solicitation, Contract, or Order.
13	If the modification is a Change Order (11(a)) or Administrative Change (11(b)), the first box in this block shall be checked, and contractor's signature will not be required. If the modification is a Supplemental Agreement (11(c)), contractor's signature will be required, the second box shall be checked and the number of copies to be returned to issuing office shall be inserted.
17	Contracting Officer's signature is not required when amending a solicitation.

§ 16.300 Scope of subpart.

This subpart prescribes forms for use (a) when purchases are authorized or required to be made by the purchase order or imprest fund method, (b) as delivery orders, and (c) as order against basic ordering agreements.

§ 16.303 Order for Supplies or Services/Request for Quotations, (DD Forms 1155, 1155r, 1155r–1, and 1155c–1).

Order for Supplies or Services/Request for Quotations, DD Form 1155 series, shall be used to accomplish small purchases in accordance with § 3.608 of this chapter and may be used to place orders against basic ordering agreements in accordance with § 3.410–2(a) of this chapter.

32. Sections 16.500, 16.501, 16.501–1, and 16.501–2 are revised; new §§ 16.501–3 and 16.501–4 are added; §§ 16.701 and 16.705 are revised; and new § 16.826 is added, as follows:

§ 16.500 Scope of subpart.

This subpart prescribes special formats and forms for procuring certain supplies and services.

§ 16.501 Format for educational service agreements.

Educational service agreements authorized by Subpart I, Part 22 of this chapter, shall be on locally reproduced forms consisting of a cover page, general provisions, schedule, and signature page, in the format set forth in §§ 16.501–16.501–4. The contracting officer may add to the schedule any other provisions necessary to describe the requirements of his department, as long as such provisions do not contradict any of the general provisions or schedule provisions prescribed by this paragraph or otherwise alter the concept of procuring educational services in the form of standard course offerings at the prevailing rates of the institution.

§ 16.501–1 Cover page.

The cover page shall contain the following provisions and necessary information to complete the provisions.

EDUCATIONAL SERVICE AGREEMENT

Agreement No. ----------

1. This agreement entered into on the -- day of ----------, 19--, between the United

States of America, hereinafter called the "Government," represented by the Contracting Officer, and (name of institution), an educational institution located at (city), (State), herein after called the "Contractor," is for educational services to designated Government personnel at the Contractor's institution. The parties intend that the Contractor shall provide instruction with standard offerings of courses available to the public and shall receive payment for services rendered in accordance with the Contractor's schedule of tuition and fees applicable to the public and in effect at the time the services are performed.

2. This agreement may be amended only by mutual consent of the parties.

3. The Government will review this agreement annually before the anniversary of its effective date for the purpose of incorporating changes required by Statutes, Executive Orders, or the Armed Services Procurement Regulation; such changes will be evidenced by a modification to this agreement or by a superseding agreement. If the parties fail to agree upon any such change, the Government will terminate this agreement.

4. This agreement shall commence on the effective date above and shall continue until terminated.

5. The estimated annual cost hereunder is $____; however, this estimate is for administrative purposes only and shall not impose any obligation on the Government to request any services or to make any payment except as provided herein.

6. Requests for services hereunder are negotiated under the authority of 10 U.S.C. 2304(a)(5) when the contractor is in the United States, its possessions, or Puerto Rico, or (6) if elsewhere.

7. Advance payments are authorized by 31 U.S.C. 5291.

8. Submit invoices to: (name and address of activity).

9. This agreement consists of this cover page, a Schedule of (number) pages, General Provision of (number) pages, and a Signature Page.

§ 16.501–2 Schedule provisions.

SCHEDULE PROVISIONS

1. *Ordering Procedures and Services To Be Provided.* (September 1968.)

(a) The Contractor shall promptly deliver to the Contracting Officer one copy of each catalog applicable to this agreement, and one copy of any subsequent revision thereof.

(b) The Government will request educational services under this agreement by delivery to the Contractor of (insert type of request that will be used; e.g., delivery order, official Government order, or other written communication) containing the number of this agreement and designating as students at the Contractor's institution under this agreement one or more Government-selected persons who are acceptable for admission under the Contractor's usual standards of admission.

(c) If the Contractor wishes to reject any person for whom the Government has requested educational services under this agreement, he agrees to notify the Contracting Officer on or before the fifth day of the term for which enrollment is denied. In the absence of such notification, the Contractor agrees to enroll, and provide instruction in various fields of education using his facilities and regular courses and curricula, to all students for whom the Government requests educational services pursuant to (b) above.

(d) All students under this agreement shall register in the same manner, be subject to the same academic regulations, and have the same privileges, including the use of all facilities and equipment, as regular non-Government students (hereinafter called civilian students).

(e) Upon enrolling each student pursuant to this agreement, the Contractor shall where the resident or nonresident status involves a difference in tuition or fees:

(i) Determine the resident or nonresident status of the student and notify the student and the Contracting Officer of such determination, and if there is an appeal of such determination, process the appeal in accordance with the Contractor's standard procedures and notify the appellant of the result; and

(ii) Make the above determination a part of the student's permanent record.

(f) The Contractor shall not furnish any instruction or other services to any student pursuant to this agreement prior to the effective date of a request for such services in the form specified above.

2. *Change in Curriculum.* (September 1968.)

The Contracting Officer may vary the curriculum for any student enrolled under this agreement but shall not require or make any change in any course as offered by the Contractor without the Contractor's consent.

3. *Payment.* (September 1968.)

(a) The Government shall pay the Contractor the regularly established tuition and fees which the Contractor charges civilian students pursuing the same or similar curricula, except for any tuition and fees which this agreement specifically excludes. The Contractor shall have the right to change any tuition and fees, provided that the Contractor publishes such revisions in a catalog or otherwise publicly announces such revisions and applies them uniformly to all students pursuing the same or similar curricula as Government students enrolled under this agreement. The Contractor shall provide the Contracting Officer notice of such changes prior to their effective date.

(b) The Contractor shall not establish any tuition or fees which apply solely to Government students.

(c) If the Contractor regularly charges higher tuition and fees for students who are not residents of the state in which the Contractor is located, the Contractor may charge the Government such regularly established nonresident tuition and fees for those Government students who are in fact nonresidents. The Government shall not claim resident tuition and fees for any student solely on the basis of his residing in the state as a consequence of enrollment under this agreement.

(d) The Contractor shall charge the Government only the tuition and fees (which may include (i) penalty fees for late registration or change of course occasioned by action of the Government and (ii) mandatory health fees and health insurance charges) which relate directly to enrollment as a student and are a consequence of his being a student. The Contractor shall not charge the Government for textbooks or any personal services: such as housing, food, or laundry services, unless specifically provided for by the request placed hereunder. The Contractor shall not charge the Government for permit fees, such as vehicle registration or parking fees, unless specifically authorized in the request placed hereunder. In addition to the above, the Contractor shall not make any charge under this agreement for any equipment, refundable deposits, or any items or services (such as computer time) related to student research. However, any flat rate charge applicable to all students registered for research and which appears in the contractor's publicly announced fee schedule shall be chargeable under this agreement.

(e) Normally the Contractor shall not directly charge individual students for application fees or any other fee properly chargeable to this agreement. However, if the Contractor's standard procedures require payment of any fee before the student is enrolled under this agreement, the Contractor shall reimburse the student in full for any such fee when the Contractor receives payment therefor under this agreement.

(f) For each term in which the Contractor enrolls students under this agreement the Contractor shall submit _____ copies of an invoice listing charges for each student separately. Contractor shall submit invoices within _____ days after the start of the term it covers and shall include:

(i) Agreement and request number and inclusive dates of the term to which the invoice applies;

(ii) Name of each student;

(iii) Schools which charge by credit hour shall list each course for each student;

(iv) The resident or nonresident status of each student (if applicable to the Contractor's school);

(v) Number, date, and issuing organization of Government order authorizing enrollment of each student under this agreement;

(vi) Breakdown of charges for each student, identifying each element; e.g., Credit Hours: $ _____, Tuition: $ _____, Application Fee: $_____, Lab Fee (Chem 300): $_____, Contractor shall show the total of fees for each student and grand total for all students listed on the invoice;

(vii) The following certificate, signed by an authorized official of the Contractor:

I certify that I did on the (date) of (month), (year) review all charges listed hereon and in the applicable published tuition and fee schedule and that all charges, and credits where applicable, shown for each student are in accordance with the said tuition and fee schedule. This statement is furnished as a basis for payment of this invoice.

(g) If unforeseen events require additional charges which are otherwise payable in accordance with the Contractor's published tuition and fee schedule, the Contractor may submit a supplemental invoice or make the adjustment on the next regular invoice under this agreement. In either case the Contractor shall clearly identify and explain the supplemental invoice or the adjustment.

(h) The Contractor shall apply to subsequent invoices submitted under this agreement any credits resulting from withdrawal of students, or from any other cause in accordance with its standard procedures. Such credits should appear on the first invoice submitted after the action resulting in such credits. If no subsequent invoice is submitted, the Contractor shall deliver to the Contracting Officer a check drawn to the order of the Treasurer of the United States. Contractor shall identify the reason for the credit and the applicable term dates in all cases.

4. *Withdrawal of Students.* (September 1968.)

(a) The Government may, at its option and at any time, withdraw any student by issuing official orders terminating the student status of the person. The Government shall furnish _____ copies of such orders to the Contractor within a reasonable time after publication.

(b) The Contractor may request withdrawal by the Government of any student for academic or disciplinary reasons.

(c) If such withdrawal occurs prior to the end of a term, the Government shall pay any tuition and fees due for the current term in which the student may be enrolled, and the Contractor shall credit the Government with any charges eligible for refund under the Contractor's standard procedures

for civilian students in effect on the effective date of such withdrawal.

(d) Withdrawal of students by the Government shall not be the basis for any special charge or claim by the Contractor other than as provided by the Contractor's standard procedures.

5. *Transcripts.* Within a reasonable period of time after withdrawal of a student for any reason, or after graduation, the Contractor shall send to the Contracting Officer (or to such other address as the Contracting Officer may specify) one copy of an official transcript showing all work by the student at the Contractor's institution until such withdrawal or graduation. (September 1968.)

6. *Student Teaching.* (September 1968.)

Awarding of fellowships and assistantships by the Contractor to students attending school under this agreement is not anticipated. In the case of graduate students, however, should both the student and the Contractor deem it to be in the best interests of the student for him to assist in the teaching program of the institution, the Contractor may provide nominal compensation for such students' part-time service in accordance with the Contractor's established practices and procedures for other students of similar accomplishment in that department or field. Such compensation shall be applied as a credit against any invoices presented for payment for any period in which he performed the part-time teaching service.

7. *Termination of Agreement.* (September 1968.)

(a) Either party may terminate this agreement by giving thirty (30) days advance written notice of the effective date of termination. In the event of termination, the Government shall have the right, at its option, to continue to receive educational services for those students already enrolled in the Contractor's institution under this agreement until such time that the students complete their courses or curricula or the Government withdraws them from the Contractor's institution. The terms and conditions of this agreement in effect on the effective date of the termination shall continue to apply to such students remaining in the Contractor's institution.

(b) Withdrawal of students pursuant to Schedule Provision 4 shall not be considered a termination within the meaning of this provision.

(c) Termination by either party shall not be the basis for any special charge or claim by the Contractor other than as provided by the Contractor's standard procedures.

§ 16.501–3 General provisions.

GENERAL PROVISIONS

1. *Definitions.* Insert clause from 7–103.1, with the following additional paragraphs.

(d) The word "term" means the period of time into which the Contractor divides the academic year for purposes of instruction; this includes "semester," "trimester," "quarter," or any similar word the Contractor may use. (September 1968.)

(e) The word "course" means a series of lectures or instructions, and/or laboratory periods, relating to one specific presentation of subject matter, such as Elementary College Algebra, German 401, or Surveying. Normally, a student completes a course in one term and receives a certain number of semester hours credit (or equivalent) upon successful completion. (September 1968.)

(f) The word "curriculum" means a series of courses having a unified purpose and belonging primarily to one major academic field. It will usually include certain required courses and elective courses within established criteria. Examples include Business Administration, Civil Engineering, Fine and Applied Arts, and Physics. A curriculum normally covers more than one term and leads to a degree or diploma upon successful completion. (September 1968.)

(g) The word "catalog" means any medium by which the Contractor publicly announces terms and conditions for enrollment in the Contractor's institution, including tuition and fees to be charged. This includes "bulletin," "announcement," or any other similar word the Contractor may use. (September 1968.)

(h) The word "tuition" means the amount of money charged by an educational institution for instruction, not including fees as defined below. (September 1968.)

(i) The word "fees" means those applicable charges directly related to enrollment in the Contractor's institution. This shall not include any permit charge (e.g., parking, vehicle registration or charges for services of a personal nature (e.g., food, housing, laundry) unless specifically called for in the request placed hereunder. (September 1968.)

2. *Gratuities.* Insert clause from 7–104.16.

3. *Covenant Against Contingent Fees.* Insert clause from 7–103.20.

4. *Officials Not To Benefit.* Insert clause from 7–103.19.

5. *Approval of Contract.* Insert clause from 7–105.2 in accordance with Departmental procedures when it is desired to cover the subject matter thereof.

6. *Order of Precedence.* Insert clause from 7–104.56.

7. *Conflicts Between Agreement and Catalog.* Insert the following clause.

CONFLICTS BETWEEN AGREEMENT AND CATALOG (SEPTEMBER 1968)

To the extent of any inconsistency between the provisions of this agreement and any catalog or other document incorporated in this agreement by reference or otherwise or any of the Contractor's rules and regulations, the provisions of this agreement shall govern.

8. *Disputes.* Insert clause from 7–103.12.

9. *Convict Labor.* Insert clause from 12–203.

10. *Equal Opportunity.* In accordance with 12–802 and 12–803, insert clause from 12–802.

11. *Assignment of Claims.* Insert the following clause.

ASSIGNMENT OF CLAIMS (SEPTEMBER 1968)

No claim under this agreement shall be assigned.

12. *Examination of Records.* In accordance with the requirements of 7–104.15, insert the clause set forth therein.

13. *Alterations in Contract.* Insert clause from 7–105.1 in accordance with Departmental procedures when it is desired to cover the subject matter thereof.

§ 16.501–4 Signature page.

The signature page shall be in the following format.

Agreement No. ____

SIGNATURE PAGE

In witness whereof, the parties hereunto have executed this agreement as of the day and year first above written.

THE UNITED STATES OF AMERICA

By _____
(Contracting Officer)

Activity _____

Location _____

NAME OF CONTRACTOR

By _____

_____
(Title)

§ 16.701 Notices of termination.

There are no Department of Defense forms prescribed for use in issuing termination notices. However, § 8.801 of this chapter sets forth texts of telegraphic and letter notices of termination which may be used. Regardless of the format used in issuing termination notices, a supplementary PII number shall be employed to identify the action.

§ 16.705 Forms of settlement agreement.

Use of Standard Form 30 (Amendment of Solicitation/Modification of Contract) is prescribed in § 8.210 of this chapter for termination settlement agreements. Appropriate texts are set forth in § 8.805 of this chapter.

§ 16.826 Delay in Delivery (Flash Notice) (DD Form 375–2).

This form shall be used as directed in § 25.203 of this chapter.

PART 17—EXTRAORDINARY CONTRACTUAL ACTIONS TO FACILITATE THE NATIONAL DEFENSE

33. Section 71.208–3(c) (2) is revised to read as follows:

§ 17.208–3 Submission of cases to the Contract Adjustment Board.

* * * * *

(c) * * *

(2) In the Air Force, normally, each case shall be sent through the Deputy Chief of Staff, Systems and Logistics, Headquarters, USAF, Attn: AFSPPS, and after review there, to the Board.

* * * * *

PART 18—PROCUREMENT OF CONSTRUCTION AND CONTRACTING FOR ARCHITECT-ENGINEER SERVICES

34. Sections 18.208, 18.303–3(c), 18.306–3, and 18.704–2 (a), (f), and (h) are revised to read as follows:

§ 18.208 Cancellation of invitations for bids.

(a) Before opening, see § 2.209 of this chapter.

(b) After opening, see § 2.404–1 of this chapter and § 18.704.2.

§ 18.303–3 Cost-reimbursement type contracts.

* * * * *

(c) Limitations on fees in both of the above type contracts are set forth in § 3.405–6(c) (2) of this chapter.

§ 18.306–3 Cost-reimbursement contracts.

Negotiation of the fee of such construction contracts and architect-engineer contracts shall be in accordance with §§ 18.303–3 and 18.304–4, respectively. Statutory limitations on fees charged on construction contracts are set forth in § 3.405–6 of this chapter. In negotiating an architect-engineer contract, the contract price, which includes the fee plus the estimated total reimbursable costs to be paid to the architect-engineer shall not exceed six percent (6%) of the estimated cost of the construction project to which such services apply. If, however, the contract also

covers any type services other than the preparation of designs, plans, drawings and specifications, that part of the contract price for such other services shall not be subject to the six percent (6%) limitation.

§ 18.704–2 Wage determinations.

(a) *In general.* (1) Wage determinations reflecting the prevailing wages, including fringe benefits, for laborers and mechanics in a particular area are issued by the Secretary of Labor. Determinations are effective for 120 calendar days from the date of initial issue and are void for incorporation into contracts awarded after that period.

(2) In formally advertised procurements, whenever—

(i) It appears before bid opening that a wage determination may expire before award, or

(ii) A determination actually does expire before bid opening,

a new wage determination shall be requested. The scheduled bid opening date shall be postponed, if necessary, to allow a reasonable time to (*a*) obtain the determination, (*b*) modify the IFB to reflect the new determination and (*c*) permit bidders to amend their bids. Even if the new determination does not change the wage rates, and hence would not warrant amended bids, the solicitation must nevertheless be modified to include the number and date of the new determination.

(3) In negotiated procurement, whenever (i) it appears that a wage determination will expire before award is made or (ii) the determination actually does so expire, a new wage determination shall be requested. If the new determination makes a change in the wage rates, the wage rate information specified in the new determination shall be furnished to all prospective offerors to whom a solicitation has been sent if the closing date for receipt of proposals has not yet occured, or to all prospective offerors who have submitted proposals if the closing date is past. All prospective offerors to whom such information has been furnished shall be given a reasonable opportunity to amend their proposals. The contracting officer need not delay opening and reviewing proposals or discussing them with the respective offerors while a new determination is being sought and offerors are preparing amended proposals. Offerors should be requested to extend the period for acceptance of any proposal if that period expires or may expire while the contracting officer is waiting for a new wage determination.

(4) When a new determination has been requested and received before award, but an award is made before the expiration date of the original determination, the new determination must be treated as a superseding decision in accordance with paragraph (g) of this section, except that the expiration of the new determination shall be controlled by the date thereon and not by the date on the determination which it replaces.

(5) After bids have been opened in formally advertised procurement, if (i) it becomes apparent that the wage determination will expire before award or (ii) in fact the wage determination does expire before award, the Secretary, or his designee at a level no lower than the head of a procuring activity, may, upon finding that an extension is in the public interest to prevent injustice, undue hardship, or serious impairment of the conduct of Government business, submit a written request to the Solicitor of Labor for an extension of the expiration date. If an extension is not requested, or if it is requested and denied, a new determination shall be requested. If the new determination changes the wage rates, the IFB shall be cancelled and the procurement readvertised using the new wage rates.

* * * * *

(f) *Rates to be included in solicitations.* In solicitations for work in an area covered by either a general wage determination, or an area or installation determination, there shall be included only the rate schedule or individual rates applicable to the particular type of construction involved. In cases requiring the utilization of more than one schedule, the type of work to which each schedule is applicable shall be defined. If all or a part of a schedule is excluded pursuant to this subparagraph, the following explanatory note shall be included in the solicitation.

Explanatory note: In addition to the wage rates set forth in this invitation for bid (request for proposal), the complete decision of the Secretary of Labor contains wage rates for other classes of laborers and mechanics. Because it does not appear that the work called for by this invitation for bid (request for proposal) will require the use of such other classes, the wage rates applicable to them have not been reprinted herein. However, in the event any such classes of laborers or mechanics actually are employed to perform work under the contract resulting from this invitation for bid (request for proposal), payment will be required as specified in the clause entitled "Davis-Bacon Act" at wage rates contained in the complete decision of the Secretary of Labor. Bidders (Proposers) desiring the complete decision may request it from the Contracting Officer. (October 1966.)

* * * * *

(h) *Contracts awarded without required wage rates.* If a contract is inadvertently awarded without the required wage determination or modification thereto, and such determination either was not issued by the Solicitor of Labor or has expired or been rescinded, then the contracting officer shall submit through channels a request to the Solicitor of Labor for an advisory opinion setting forth the wage rates as of the date of award. Upon receipt of the opinion, the contracting officer shall issue a change order replacing or adding the appropriate material, effective retroactively to the date of award.

* * * * *

PART 22—SERVICE CONTRACTS

35. Sections 22.102, 22.102–1, and 22.104 are revised, and a new Subpart I is added, as follows:

§ 22.102 "Personal Services" and "Nonpersonal Services."

§ 22.102–1 Policy.

(a) The Civil Service laws and regulations and the Classification Act lay down requirements which must be met by the Government in hiring its employees, and establish the incidents of employment. In addition, personnel ceilings have been established for the Department of Defense. Except as otherwise authorized by express statutory authority (e.g., 5 U.S.C. 3109 as implemented by the annual Department of Defense Appropriation Act—expert and consultant services (see Subpart B of this part)), these laws and regulations shall not be circumvented through the medium of "personal services" contracting, which is the procuring of services by contract in such a manner that the contractor or his employees are in effect employees of the Government. The contracting officer is responsible for assuring the implementation of this policy by considering the criteria in § 22.102–2 before entering into any service contract, and by obtaining a legal opinion in any doubtful case and in any case where express statutory authority for a personal service contract is to be invoked.

(b) Nonpersonal Services: On the other hand, contracts for nonpersonal services, properly issued and administered, represent an approved resource for Department of Defense agencies in the accomplishment of their programs.

§ 22.104 Conflict of interest in service contracting.

In procuring services by contract, the applicable provisions with respect to conflicts of interest shall be observed (see § 1.113 and Part 141 of this chapter) and when required by those provisions, an appropriate conflict of interest clause shall be incorporated into the contract.

Subpart I—Educational Service Agreements

Sec.

22.900 Scope of Subpart.
22.901 Definition of educational service agreement.
22.902 Method of procurement.
22.903 Duration.

AUTHORITY: The provisions of this Subpart I issued under sec. 2202, 70A Stat. 120; 10 U.S.C. 2202. Interpret or apply secs. 2301–2314, 70A Stat. 127–133; 10 U.S.C. 2301–2314.

§ 22.900 Scope of subpart.

This subpart prescribes procurement procedures for agreements with established schools, colleges, or universities, or other educational institutions for educational services using the institution's facilities, standard courses, and prevailing tuition and fees applicable to the general public. As used in this Subpart, "facilities" does not include the institution's dining rooms or dormitories. Also, as used in this subpart, "fees" does not include charges for meals or lodging. Tuition assistance agreements; i.e., payment by the Government of partial tuition under the off-duty educational program, are not included under this subpart. No agreement

shall be made under this subpart which will provide for, or result in, payment of Government funds for tuition or other expenses in connection with either (a) the instruction or training of file clerks, stenographers, and typists (present or prospective) who receive (or will receive) compensation at a rate below the minimum rate of pay for positions allocated to grade GS–5 under the Classification Act of 1959, as amended; or (b) training in any legal profession. The format and clauses for educational service agreements are set forth in § 16.501 of this chapter.

§ 22.901 Definition of educational service agreement.

An educational service agreement is one which calls for educational services to be provided under the following conditions:

(a) The Government pays all normal tuition and fees for educational services provided to a student by the contractor under its regularly established schedule of tuition and fees applicable to all students generally; and

(b) Enrollment is at the contractor's institution under his regular rules and in courses and curricula which the institution offers to all students meeting the contractor's admission requirements, with no special courses or special fees applicable to Government students.

§ 22.902 Method of procurement.

(a) An educational service agreement is not a contract, but is a continuing offer which may be accepted by the Government by the placing of requests for services. Each request for services results in a separate contract.

(b) The terms of the educational service agreement provide that requests for services are negotiated under the authority of 10 U.S.C. 2304(a) (5) when the contractor is in the United States, its possessions, or Puerto Rico, or (6) if elsewhere.

§ 22.903 Duration.

Educational service agreements shall be for an indefinite duration and shall remain in effect until terminated. However, the issuing activity shall establish procedures to review each educational service agreement at least once each year (with due regard to the institution's academic calendar and at least 30 days before the beginning of a term) for the purpose of incorporating changes to reflect requirements of any Statute, Executive Order, or this subchapter. If the parties do not agree on such required changes, the contracting officer shall terminate the agreement in accordance with its terms.

PART 23—SUBCONTRACTING POLICIES AND PROCEDURES

36. The introductory text of § 23.201–1(a) is revised to read as follows:

§ 23.201–1 Clause entitled "Subcontracts" for fixed-price contracts.

(a) In fixed-price contracts (other than firm fixed-price, fixed-price with escalation or fixed-price incentive if the incentive feature is based solely on cost) having an estimated contract price of $1 million or more and letter contracts which contemplate such fixed-price contracts, the clause set forth below is required, if:

* * * * *

PART 25—PRODUCTION MANAGEMENT

37. A new Part 25 is added to this subchapter, to read as follows:

Sec.
25.000 Scope of part.
25.001 Applicability.
25.002 General policies.

Subpart A—Production Surveillance

25.101 Definitions.
25.101–1 Production surveillance.
25.101–2 Surveillance criticality.
25.101–3 Delinquency.
25.102 General.
25.103 Assignment of surveillance criticality designator by purchasing office.
25.104 Production surveillance by the contract administration office.
25.104–1 General.
25.104–2 Factors affecting production surveillance.
25.104–3 Assignment of production surveillance categories.
25.104–4 Initial contract review.
25.105 Production surveillance techniques.

Subpart B—Production Reporting

25.201 General.
25.202 Recurring production progress reports by contractors.
25.203 Delinquency reports initiated by contract administration offices.
25.204 Special production progress reports.

AUTHORITY: The provisions of this Part 25 issued under sec. 2202, 70A Stat. 120; 10 U.S.C. 2202. Interpret or apply secs. 2301–2314, 70A Stat. 127–133; 10 U.S.C. 2301–2314.

§ 25.000 Scope of part.

This part establishes the policies and procedures for production surveillance, production progress reporting and other related areas of production management.

§ 25.001 Applicability.

This part applies to contracts for supplies and services, including research and development and overhaul and repair contracts. Facilities contracts (Subpart G, Part 7 of this chapter) and construction contracts (Part 18 of this chapter) are excluded from this part.

§ 25.002 General policies.

It is the policy of the Department of Defense that the Government perform only those production management functions necessary to provide the production or performance progress information required to protect the interests of the Government and fulfill the Government's contract obligations.

Subpart A—Production Surveillance

§ 25.101 Definitions.

§ 25.101–1 Production surveillance.

Production surveillance refers to that part of Government contract administration directed toward (a) determining the degree of progress made by a contractor in meeting his contract delivery or performance schedule, and (b) identifying factors which may delay delivery or performance. It includes, among other things, the review and analysis by the Government of a contractor's performance plans, schedules, controls and industrial processes.

§ 25.101–2 Surveillance criticality.

Surveillance criticality refers to the degree of importance to the Government of maintaining production surveillance over particular contracts.

§ 25.101–3 Delinquency.

Delinquency includes (a) actual failure by the contractor—that is, his failure, regardless of reason, to meet the contract delivery or performance schedule; and (b) potential failure by the contractor—that is, his failure, regardless of reason, to maintain such progress in contract performance as is required to meet his contract delivery or performance schedule.

§ 25.102 General.

Timely delivery or performance ordinarily requires realistic and adequate planning and action on the part of the purchasing office, the contractor and the contract administration office. The purchasing office must determine the surveillance criticality of the contract. The contractor must translate contract requirements into orderly performance steps (e.g., consecutive task of research, development or engineering, purchase of materials, fabrication of components, manufacture and assembly of end items, packaging and shipping). The contract administration office, on the other hand, must analyze and evaluate the contractor's plans and, in accordance with the designated surveillance criticality of the contract, determine the nature and extent of production surveillance required to provide performance progress information and assure timely progress or prevent or overcome any delinquency.

§ 25.103 Assignment of surveillance criticality designator by purchasing office.

Purchasing offices shall assign Surveillance Criticality Designator A, B, or C to each contract in accordance wth the criteria given below and shall include such designator on each contract in the space for designating the contract administration office. The assigned designator may thereafter be changed only by the purchasing office. The lowest designator consistent with the Government requirements shall be assigned. This will permit the contract administration office to apply its resources most effectively toward meeting the Government's priorities.

Surveillance criticality designator	*Criteria*
A	DX-rated contracts; contracts under a Department of Defense or service-directed critical program; Public Exigency (§ 3.202 of this chapter) contracts; contracts awarded notwithstanding a negative pre-award survey recommendation; contracts requiring contractor production progress reports pursuant to § 25.202.
B	The following if not Designator A contracts: contracts over $2,500; contracts for items or with contractors with a history of procurement difficulties; contracts for items required to maintain a Government or contractor production or repair line.
C	All contracts under $2,500, other than Designator A and B contracts.

§ 25.104 Production surveillance by the contract administration office.

§ 25.104–1 General.

The contract administration office, at a minimum shall provide the level of production surveillance appropriate to the surveillance criticality designator of the contract. If it considers this excessive, it should suggest to the purchasing office that the designator be lowered. However, if it deems the designator too low, the contract administration office on its own initiative shall provide the higher level of production surveillance it considers appropriate. As programs, needs and conditions change, production surveillance requirements may also change. In any case, it is the continuing responsibility of the contract administration office to assure that production surveillance is maintained at least at the minimum level consistent with the surveillance criticality designator and the criticality information provided by the purchasing office. In performing this function, the contract administration office should take care to avoid any action (e.g., directing expedited performance) which may be inconsistent with contract requirements and result in claims of waivers, change or other contract modification. After delinquency has occurred and before the purchasing contracting officer has determined the action to be taken it is particularly important that surveillance be limited to fact finding to avoid waiver of the contract delivery and performance schedules.

§ 25.104–2 Factors affecting production surveillance.

In determining the degree of surveillance to be applied in accordance with the surveillance criticality designator of a contract, the contract administration office shall be guided by factors such as the following:

(a) Contract provisions for production progress and performance reporting;

(b) The contract performance schedule;

(c) The contractor's production plan;

(d) The contractor's history of contract performance;

(e) The contractor's experience with the contract item; and

(f) The contractor's financial ability.

§ 25.104–3 Assignment of production surveillance categories.

(a) The contract administration office shall assign contracts to production surveillance categories as follows:

(1) *Surveillance Category 1.* This calls for surveillance at a technical level sufficient to provide continuous knowledge of problems which may cause delinquencies. The following contracts shall be assigned to this category:

(i) Designator A contracts; and

(ii) Generally, Designator B contracts with contractors with a history of poor performance.

(2) *Surveillance Category 2.* This calls for verification and inquiry by technical or clerical personnel, at least monthly and of a kind sufficient to detect delinquency in advance of scheduled delivery or completion dates. The following contracts shall be assigned to this category:

(i) Contracts for items required to maintain a Government or contractor production or repair line.

(ii) Contracts providing for advance or progress payments or liquidated damages;

(iii) Contracts for items with a history of procurement difficulties; and

(iv) Any contracts, not assigned Category 1, with contractors with a poor performance record.

(3) *Surveillance Category 3.* This calls for verification and inquiry as necessary to detect delinquencies but in no event less than once in advance of the scheduled delivery or completion date. Designator B contracts, not assigned Category 1 or 2, shall be placed in this category. This category may also be used for noncritical items procured from reliable sources, where no difficulties are anticipated.

(4) *Surveillance Category 4.* This calls for verification and inquiry, limited to fact finding, at a technical or clerical level after a failure to meet the contract, delivery or performance schedule has occurred. This category shall normally be assigned to Designator C contracts not assigned to Category 1, 2, or 3.

(b) Contracts shall normally be given the surveillance called for by their assigned category. However, regardless of their assigned category, contracts reported by DD Form 375 as delinquent or anticipated to become delinquent, shall be given the surveillance called for by Category 1 until the delinquency or expectation thereof is eliminated.

§ 25.104–4 Initial contract review.

If Category 1, 2, or 3 is assigned to a contract, the contract administration service office shall:

(a) Review the contract in conjunction with any pre-award survey (§ 1.900 of this chapter) to ascertain what contract performance difficulties may be expected;

(b) Determine the extent of post-award orientation required in the production area (see subpart R, Part 1 of this chapter);

(c) Record the surveillance category; and

(d) Determine any special procedures to be followed.

§ 25.105 Production surveillance techniques.

The contract administration office may, in conducting its surveillance program, employ any of the commonly known production surveillance techniques (e.g., Program Evaluation Review Technique (PERT), Line of Balance (LOB)), although maximum use shall be made of any reliable production control system established by the contractor. However, notwithstanding any contractor system, the contract administration office has full responsibility for maintaining the level of surveillance established under § 25.104.

Subpart B—Production Reporting

§ 25.201 General.

The purpose of production reporting is to provide the Government with information on the status of contract performance or deliveries.

§ 25.202 Recurring production progress reports by contractors.

(a) Only the Office of the Secretary of Defense, or the head of a procuring activity or his designee, may require recurring production progress reports by the contractor. Such requirement shall be set forth on DD Form 1423 (Contract Data Requirements Lists) in accordance with § 16.815 of this chapter. In such cases, the following clause shall be included in the contract.

PRODUCTION PROGRESS REPORTS
(SEPTEMBER 1968)

(a) In accordance with instructions thereon, the Contractor shall prepare DD Form 375 (Production Progress Report), and DD Form 375c as required, for the following contract items.

(b) The Forms shall be submitted on a ---------- basis within two workdays after each reporting period, beginning ----------. In addition, the Contractor shall promptly submit a DD Form 375 reporting any delay in the scheduled delivery or completion as soon as known or anticipated. The Forms shall be distributed as follows:

Name	*Mailing address*	*Quantity*
Contract administration office		3 cys.
Purchasing office		1 cy.
Status control activity or inventory control manager.		1 cy.

(c) During any delay in reporting by the Contractor, the Contracting Officer may withhold from payment $50,000 or 5 percent of the amount of this contract, whichever is less.

The contract items, frequency of reports (which normally should be monthly), beginning date and addressees shall be inserted by the procuring contracting officer. This clause may be appropriately modified to authorize use of any form, other than DD Form 375, approved by

the Bureau of the Budget under the Federal Reports Act of 1942 (P.L. 77–831), or to authorize electrical transmission of report content.

(b) The contract administration office shall take appropriate action to enforce contract production reporting requirements. The accuracy of contractor-prepared reports shall be verified by either (1) a program of continuous surveillance over the contractor's system for preparation of the reports, or (2) by individual review of each report.

(c) If the contractor's report indicated that the contract schedule will be met, and the contract administration office concurs, no further report by the contract administration office is required. If, on the other hand, either (1) the contractor forecasts a delivery or performance failure or (2) the contract administration office does not concur in the contractor's no-failure report, and in either case (i) the delay is expected to be for more than 30 days, or (ii) purchasing office action, in any case, is deemed necessary, the contract administration office shall complete DD Form 375c, Production Progress Report (Continuation) and shall forward a copy to the purchasing office and to the status control activity, or inventory control manager, within four working days after receipt of the DD Form 375.

(d) The DD Form 375c shall include:

(1) Problem—a statement of the difficulty, the reasons therefor, and whether caused by the Government or the contractor;

(2) Items and Quantities Affected;

(3) Duration—the date of commencement and duration of the actual or anticipated delinquency;

(4) Action Taken—by the contractor and by the Government to overcome the anticipated or actual delinquency;

(5) Estimated Recovery Date—based upon verification and evaluation of the factors contributing to the delinquency; and

(6) Action Required—a positive recommendation to the purchasing office of the action necessary to correct the delinquency, including any realistic schedule revision which can be met by the contractor and the extent to which the contractor may have excusable cause of delay. Where other actions are indicated, such as those leading to default termination, the contract administration office shall indicate specific dates by which Government action should be taken to preserve the Government rights .

§ 25.203 Delinquency reports initiated by contract administration offices.

(a) Whenever a delinquency or default occurs under any contract not requiring a Recurring Production Progress report by the contractor, the contract administration office shall report this condition to the purchasing office and to the status control activity or inventory control manager. The following reports, or electrical transmission of report content, are authorized for use:

(1) DD Form 375–2, Delay in Delivery (Flash Notice), in accordance with (b);

(2) DD Form 375, Production Progress Report, in accordance with (c);

(3) Reports other than the above may be used for special requirements (see § 25.204), if approved under reports control symbol procedures by the headquarters of the military departments concerned.

(b) The DD Form 375–2, Delay in Delivery (Flash Notice), shall be used immediately upon detection of any delinquency, unless previously reported by a Contractor Recurring Production Progress report or other report. This Form shall be transmitted to the PCO (and to the ACO if originated by his representative). If the delinquency is detected during a plant visit, the DD Form 375–2 shall be submitted immediately upon conclusion of the plant visit. It shall not be delayed for verification of content, authentication by the contract administration office or any other reason.

(c) In addition to the DD Form 375–2, contract administration offices shall submit a DD Form 375 to report any delinquency, except when the delinquency is expected to be less than 30 days and no purchasing office action is deemed necessary. The contract administration office will furnish followup reports on any change in delinquency status until corrected.

§ 25.204 Special production progress reports.

When the purchasing office requires a report or information not covered by § 25.202 or § 25.203 (e.g., advice of shipment or delay in delivery), it shall request the contract administration office to supply the information, specifying the contract number, contractor and location. Requests shall be kept to a minimum. The contract administration office shall furnish the information from its files or, if necessary, by making special surveillance inquiries or visits.

PART 30—APPENDIXES TO ARMED SERVICES PROCUREMENT REGULATIONS

38. Section 30.8 is revised to read as follows:

§ 30.8 Appendix I—Material Inspection and Receiving Report (DD Forms 250, 250c, and 250–1).

PART I—INTRODUCTION

I–101 *General.*

(a) This appendix sets forth procedures and instructions for the use, preparation, and distribution of the Material Inspection and Receiving Report (MIRR) (DD Forms 250 Series) and suppliers commercial shipping/packing lists used to evidence Government Procurement Quality Assurance (PQA).

(b) MIRRs are used to document Procurement Quality Assurance, Acceptance of supplies and services, and shipments; they are used by receiving, status control, technical, contracting, inventory control, requisitioning, and paying activities. MIRRs shall not be used for:

(i) Shipments by subcontractors where direct shipment is not made to the Government; or

(ii) Shipment of contract inventory.

(c) The contractor shall prepare the MIRR with the exception of those entries required to be completed by the authorized Government representative.

(d) To preclude delays in shipments, payments, and avoid multiple corrections, contractors are encouraged to consult with the cognizant Government representative regarding implementation of this appendix.

(e) Standard abbreviations may be used.

(f) Where optional methods are permitted in this appendix, the exercise of the option shall be at the discretion of the contractor.

I–102 *Applicability.*

(a) The provisions of this appendix are applicable to supplies or services procured by the Department of Defense (DoD) when the Material Inspection and Receiving Report clause (see 7–104.62) is included in the contract.

(b) When the Department of Defense provides PQA and/or Acceptance services for non-DoD activities, the MIRR shall be prepared in accordance with the instructions of this appendix unless otherwise specified in the contract.

I–103 *Use.*

(a) The DD Form 250 is a multipurpose report used for:

(i) PQA—to provide evidence of PQA at origin or destination;

(ii) Acceptance—to provide evidence of acceptance at origin or destination;

(iii) Packing List;

(iv) Receiving;

(v) Shipping;

(vi) Contractor Invoice;

(vii) Contractor Commercial Invoice Support; and

(viii) Contractor Internal Use.

(b) The DD Form 250–1 is used when bulk movements of petroleum products are made by tanker or barge to cover:

(i) Origin acceptance of cargo;

(ii) Shipment of Government-owned product;

NOTE: This Form may also be used to transmit quality data to the point of acceptance in the case of origin inspection on FOB destination deliveries or pre-inspection at product source. When so used, it shall be annotated "inspected for quality only."

(iii) Destination acceptance of cargo;

(iv) Receipt of Government-owned product.

I–104 *Application.*

(a) *DD Form 250:*

(1) The DD Form 250 shall be used for delivery of contract line, subline, exhibit line or exhibit subline items except for data items specified on the Contract Data Requirements List (DD Form 1423) as not requiring a DD Form 250.

(2) If the "Shipped To," "Marked For," "Shipped From," "Mode of Shipment," "PQA" and "Acceptance" data are the same for more than one shipment made on the same day under the same contract, one MIRR may be prepared to cover all such shipments.

(3) If the volume of the shipment precludes the use of a single car, truck or other vehicle, a separate MIRR shall be provided for the contents of each vehicle.

(4) When a shipment is consigned to an Air Force activity and the shipment includes items of more than one Federal Supply Class or Materiel Management Code (MMC), a separate DD Form 250 shall be prepared for items of each of the Federal Supply Classes or MMC included in the shipment. However, the cognizant Government representative may authorize a single DD Form 250 listing each of the Federal Supply Classes or MMC included in the shipment on a separate continuation sheet. The MMC appears as a suffix to the Federal Stock Number (FSN) applicable to the item.

(5) Consolidation of Petroleum Shipments on a single MIRR—

(i) *Continental United States:* Multiple car or truck load shipments of petroleum made on the same day, to the same destination, against the same contract line item, may be consolidated on one MIRR. To permit verification of motor deliveries, each load shall be assigned a load number which can be identified to the shipment number in Block 2 of the DD Form 250. Individual loads shall be accompanied by a shipping document (commercial or Government) showing as a minimum, the shipper, shipping point, consignee, contract and line item number, product identification, gross gallons (bulk only), loading temperature (bulk only), API gravity (bulk only), identification of carrier's equipment, serial number of all seals applied, and signature of supplier's representative. When acceptance is at destination, the receiving activity shall retain the shipping document(s) to verify the entries on the consignee copy of the DD Form 250 forwarded by the contractor (ref: I–401, Table I) prior to signing Block 21B.

(ii) *Overseas:* The same criteria as for continental United States applies except the consolidation period may be extended to a time frame acceptable to the receiving activity, shipping activity, Government finance office and the authorized Government Representative having cognizance at the contractor's facility. In addition, more than one contract line item may be included provided the "Shipped To," "Marked For," "Shipped From," "Mode of Shipment," "PQA" and "Acceptance" data are the same for all.

(b) *DD Form 250–1:*

(1) A separate form shall be used for each tanker or barge cargo loaded. More than one barge in the same tow may be reported on a single form if on the same contract and consigned to the same destination. When liftings involve more than one contract, separate forms shall be prepared to cover the portion of cargo loaded on each contract. A separate form shall be prepared for each product or grade of product loaded.

(2) A separate document shall be used for each tanker or barge cargo and each grade of product discharged. More than one barge in the same tow may be reported on a single form if from the same loading source.

I–105 *Forms.*

(a) Contractors may obtain from the Contract Administration Office, upon request, and at no cost, MIRR forms required for use in connection with Government contracts.

(b) Contractors may print forms provided that the format and dimensions (DD Forms 250 and 250c—8½" x 11", DD Forms 250–1—8½" x 14") are identical to the MIRR forms printed by the Government and that the forms are cast to provide for 78 characters per printed image horizontally and 62 lines vertically border to border for the DD Form 250, and 61 lines vertically border to border for the DD Form 250c.

I–106 *Reproduction.* This appendix may be reproduced in whole or in part.

PART 2—PQA ON SHIPMENTS BETWEEN CONTRACTORS

I–201 *Instructions.* The suppliers' commercial shipping document/packing list shall be used to indicate performance of required PQA actions at origin on shipments between the prime contractor and his subcontractors/suppliers or between subcontractors/suppliers on the same prime contract if direct shipment is not made to the Government. The following entries shall be made on the appropriate supplier's commercial shipping document/packing list (see Block 21A instructions):

PQA of listed items has been made by me or under my supervision and they conform to contract except as noted herein or on supporting documents.

(Date)

(Signature of authorized Government representative)

(Typed name and office)

Distribution for Government purposes shall be one copy:

(i) With shipment;

(ii) For the Government representative at consignee (via mail); and

(iii) For the Government representative at consignor.

PART 3—PREPARATION OF THE DD FORM 250 AND DD FORM 250c

I–301 *Preparation Instructions.* DD Form 250 (MIRR) and DD Form 250c (Continuation Sheet) shall be prepared as follows:

(a) *General:*

(i) The date, where required, shall utilize seven spaces consisting of the last two digits of the year, three alphabetic month abbreviation, and two digits for the day. For example, 67AUG07, 67SEP24;

(ii) The address, where required, shall consist of the name, street address/P.O. Box, city, state and ZIP Code;

(iii) The Defense Organizational Entity System (DOES) code or equivalent Department of Defense Activity Address Directory (DoDAAD) code, when contained in the contract, shall be entered to the right of and on the same line as the word "CODE" in Blocks 9 through 14;

(iv) When the DD Form 250c is used, the data entered in the blocks at the top of the form shall be identical to the comparable entries as shown in Blocks 1, 2, 3, and 6 of the DD Form 250;

(v) Overflow data of the DD Form 250 shall be entered in Block 16 or in the body of the DD Form 250c with appropriate block across reference. Additional DD Form 250c sheets, solely for continuation of Block 23 data shall not be numbered or distributed as part of the MIRR.

(b) *Classified Information.* Classified information shall not be included in or appear on the MIRR, nor shall the MIRR be classified.

Block 1—*Procurement Instrument Identification (Contract).*

(a) Enter the 13 position alpha-numeric basic Procurement Instrument Identification (PII) number of the contract. When applicable, enter the four alpha-numeric call/order serial number which is supplementary to the 13 position basic PII number; i.e., delivery orders under indefinite delivery type contracts, orders under basic ordering agreements and calls under blanket purchase agreements. This number shall be entered as shown in the examples below. Do not enter supplementary numbers used in conjunction with basic PII numbers to identify modifications of contracts and agreements or modifications to calls/orders or document numbers representing contracts written between contractors.

1. PROC INSTRUMENT IDEN (CONTRACT) (ORDER) NO. DABE01–66–C–0001

1. PROC INSTRUMENT IDEN (CONTRACT) (ORDER) NO. DABE01–67–A–0001–0001

(b) For DoD delivery orders on non-DoD contracts, enter the non-DoD contract number immediately below the PII number.

1. PROC INSTRUMENT IDEN (CONTRACT) (ORDER) NO. DSA400–68–F–1684 GS–000S–61917

(c) When a contract number other than PII number is used, enter that contract number.

Block 2—*Shipment Number.*

(a) The shipment number is composed of a three alpha character prefix and a four numeric or alpha-numeric serial number.

(1) The shipment number prefix shall be controlled and assigned by the prime contractor and shall consist of three alphabetic characters for each "Shipped From" address (Block 11). The shipment number prefix shall be different for each "Shipped From" address and shall remain constant throughout the life of the contract. Separate prefixes may be assigned when shipments are made from different locations within a facility identified by one "Shipped From" address.

(2) The first shipment made under the contract or contract and order number shown in Block 1 from each "Shipped From" address, or shipping location within the "Shipped From" address, shall be numbered 0001. All subsequent shipments with the identical shipment number prefix shall be consecutively numbered.

a. Alpha-numeric serial numbers shall be used when more than 9,999 numbers are required. Alpha-numeric numbers shall be serially assigned with the alpha in the first position (the letters I and O shall not be used) followed by the three position numeric serial number. The following alpha-numeric sequence shall be used:

A000 through A999 (10,000 through 10,999);
B000 through B999 (11,000 through 11,999);
Z000 through Z999 (34,000 through 34,999).

b. When this series is completely used, numbering shall revert to 0001.

(b) The shipment number of the initial shipment shall be reassigned where a "Replacement Shipment" is involved (Block 16(b)(16)).

(c) The prime contractor shall control deliveries and on the final shipment of the contract shall suffix the shipment number with a "Z." Where the final shipment is from other than the prime contractor's plant, the prime contractor may elect either to: (i) Direct the subcontractor making the final shipment to suffix that shipment number with a "Z," or (ii) upon determination that all subcontractors have completed their shipments, to correct the DD Form 250 (see I–305) covering the final shipment made from the prime contractor's plant by addition of a "Z" to that shipment number.

Block 3—*Date Shipped.* Enter the date the shipment is released to the carrier. If the shipment will be released after the date of PQA and/or Acceptance, enter the estimated date of release. When the date is estimated, enter an "E" after the date. Distribution of the MIRR shall not be delayed for entry of the actual shipping date. Reissuance of the MIRR is not required to show the actual shipping date.

Block 4—*B/L TCN.* When applicable enter:

(a) The commercial or Government bill of lading number after "B/L";

(b) The Transportation Control Number after "TCN"; and

(c) The initial (line haul) mode of shipment code in the lower right corner of the block (I–302).

Block 5—*Discount Terms.* The discount, in terms of percentages and corresponding days allowed, shall be entered as described below:

(a) The contractor may, at his option, enter the discount terms on all copies of the MIRR.

(b) When the MIRR is used as an invoice, see I–306.

Block 6—*Invoice Number/Date.* Enter the invoice number and date as described below:

(a) The contractor may enter the invoice number and actual or estimated date of invoice submission on all copies of the MIRR. When the date is estimated, enter an "E" after the date. MIRRs other than invoice copies shall not be corrected to reflect the actual date of invoice submission.

(b) When the MIRR is used as an invoice, see I–306.

Block 7—*Page/of.* Consecutively number the pages comprising the MIRR. On each page enter the total number of pages of the MIRR.

Block 8—*Acceptance Point.* Enter an "S" for Origin or "D" for Destination as specified in the contract as the point of acceptance. Enter an "X" when shipment is authorized under Fast Pay or Certificate of Conformance procedures.

Block 9—*Prime Contractor/Code.* Enter the code and address.

Block 10—*Administered by/Code.* Enter the code and address of the Contract Administration Office (CAO) cited in the contract.

Block 11—*Shipped from/code/FOB.*

(a) Enter the code and address of the "Shipped From" location. If identical to Block 9, enter "See Block 9."

(b) Enter on the same line and to the right of "FOB" an "S" for Origin or "D" for Destination as specified in the contract. Enter an alphabetic "O" if the "FOB" point cited in the contract is other than origin or destination.

Block 12—*Payment will be made by/code.* Enter the code and address of the payment office cited in the contract.

Block 13—*Shipped to/code.* Enter the code and address as contained in the contractor shipping instructions.

Block 14—*Marked for/code.* Enter the "Mark For" code and address and/or other designation as contained in the contract or shipping instructions.

Block 15—*Item number.* Enter the contract line item, subline line, exhibit line or exhibit subline identification as set forth in the contract. If four or less digits are used, they will be positioned immediately to the left of the vertical dashed line and prefixed with zeros, if applicable to achieve four digits. Where a six digit identification is used, enter the last two digits to the right of the vertical dashed line. Line item identifications not in accordance with the "Uniform Contract Line Item Number System, ASPR Section XX," will be entered without regard to positioning.

Block 16—*Stock/Part Number/Description.*

(a) Enter, as applicable, for each line item, using single spacing between each line item:

(1) The Federal Stock Number (FSN) or noncatalog number and, if applicable, prefix or suffix; when a number is not provided or it is necessary to supplement the number, include other identification, e.g., manufacturer's name or Federal Supply Code, as published in Cataloging Handbook H4–1, and part number; additional part numbers may be shown in parentheses or slashes; the descriptive noun of the item nomenclature and if provided, the Government assigned management/material control code.

The following technique may be used in the case of equal kind supply items; the first entry shall be the description without regard to kind. For example, "Shoe-Low Quarter-Black," "Resistor," "Vacuum Tube," etc. Below this description, enter the contract line item number in Block 15 and Stock/Part number followed by the size or type in block 16.

(2) On the next printing line; the make, model, serial number, lot, batch, hazard indicator and/or similar description.

(3) On the next printing line; the MIL STRIP requisition number(s) when provided in the contract or shipping instructions.

(b) In addition to entries required above, starting with the next line, enter the following as appropriate (entries may be extended through Block 20). Where entries are applicable to more than one line item in the MIRR, such data may be entered only once after the last line item entry referencing applicable line item numbers.

(1) Enter in capital letters any special handling instructions/limits for material environmental control, e.g., temperature, humidity, aging, freezing, shock, etc.

(2) When a shipment is chargeable to Navy appropriation 17X4911, enter the appropriation, Bureau Control Number (BCN), and Authorization Accounting Activity (AAA) Number (e.g., 17X4911–14003–104).

(3) When the Navy transaction type code (TC), "2T" or "7T" is included in the appropriation data, enter "TC 2T" or "TC 7T".

(4) When an FSN is required by but not cited in a contract and has not been furnished by the Government, shipment may be made without such FSN at the direction of the contracting officer. Enter the authority for such shipment.

(5) When Government furnished property (GFP) is included with or incorporated into the line item, enter the letters "GFP".

(6) When shipment consists of replacements for supplies previously furnished, enter in capital letters "REPLACEMENT SHIPMENT." (See I–301, Block 17 for replacement indicators.)

(7) On shipments of Government Furnished Aeronautical Equipment (GFAE) under Air Force contracts, the assigned AERNO control number will be entered, e.g., "AERNO 60–6354."

(8) For items shipped with missing components, enter and complete the following: "Item(s) shipped short of the following component(s): FSN or comparable Identification _____, Quantity _____, Estimated Value _____, Authority _____."

(9) When shipment is made of components which were short on a prior shipment, enter and complete the following: "These components were listed as shortages on shipment number _____, date shipped _____."

(10) When shipments involve drums, cylinders, reels, containers, skids, etc., designated as returnable under contract provisions, enter and complete the following: "Return to _____, Quantity _____, Item _____, Ownership (Government/contractor)."

(11) Enter the total number of shipping containers, the type of containers, and the container number(s) assigned for the shipment.

(12) On Foreign Military Sales (FMS) or Military Assistance Program (MAP) (Grant Aid) shipments, enter the special markings, the applicable FMS country and case identifier or MAP Record Control/Program/Directive Number identifier as provided in the contract, and the gross weight.

(13) For NASA contracts administered by the DoD, the MIRR shall be used to record and report the waivers and deviations from contract technical specifications, including the source and authority for the waiver or deviation. For example, the procuring installation authorizing the waiver or deviation and the identification of the authorizing document.

(14) For shipments involving discount terms, enter "DISCOUNT EXPEDITE" in at least 1-inch outline type style letters.

(15) When test/evaluation results are a condition of acceptance and are not available prior to shipment, the following note shall be entered if the shipment is approved by the ACO/PCO: "Note: Acceptance and payment are contingent upon receipt of approved test/evaluation results." The ACO/PCO shall advise (a) the consignee of the results (approval/disapproval) and (b) the contractor to withhold invoicing pending attachment to his invoice of the approved test/evaluation results.

(16) The copy of the DD Form 250 required to support payment for destination acceptance (top copy of the four with shipment) or ARP origin acceptance (additional copy furnished to the QAR) shall be identified as follows: enter "PAYMENT COPY" in approximately one-half inch outline type style letters with "FORWARD TO BLOCK 12 ADDRESS" in approximately ¼-inch letters immediately below. Do not obliterate any other entries.

(17) For Clothing and Textile contracts containing a bailment clause, enter the words "GFP UNIT VALUE."

Block 17—*Quantity Shipped/Received.*

(a) Enter the quantity shipped, using the unit of measure indicated in the contract. When a second unit of measure is used, enter the appropriate quantity directly below in parentheses.

(b) On the final shipment of a line item of a contract containing a clause permitting a variation of quantity and an underrun condition exists, the prime contractor shall enter a "Z" below the last digit of the quantity. Where the final shipment is from other than the prime contractor's plant and an underrun condition exists, the prime contractor may elect either to: (i) direct the subcontractor making the final shipment to enter a "Z" below the quantity, or (ii) upon determination that all subcontractors have completed their shipments, correct the DD Form 250 (see I–305) covering the final shipment of the line item from the prime contractor's plant by addition of a "Z" below the quantity. The "Z" shall not be used on deliveries which equal or exceed the contract line item quantity.

(c) If a replacement shipment is involved, enter below the last digit of the quantity, the letter "A" to designate first replacement, "B" for second replacement, etc. The final shipment indicator "Z" on underrun deliveries shall not be used when a final line item shipment is replaced.

17. QUANTITY SHIP/REC'D*
1000
(10)
Z

(d) If the quantity received is the same quantity shipped and all items are in apparent good condition, indicate by a check mark. If different, enter actual quantity received in apparent good condition below quantity shipped and encircle. The receiving activity shall annotate the DD Form 250 stating the reason for the difference.

Block 18—*Unit.* Enter the abbreviation of the unit of measure as indicated in the contract. Where a second unit of measure is indicated in the contract or used for shipping purposes, enter the second unit of measure directly below in parentheses. Authorized abbreviations are listed in MIL–STD–129 (Marking for Shipment and Storage). For example: LB for pound; SH for sheet.

18. UNIT
LB
(SH)

Block 19—*Unit Price.* The contractor may, at his option, enter unit prices on all MIRR copies, except as a minimum:

(a) On Navy procurements, the two copies of the MIRR addressed to the consignee via mail shall be priced using actual prices or, if not available, estimated prices. When the price is estimated, enter an "E" after the

price. Contractors shall make every effort to ensure that actual or estimated prices are entered on the MIRR. However, shipments shall not be delayed solely because required prices are not available.

(b) When the MIRR is used as an invoice, see I-306.

(c) For Clothing and Textile contracts containing a bailment clause, enter the cited Government Furnished Property unit value opposite "GFP UNIT VALUE" entry in Block 16.

Block 20—*Amount.* Enter the extended amount when the unit price is entered in Block 19.

Block 21—*Procurement Quality Assurance.*

(a) The words "conform to contract" contained in the printed statements in Blocks A and B relate to contract obligations pertaining to quality, and to the quantity of the items on the report. The statements shall not be modified. Notes taking exception shall be entered in Block 16 or on attached supporting documents with appropriate block cross reference.

(b) When a shipment is authorized under Alternative Release, Certificate of Conformance or Fast Pay procedure, the appropriate contractor signed certificate shall be attached to or included on the top copy of the four DD Form 250 copies distributed to the payment office.

"A. ORIGIN"

(1) The authorized Government representative shall:

a. Place an "X" when applicable in the appropriate PQA and/or Acceptance box(es) to evidence origin Procurement Quality Assurance and/or Acceptance. When the contract requires PQA at destination in addition to origin PQA, an asterisk shall be entered at the end of the statement and an explanatory note entered in Block 16;

b. Enter the date of signature;

c. Sign; and

d. Enter the typed, stamped, or printed name and office code (DoDAAD/DOES).

(2) When Alternative Release Procedures apply, the contractor or subcontractor shall complete the entries required under (1) (a) and (d) above and enter in capital letters "ALTERNATIVE RELEASE PROCEDURE" on the next line following the printed PQA/Acceptance statement. When acceptance is at origin, one extra copy of the MIRR shall be provided to the authorized Government representative for dating, signature and forwarding to the payment office.

(3) When Fast Pay procedures apply, the contractor or subcontractor shall enter in capital letters "FAST PAY" on the next line following the printed PQA/Acceptance statement. When PQA is required, the authorized Government representative shall execute the block as required by (1) above.

(4) When Mandatory Certificate of Conformance procedures apply, the contractor or subcontractor shall enter in capital letters "CERTIFICATE OF CONFORMANCE" on the next line following the printed PQA/Acceptance statement. No other entries shall be made in this block.

(5) When Optional Certificate of Conformance procedures apply, the contractor or subcontractor shall enter in capital letters "CERTIFICATE OF CONFORMANCE" on the next line following the printed PQA/Acceptance statement and the name and office code of the authorizing Government representative. No other entries shall be made in this block.

"B. DESTINATION"

(1) When acceptance at origin is indicated in Block 21A, no entries shall be made in Block 21B.

(2) When PQA and Acceptance or Acceptance is at destination, the authorized Government representative shall:

a. Place an "X" in the appropriate box(es).

b. Enter the date of signature;

c. Sign; and

d. Enter typed, stamped, or printed name and title.

(3) When "ALTERNATIVE RELEASE PROCEDURE" is entered in Block 21A and acceptance is at destination, the authorized Government representative shall complete the entries required by B(2) above.

(4) The executed payment copy shall be forwarded to the payment office cited in Block 12 within four work days after delivery and acceptance of the shipment by the receiving activity.

(5) When "CERTIFICATE OF CONFORMANCE" or "FAST PAY" is entered in Block 21A, no entries shall be made in this block.

Block 22—*Receiver's Use.* This block is provided for the use of the receiving activity (Government or contractor) to denote receipt, quantity and condition.

Block 23—*Contractor Use Only.* This block is provided and reserved for Contractor use.

I-302 *Mode of Shipment Codes.*

Code and description

A—Motor, truckload.
B—Motor, less truckload.
C—Van (unpacked, uncrated personal and/or Government property).
D—Driveaway, truckaway, towaway.
E—Busline.
F—Military Airlift Command (MAC).
G—Regular mail, parcel post.
H—Air Mail, parcel post.
I—Government truck, including common service.
J—REA express.
K—Rail, carload.
L—Rail, less carload.
M—Freight forwarder.
N—Contract air (LOGAIR/QUICKTRANS).
O—Organic military air, Flyaway.
P—Through bill of lading.
Q—Air freight.
R—Air express.
S—Air charter.
T—Air freight forwarder.
U—Air, van.
V—Sea-van service.
W—Water, river, lake, coastal (Commercial).
X—Sealift Express Service (SEA-EX).
Y—Intratheater airlift System.
Z—MSTS (controlled/contract/arranged space).
2—Government Watercraft, Barge/Lighter.
3—Roll-on/Roll-off service.
4—Armed Forces Courier Service (ARFCOS).
5—United Parcel Service.
6—Military Ordinary Mail (MOM).
7—Weapons System Pouch.
8—Pipeline.
9—Local delivery, including deliveries to ports from adjacent supply activities, handcarry.
*—No Physical Movement.
%—Unassigned.

I-303 *Consolidated Shipments.* When individual shipments are held at the contractor's plant for authorized transportation consolidation to a single destination on a single bill of lading, the applicable DD Forms 250 may be prepared at the time of Procurement Quality Assurance or Acceptance prior to the time of actual shipment. (See Block 3.)

I-304 *Multiple-Consignee Instructions.* When the identical line item(s) of a contract is to be shipped to more than one consignee, with the same or varying quantities, and requires origin acceptance, one MIRR may be prepared. Preparation shall be as prescribed in this appendix with the following changes:

(i) Blocks 4, 13 and, if applicable, 14—Enter "See Attached Distribution List".

(ii) Block 15—Item numbers may be grouped for identical stock/part number and description.

(iii) Block 17—Enter the "total" quantity shipped by line item or, if applicable, grouped identical line items.

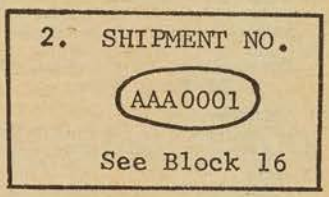
(iv) The DD Form 250c shall be used to list the individual consignees with complete shipping address; line item number(s); quantity; MILSTRIP requisition number; and, if applicable, Bill of Lading Number, TCN, and Mode of Shipment code.

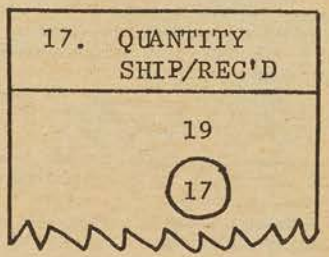
(v) Pages of DD Form 250c comprising the distribution list that are not applicable to the individual consignee may be omitted from the MIRR furnished that consignee. A complete MIRR shall be provided for all other distribution.

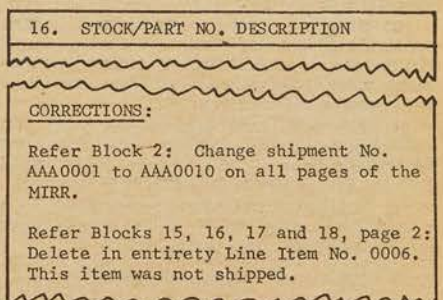
(vi) Only one shipment number (Block 2) shall be utilized, regardless of the number of consignees.

I-305 *Correction Instructions.* When, because of errors or omissions, it is necessary to correct the MIRR after distribution has been made, a revised or new MIRR shall be effected by correcting the original master or preparing a new MIRR containing the identical data of the original MIRR and distributing the corrected form. MIRRs shall not be corrected for Block 19 and 20 entries. The corrections shall be made as follows:

(j) Circle the error and place the corrected information in the same block; if space is limited, enter the corrected information in Block 16 referencing the error page and block. Enter omissions in Block 16 referencing omission page and block.







(ii) The words "Corrections Have Been Verified" shall be entered on page 1. The authorized Government representative shall date and sign immediately below the statement.

(iii) Pages of the MIRR requiring correction shall be clearly marked "Corrected Copy", avoiding obliteration of any other entries. Where corrections are made only on continuation sheets, page number 1 shall also be marked "Corrected Copy."

(iv) Page 1 and only those continuation pages marked "Corrected Copy" shall be distributed to the initial distribution. A complete MIRR with corrections shall be distributed to new addressee(s) created by error corrections.

I–306 *Invoice Instructions.* Contractors are encouraged to use copies of the MIRR as an invoice, in lieu of a commercial form, but are not required to do so. Copies of the MIRR used as an invoice are in addition to the standard distribution (I–401). The four invoice copies shall be prepared and forwarded to the payment office as follows:

(i) Complete Blocks 5, 6, 19, and 20. Column 20 shall be totalized.

(ii) Mark in letters approximately one inch high, first copy: "Original Invoice"; three copies: "Invoice Copy."

(iii) Forward the four copies to the payment office (Block 12 Address), except when acceptance is at destination and a Navy Finance Office will make payment, forward to destination.

(iv) The invoice and the four "Payment Office" (Part 4, Table 1) copies of the MIRR shall not be fastened together.

I–307 *Packing List Instructions.* Copies of the MIRR may be used as a packing list. When they are used, the packing list copies shall be in addition to the copies of the MIRR required for standard distribution (I–401) and shall be marked "Packing List."

I–308 *Receiving Instructions.* When the MIRR is used for receiving purposes, procedures shall be as prescribed by local directives. If PQA and Acceptance or Acceptance of supplies is required upon arrival at destination, see Block 21B for instructions.

PART 4—DISTRIBUTION OF DD FORM 250 AND DD FORM 250C

I–401 *Distribution.*

(a) The contractor is responsible for distribution of DD Form 250 in accordance with Tables 1 and 2.

(b) Distribution of MIRRs shall be in accordance with and limited to the distribution and the quantities as provided in Tables 1 and 2. Air mail shall be used wherever it is faster than regular mail.

(c) Distribution of MIRRs on non-DoD contracts shall be in accordance with this Part as amended by the contract.

(d) Distribution shall be made promptly, but no later than the close of business of the work day following:

(i) Signing of the DD Form 250 (Block 21A) by the authorized Government representative, or

(ii) Shipment when authorized under terms of Alternative Release: Certificate of Conformance; or Fast Pay procedure, or shipment when PQA and Acceptance are to be performed at destination.

(e) The consignee copies (via mail) on overseas shipments shall *not* be sent to Port of Embarkation (POE). These copies shall be sent to consignee at APO/FPO address.

(f) Copies of the MIRR forwarded to a location for more than one recipient shall clearly identify each recipient.

TABLE 1—STANDARD DISTRIBUTION

	Number of copies
With Shipment*	4
Consignee (via mail) (for Navy procurement, copies will be priced) (for Grant Aid/Foreign Military Sales, consignee copies are not required)	2
Contract Administration Office	1
Purchasing Office	1
Payment Office (forward to addressee entered in Block 12 except when acceptance is at destination and a Navy Finance Office will make payment, forward to destination)	4

Type of shipment	Location
Carload or truckload.	Affix to the shipment where it will be readily visible and available upon receipt.
Less-than-carload or truckload.	Affix to container number one, or container bearing lowest number.
Mail, including parcel post.	Attach to outside or include in the package. Include a copy in each additional package of multi-package shipments.

*Copies shall be attached to the shipment as indicated below. On pipeline and tank car movement, the four shipment copies should be forwarded with the consignee copies.

TABLE 2.—SPECIAL DISTRIBUTION

As required	Address	Number of copies
Each: Navy Status Control Activity, Army, Air Force, DSA Inventory Control Manager.	Address specified in the contract	[1]
Quality Assurance Representative	Address specified by the assigned Quality Assurance Representative.	[1]
Transportation Office issuing GBL (attach to GBL memorandum copy).	CAO address unless otherwise specified in the contract.	1
Purchasing Office other than office issuing contract	Address specified in the contract	1
Foreign Military Sales Representative	Address specified in the contract	8
Military Assistance Advisory Group (grant aid shipments).	U.S. Military Advisory Group, Military Attache, Mission, or other designated agency address as specified in the contract.	1
Army:		
Foreign Military Sales/Military Assistance Program (grant aid).	CO, U.S.A. International, Logistics Center, Post Office Box 2745, Harrisburg, Pa. 17105.	1
Air Force:		
On shipments of new production of aircraft and missiles, class 1410 missiles, 1510 aircraft (fixed wing, all types), 1520 aircraft (rotary wing), 1540 gliders, 1550 target drones.	Air Force Logistics Command, Aerospace Vehicles Distribution, Office (MCSCV), Wright-Patterson AFB, Ohio 45433.	1
When above items are delivered to aircraft modification centers.	Air Force Plant, Representative Office	1
Government furnished aeronautical equipment	Air Force Systems Command, ASWES, Wright-Patterson AFB, Ohio 45433.	1
Foreign Military Sales/Military Assistance Program (grant aid), shipments to Canada.	Air Force Logistics Command, MEL DDP, Wright-Patterson AFB, Ohio 45433.	3
	Air Force Logistics Command, MEL RCA, Wright-Patterson AFB, Ohio 45433.	1
	Air Officer Cmdg. AFLC, RCAF Station, Attn: LD/PCZ, Rockcliffe, Ontario, Canada.	1
When consignee is an Air National Guard Activity	Consignee address (Block 13), Attn: Property Officer.	3
Navy:		
When shipment is consigned to a Marine Corps Activity.	Commandant of the Marine Corps, Headquarters, USMC, Washington, D.C. 20380.	1
	Commanding General, Marine Corps Supply Activity, 1100 South Broad Street, Philadelphia, Pa. 19146.	3
When typed code (TC) 2T or 7T is shown in Block 16.	Navy Finance Center, PAD (FPA), Washington, D.C. 20390.	2
Foreign Military Sales/Military Assistance Program (Grant Aid).	Navy International Logistics, Control Office (NAVILCO), Bayonne, N.J. 07002.	2
When shipment is consigned to another contractor's plant for a Government representative.	Navy Finance Center, PAD (FPA), Washington, D.C. 20390.	2
When Block 16 indicates the shipment includes GFP.	Navy Finance Center, PAD (FPA), Washington, D.C. 20390.	2

[1] Each addressee.
[2] Furnish one additional copy under alternative release procedure when acceptance is at origin.

PART 5—PREPARATION OF THE DD FORM 250–1 (LOADING REPORT)

I–501 *Instructions.* The DD Form 250–1 shall be prepared in accordance with the following instructions when applied to a tanker or barge cargo lifting. Abbreviations may be used where space is limited. The block numbers correspond to those on the form.

Block 1—*Tank/Barge.* Line out "TANKER" or "BARGE" as appropriate and place "X" to indicate loading report.

Block 2—*Inspection Office.* Enter the name and location of the Government office conducting inspection.

Block 3—*Report Number.* Number each form consecutively, starting with number 1, to correspond to the number of shipments made against the contract. In case shipment is made from more than one location against the same contract, follow this numbering system at each location.

Block 4—*Agency Placing Order on Shipper, City, State and/or Local Address (Loading).* Indicate the applicable Government activity.

Block 5—*Department.* Indicate Military Department owning product being shipped.

Block 6—*Prime Contract or Purchase Order Number.* Enter the contract or purchase order number.

Block 7—*Name of Prime Contractor, City, State and/or Local Address (Loading).* Enter the name and address of the contractor as shown in the contract.

Block 8—*Storage Contract.* Enter storage contract number if applicable.

Block 9—*Terminal or Refinery Shipped From, City, State and/or Local Address.* Enter the name and location of the contractor facility from which shipment is made. Also indicate delivery point in this space as either "FOB Origin" or "FOB Destination."

Block 10—*Order Number on Supplier.* Enter number of the delivery order, purchase order, subcontract or suborder placed on the the supplier.

Block 11—*Shipped to:* (Receiving Activity, City, State and/or Local Address). Enter the name and geographical address of the consignee as shown on the shipping order.

Block 12—*B/L Number.* Where applicable, enter the initials and number of the bill of lading. If commercial bill of lading later to be converted to a Government bill of lading is authorized, show "Com. B/L to GB/L."

Block 13—*Requisition or Request Number.* Enter number and date if cited in the shipping instructions.

Block 14—*Cargo Number.* Enter the cargo number furnished by the ordering office.

Block 15—*Vessel.* Enter the name of tanker or barge.

Block 16—*Draft Arrival.* Enter the vessel's draft on arrival.

Block 17—*Draft Sailing.* Enter the vessel's draft on completion of loading.

Block 18—*Previous Two Cargoes.* Enter the type of product constituting previous two cargoes.

Block 19—*Prior Inspection.* Leave blank.

Block 20—*Condition of Shore Pipeline.* Indicate condition of line (full or empty) before and after loading.

Block 21—*Appropriation (Loading).* Indicate the appropriation number shown on the contract, purchase order or distribution plan. If the shipment is made from departmentally owned stock, show "Army, Navy or Air Force (as appropriate) owned Stock."

Block 22—*Contract Item Number.* Enter the contract item number applicable to the shipment.

Block 23—*Product.* Enter the product nomenclature and grade as shown in the contract or specification, the stock or class number, and the NATO symbol.

Block 24—*Specifications.* Enter the specification and amendment number shown in the contract.

Block 25—*Statement of Quantity.* Enter in the "Loaded" column, the net barrels, net gallons and long tons for the cargo loaded.

NOTE: If more than one-half of 1 percent difference exists between the ship and shore quantity figures an investigation shall be made immediately to determine the cause of such difference. If necessary, corrected documents shall be prepared; otherwise, a statement shall be placed in Block 28 as to the probable or actual cause of the difference.

Block 26—*Statement of Quality.*

(a) Under the heading "Tests" list all inspection acceptance tests of the specification and any other quality requirements of the contract.

(b) Under the heading "Specification Limits" list the limits or requirements as stated in the specification or contract directly opposite each entry in the "Tests" column. Applicable waivers to technical requirements shall be listed.

(c) Under the heading "Test Results" list the test results applicable to the storage tank or tanks from which the cargo was lifted. If more than one storage tank is involved, list the tests applicable to each tank in separate columns headed by the tank number, the date the product in the tank was approved, and the quantity loaded from the tank. Each column shall also list such product characteristics as amount and type of corrosion inhibitor, etc.

Block 27—*Time Statement.* Line out "Discharge" and "Discharging." Complete all applicable entries of the time statement using local time. These dates and times shall be taken from either the vessel or shore facility log. The Government representative shall assure that the logs are in agreement on those entries used. Date and time vessel left berth shall not in be entered on documents placed aboard the vessel but shall appear on all other copies. All dates shall be expressed in sequence of day, month and year with the month spelled out or abbreviated (e.g., 10 Sept. 67).

Block 28—*Remarks.* Use this space for reporting:

(a) All delays, their cause and responsible party (vessel, shore facility, Government representative, or other).

(b) Details of loading abnormalities such as product losses due to overflow, leaks, delivery of product from low level in shore tanks, etc.

(c) In the case of multiple consignees, enter each consignee, the amount consigned to each, and if applicable, the storage contract numbers appearing on the delivery order.

(d) When product title is vested in the U.S. Government, insert in capital letters "U.S. GOVERNMENT OWNED CARGO." If title to the product remains with the contractor and inspection is performed at source with acceptance at destination, insert in capital letters "CONTRACTOR OWNED CARGO."

(e) If the form covers shipments for Military Assistance Program support, enter in this space "FY—(the year)—MAP" in half-inch letters. Also indicate the MAP reference number—i.e., program directive number or MAP case number if known.

(f) Seal numbers and location of seals. If space is not adequate, place this information on the ullage report or an attached supplemental sheet.

Block 29—*Company or Receiving Terminal.* Line out "OR RECEIVING TERMINAL" and secure the signature of the supplier's representative. The signature shall be applied to the master ditto or all copies of the form.

Block 30—*Certification by Government Representative.* Line out "DISCHARGED." The Government representative shall date and sign the completed master ditto or all copies of the form to certify inspection and acceptance, as applicable, by the Government. The name of the individual signing this certification, as well as the names applied in Blocks 29 and 31 shall be typed or hand lettered on the master or all copies of the document. The signature in Block 30 must agree with the typed or lettered name to be acceptable to the paying office.

Block 31—*Certification by Master or Agent.* Obtain the signature of the master of the vessel or its agent. The signature shall be applied to the master ditto or all copies of the form.

PART 6—PREPARATION OF THE DD FORM 250–1 (DISCHARGE REPORT)

I–601 *Instructions.* The DD Form 250–1 shall be prepared in accordance with the following instructions when applied to a tanker or barge discharge. Abbreviations may be used where space is limited. The block numbers correspond to those on the form.

Block 1—*Tanker/Barge.* Line out "Tanker" or "Barge" as applicable and place "X" to indicate discharge report.

Block 2—*Inspection Office.* Indicate Government activity performing inspection on the cargo received.

Block 3—*Report Number.* Leave blank.

Block 4—*Agency Placing Order on Shipper, City, State and/or Local Address (Loading).* Indicate Government agency shown on loading report.

Block 5—*Department.* Indicate Department owning product being received.

Block 6—*Prime Contract or Purchase Order Number.* Indicate the contract or purchase order number shown on the loading report.

Block 7—*Name of Prime Contractor, City, State and/or Local Address (Loading).* Indicate name and location of contractor who loaded the cargo.

Block 8—*Storage Contract.* Enter the number of the contract under which material is placed in commercial storage where applicable.

Block 9—*Terminal or Refinery Shipped From, City, State and/or Local Address.* Indicate source of cargo.

Block 10—*Order Number on Supplier.* Make same entry appearing on loading report.

Block 11—*Shipped to: (Receiving Activity, City, State and/or Local Address).* Enter receiving activity's name and location.

Block 12—*B/L Number.* Enter as appears on loading report.

Block 13—*Requisition or Request Number.* Leave blank.

Block 14—*Cargo Number.* Enter cargo number shown on loading report.

Block 15—*Vessel.* Enter name of tanker or barge discharging cargo.

Block 16—*Draft Arrival.* Enter draft of vessel upon arrival at dock.

Block 17—*Draft Sailing.* Enter draft of vessel after discharging.

Block 18—*Previous Two Cargoes.* Leave blank.

Block 19—*Prior Inspection.* Enter the name and location of the Government office which inspected the cargo loading.

Block 20—*Condition of Shore Pipeline.* Indicate condition of line (full or empty) before and after discharging.

Block 21—*Appropriation (Loading).* Leave blank.

Block 22—*Contract Item Number.* Enter the item number shown on the loading report.

Block 23—*Product.* Enter information appearing in Block 23 of the loading report.

Block 24—*Specifications.* Enter information appearing in Block 24 of the loading report.

Block 25—*Statement of Quantity.* Enter applicable data in proper columns.

(a) "Loaded" figures shall be taken from the loading report.

(b) Quantities discharged shall be determined from shore tank gauges at destination.

(c) If a grade of product is discharged at more than one point, the loss or gain for that product shall be calculated by the final discharge point. Amounts previously discharged shall be as reported on discharge reports prepared by the previous discharge points. Volume figures shall be transmitted by routine message to the final discharge point in advance of mailed documents to expedite the loss or gain calculation and provide proration data when more than one department is involved.

(d) The loss or gain percentage shall be entered in the "Percent" column followed by "Loss" or "Gain" as applicable.

(e) On destination acceptance shipments, accomplish the "Discharged" column only, unless instructed to the contrary.

Block 26—*Statement of Quality.*

(a) Under the heading "Tests" enter the verification tests performed on the cargo preparatory to discharge.

(b) Under "Specification Limits" enter the limits, including authorized departures (if any) appearing on the loading report, for the tests performed.

(c) Enter the results of tests performed under the heading "Test Results."

Block 27—*Time Statement.* Line out "Load" and "Loading." Complete all applicable entries of the time statement using local time. The dates and times shall be taken from either the vessel or shore facility log. The Government representative shall assure that these logs are in agreement on entries used. Date and time vessel left berth shall not be entered on documents placed aboard the vessel but shall appear on all other copies. All dates shall be expressed in the sequence of day, month and year with the month spelled out or abbreviated (e.g., 10 Sept 67).

Block 28—*Remarks.* Use this space for reporting important facts such as:

(a) Delays, their cause and responsible party (vessel, shore facility, Government representative, or other).

(b) Abnormal individual losses contributing to the total loss. The cause of such losses shall be indicated as well as actual or estimated volumes involved. Such losses shall include, but not be restricted to, product remaining aboard (indicate tanks in which contained), spillages, line breaks etc. Where gravity group change of receiving tank contents results in a fictitious loss or gain, such fact shall be noted. Irregularities observed on comparing vessel ullages obtained at loading point with those at the discharge point shall be noted if indicative of an abnormal transportation loss or contamination.

Block 29—*Company or Receiving Terminal.* Line out "Company or." Secure the signature of a representative of the receiving terminal. The signature shall be applied to the master ditto or all copies of the form.

Block 30—*Certification by Government Representative.* Line out "Loaded." The Government representative shall date and sign the completed master ditto or all copies of the form to certify inspection and acceptance, as applicable, by the Government. The name of the individual signing the certification as well as the names applied in Blocks 29 and 31 shall be typed or hand lettered on the master or all copies of the form. The signature in Block 30 must agree with the typed or lettered name to be acceptable to the paying office.

Block 31—*Certification by Master or Agent.* Obtain the signature of the master of the vessel or the vessel's agent. The signature shall be applied to the master ditto or all copies of the form.

PART 7—DISTRIBUTION OF THE DD FORM 250–1

I–701 *Distribution.*

(a) The completed DD Form 250–1 shall be distributed by the Government representative in accordance with Table 3 of this Appendix as may be amended by the provisions of the contract or shipping order.

(b) The contractor shall furnish the Government representative sufficient copies of the completed form to permit the required distribution.

(c) Distribution of the form shall be made as soon as possible but not later than 24 hours following completion of the form. (See table 3.)

I–702 *Corrected DD Form 250–1.* When errors are made in entries on the form which would affect payment or accountability, corrected copies shall be made. Entries corrected shall be encircled on all copies, the form plainly identified as "Corrected Copy" and distribution made to all recipients of the original distribution.

TABLE 3—DD FORM 250–1 DISTRIBUTION

		Number of copies			
		Loading		Discharge	
		Tanker	Barge	Tanker	Barge
On all overseas shipments provide for a minimum of 4 consignees. Place 1 copy (attached to ullage report) in each of 4 envelopes and mark envelopes "Consignee-First Destination," "Consignee-Second Destination" etc. for delivery via the tanker.	Each consignee:				
	By mail (CONUS shipments only).	2	2	(1)	(1)
	With shipment	1	1	(1)	(1)
	Master of vessel	1	1	1	1
	Tanker or barge agent	2	2	2	2
	Contractor	(1)	(1)	(1)	(1)
	Inspector	1	1	1	1
	Cognizant inspection office	1	1	1	1
	Government representative at each destination.	1	1	1	1
On all USNS tankers and all MSTS chartered tankers and MSTS chartered barges.	Military Sea Transportation Service, Washington, D.C. 20390.	2	2	2	2
See contract or shipping order for finance documentation and any supplemental requirements for Government-owned product shipments and receipts.	Payment office	2	2	2	2
Forward only when ordering activity is other than consignee, Navy Fuel Supply Office or Defense Fuel Supply Center.	Ordering activity	1	1	1	1
Mark "Consignee copies for distribution" and airmail to each JPO receiving a portion of the cargo.	Joint Petroleum Office (see table 4)	12	1	1	1
On shipments to Japan or Korea	Airmail to CO, U.S. Army Depot Command, Japan, APO San Francisco 96343.	3	0	0	0
When one grade of product is loaded on a vessel by more than one Service, each Service involved shall be furnished a copy of all loading and discharge reports.	Army Petroleum Center, Alexandria, Va. 22314.	1	1	1	1
	Navy Finance Center, Property Accounting Dept. (FPA) Washington, D.C. 20390.	2	2	2	2
	A.F. Det. No. 29 (SAOML) Alexandria, Va. 22314.	1	1	1	1

TABLE 3—DD FORM 250–1 DISTRIBUTION—Continued

		Number of copies			
		Loading		Discharge	
		Tanker	Barge	Tanker	Barge
Army:					
All shipments for Army	Army Petroleum Center, Alexandria, Va. 22314.	2	2	2	2
On Army MAP shipments	U.S. Army International Logistics Center, Post Office Box 2745, Harrisburg, Pa. 17105.	2	2	2	2
Navy:					
On all shipments for Navy	Navy Fuel Supply Office, Alexandria, Va. 22314.	2	1	2	1
On all Navy shipments except aircraft fuels and aircraft lubricants.	Naval Ship Systems Command, Washington, D.C. 20360.	1	1	0	0
On all Navy shipments of aircraft fuels and aircraft lubricants.	Naval Air Systems Command, Washington, D.C. 20360.	1	1	1	1
On all tanker shipments for Navy	Navy Finance Center, Property Accounting (FPA) Washington, D.C. 20390.	2	0	2	0
Air Force:					
On all shipments for Air Force	A.F. Aerospace Fuels Field Office Cognizant of Shipping Point (see table 5).	1	1	0	0
On all shipments for Air Force	A.F. Aerospace Fuels Field Office Cognizant of Receiving Point (see table 5).	1	1	1	1
On all tanker shipments for Air Force (attach to ullage report).	A.F. Det. No. 29 (SAOMR) Alexandria, Va. 22314.	1	0	1	0
[2] On all shipments for Air Force	A.F. Det. No. 29 (SAOMAAP) Alexandria, Va. 22314.	1	1	1	1
On all tanker deliveries for Air Force overseas.	Overseas Theater Accounting Office (see table 6).	1	0	1	0

[1] As required.
[2] If shipped from A.F. stock to other than A.F. distribute 2 copies in lieu of 1.

TABLE 4.—JOINT PETROLEUM OFFICES

(AREAS AND ADDRESSES)

Command and Area

ALCOM—Alaskan Mainland and the Aleutians.

LANTCOM—Antilles, Bahamas, Bermuda, Cuba, Azores, Iceland, Ascension Island and Argentia NAVSTA, Newfoundland.

USEUCOM—Western Europe, United Kingdom, Mediterranean, Turkey, Algeria, Libya, Morocco and Tunisia.

PACOM—Taiwan, Hawaii, Marianas, Philippines, Japan, Korea, Ryukyus, Australia, New Zealand, Burma, Thailand, Vietnam, Cambodia, Laos, Malaya, East Indies, and South Pacific Islands.

USSOUTHCOM—Canal Zone, Central and South America.

USSTRICOM—Africa, except Algeria, Libya, Morocco and Tunisia; Madagascar and Ceylon; the Middle East except Turkey; and Southern Asia, West of Burma.

Commands	Correspondence addresses	Message addresses
CINCAL	Commander-in-Chief, Alaskan Command, Attn: JPO, APO Seattle 98742.	JPO CINCAL
CINCLANT	Commander-in-Chief, Atlantic Command, Attn: JPO, Norfolk, Va. 23511.	JPO CINCLANT
USCINCEUR	Commander-in-Chief, U.S. European Command, Attn: JPO, APO New York 09128.	JPO USCINCEUR
CINCPAC	Commander-in-Chief, Pacific Command, Attn: JPO, FPO San Francisco 96601.	JPO CINCPAC
USCINCSO	Commander-in-Chief, U.S. Southern Command, Attn: JPO, APO New York 09826.	JPO USCINCSO
CINCSTRIKE	Commander-in-Chief, U.S. Strike Command, Attn: JPO, MacDill Air Force Base, Florida 33608.	JPO CINCSTRIKE

TABLE 5.—AIR FORCE AEROSPACE FUELS FIELD OFFICES

ZONE 1

Address	Area served
AFAFFO—Det 30, SAAMA (SAOA), McGuire AFB, N.J. 08641.	Connecticut, Delaware, District of Columbia, Kentucky, Maine, Maryland, Massachusetts, New Hampshire, Baffin Island, Greenland, Labrador, New Jersey, New York, Ohio, Pennsylvania, Rhode Island, Vermont, Virginia, West Virginia, Newfoundland, Eastern Section of Northwest Territories.

ZONE 2

Lynn Haven AFAFFO, P.O. Box 427, Lynn Haven, Fla. 32444.	Alabama, Florida, Georgia, Louisiana East of Mississippi River (including cities of New Orleans and Baton Rouge), Mississippi, North Carolina, South Carolina, Tennessee.

ZONE 3

St. Louis AFAFFO, 208 North Broadway, Room 1608, St. Louis, Mo. 63102.	Colorado, Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Missouri, Nebraska, North Dakota, South Dakota, Wisconsin, Wyoming.

ZONE 4

Houston AFAFFO, Room 5626, Federal Office and Court Bldg., 515 Rusk Ave., Houston, Tex. 77002.	Arkansas, Louisiana, West of Mississippi, New Mexico, Oklahoma, Texas.

ZONE 5

Bell AFAFFO, 5555 Eastern Ave., Bell, Calif. 90202.	Arizona, California, Idaho, Montana, Nevada, Oregon, Utah, Washington.

TABLE 6—AIR FORCE OVERSEAS THEATER ACCOUNTING OFFICES

Address	Area served
Commander, Alaska Air Command, ATTN: ALDCA–AG, APO Seattle 98742.	Alaska.
Commander, U.S. Air Force, Europe, ATTN: FAF–8, APO New York 09633.	Europe, Africa, British Isles, Middle East.
Commanding General, 5th Air Force, ATTN: KBCPT–FA, APO San Francisco 96323.	Japan, Korea, Okinawa.

[Rev. 30, ASPR, Sept. 1, 1968] (Secs. 2202, 2301–2314, 70A Stat. 120, 127–133; 10 U.S.C. 2202, 2301–2314)

For the Adjutant General.

HAROLD SHARON,
Chief, Legislative and Precedent Branch, Office of the Comptroller, TAGO.

[F.R. Doc. 68–15527; Filed, Dec. 27, 1968; 8:49 a.m.]

Title 7—AGRICULTURE

Chapter III—Agricultural Research Service, Department of Agriculture

PART 301—DOMESTIC QUARANTINE NOTICES

Subpart—Japanese Beetle

REGULATED AREAS

Under the authority of § 301.48–2 of the Japanese Beetle Quarantine regulations, 7 CFR 301.48–2, as amended, 33 F.R. 11888, a supplemental regulation designating regulated areas is hereby issued to appear in 7 CFR 301.48–2a as follows:

§ 301.48–2a Regulated areas; suppressive and generally infested areas.

The civil divisions, and parts of civil divisions, described below, are designated as Japanese beetle regulated areas within the meaning of the provisions of this subpart; and such regulated areas are hereby divided into generally infested areas or suppressive areas as indicated below:

CONNECTICUT

(1) *Generally infested area.* The entire State.

(2) *Suppressive area.* None.

DELAWARE

(1) *Generally infested area.* The entire State.

(2) *Suppressive area.* None.

DISTRICT OF COLUMBIA

(1) *Generally infested area.* The entire District.

(2) *Suppressive area.* None.

GEORGIA

(1) *Generally infested area.*

Banks County. The entire county, except Georgia Militia Districts 1464, 465, 207, and 1206.

Cherokee County. Georgia Militia Districts 1031, 1000, 818, and 1174.

Clayton County. Georgia Militia Districts 548, 1189, 1406, 1446, and 1644.

Cobb County. That portion of the county lying south of State Highway 120, including all the area within the corporate limits of the city of Marietta.

Dawson County. The entire county.

De Kalb County. That portion of the county bounded by a line beginning at a point where the Fulton-Gwinnett-De Kalb County lines intersect and extending southeast along the De Kalb-Gwinnett County line to the junction of said line and Interstate Highway 85, thence southwest along Interstate Highway 85 to its intersection with Interstate Highway 285, thence south and west along Interstate Highway 285 to its intersection with the De Kalb-Fulton County line, thence north and east along said line to the point of beginning.

Fannin County. Georgia Militia Districts 1027, 1242, and 1488.

Forsyth County. The entire county.

Franklin County. Georgia Militia District 211.

Fulton County. The corporate limits of Atlanta, Hapeville, East Point, and College Park; and Georgia Militia Districts 1204, 499, 733, 731, 1289, and 1762.

Gilmer County. Georgia Militia Districts 864, 932, 1355, and 1498.

Gwinnett County. Georgia Militia Districts 406, 1397, 550, and that portion of Georgia Militia District 1604 lying north of Level Creek.

Habersham County. The entire county, except Georgia Militia District 422.

Hall County. The entire county.

Lumpkin County. The entire county.

Pickens County. Georgia Militia Districts 1182 and 899.

Rabun County. That portion of the county lying within Georgia Militia District 587 and including all area within the corporate limits of Mountain City; Georgia Militia District 1275, and that portion of Georgia Militia District 509 south of State Highway 2 and east of Lake Burton Wildlife Management area.

Richmond County. That portion of the county lying north of Butler Creek and that area lying north of Spirit Creek between the Savannah River and State Highway 56.

Stephens County. The entire county, except Georgia Militia Districts 215 and 1647.

Towns County. That portion of the county lying within Georgia Militia Districts 1243, 833, 990, and 1498.

Union County. Georgia Militia Districts 994, 995, 1241, and 834.

White County. The entire county.

(2) *Suppressive area.*

Spalding County. That portion of the county lying within the corporate limits of the city of Griffin.

ILLINOIS

(1) *Generally infested area.*

Coles County. Secs. 1, 2, 3, and the portions of secs. 11 and 12 located outside the city limits of Mattoon, T. 12 N., R. 7 E.; secs. 25, 34, 35, and 36, T. 13 N., R. 7 E.; sec. 6, T. 12 N., R. 8 E.; secs. 30 and 31, T. 13 N., R. 8 E.; secs. 2, 3, and that portion of sec. 11 outside the city limits of Charleston, T. 12 N., R. 9 E.; secs. 34 and 35, T. 13 N., R. 9 E.

Cook County. That portion of the city of Chicago and vicinity bounded by a line beginning at a point where Harlem Avenue intersects Interstate Highway 55; thence extending northeast along I–55 to its intersection with Cicero Avenue; thence north along Cicero Avenue to its intersection with the Chicago City limits; thence east along the Chicago City limits to the Beltline Railroad; thence north along the Chicago City limits to the point where it intersects with Cermak Road; thence east along Cermak Road to its intersection with Halsted Street; thence south on Halsted Street to its intersection with 31st Street; thence east on 31st Street to the point where an extension of 31st Street would intersect the Lake Michigan shoreline; thence southeastward along the Lake Michigan shoreline to its intersection with 79th Street; thence west on 79th Street to its intersection with Commercial Avenue; thence south along Commercial Avenue and its extensions to its intersection with 95th Street; thence west on 95th Street to its intersection with Stoney Island Avenue; thence south on Stoney Island Avenue to its intersection with I–94; thence generally south on I–94 to its intersection with the Chicago City limits; thence west and north on the Chicago City limits to Cicero Avenue; thence north on Cicero Avenue to its intersection with 111th Street; thence east on

111th Street to its intersection with Crawford Avenue; thence north on Crawford Avenue to its intersection with 99th Street; thence east on 99th Street to its intersection with Millard Avenue; thence south on Millard Avenue to its intersection with 100th Street; thence east on 100th Street to its intersection with Central Park Avenue; thence south on Central Park Avenue to its intersection with 103d Street; thence east on 103d Street to its intersection with Kedzie Avenue; thence north on Kedzie Avenue to its intersection with 102d Place; thence east on 102d Place to its intersection with California Avenue; thence north on California Avenue to its intersection with 99th Street; thence east on 99th Street to its intersection with Western Avenue; thence north on Western Avenue to its intersection with 95th Street; thence east on 95th Street to its intersection with Cottage Grove Avenue; thence north on Cottage Grove Avenue to its intersection with 79th Street; thence west on 79th Street to its intersection with Halsted Street; thence north on Halsted Street to its intersection with Garfield Boulevard; thence west on Garfield Boulevard to Western Avenue; continuing west on 55th Street to its intersection with Cicero Avenue; thence south on Cicero Avenue to its intersection with 71st Street; thence west on 71st Street and its extension to a point where 71st Street intersects with Harlem Avenue; thence north on Harlem Avenue to its intersection with I–55, the point of beginning.

Iroquois County. That portion of the county lying east of State Highway 49.

La Salle County. Secs. 13, 14, 23, 24, 25, 26, 35, and 36, T. 31 N., R. 3 E.; secs. 18, 19, 30, and 31, T. 31 N., R. 4 E.

(2) *Suppressive area.*

Madison County. Secs. 28, 29, 31, 32, and 33 and that portion of sec. 30, T. 3 N., R. 9 W. lying southeast of the Illinois Central Railroad and that portion of secs. 25 and 36, T. 3 N., R. 10 W. lying southeast of the Illinois Central Railroad.

St. Clair County. That portion of the county lying north of U.S. Highway 40.

INDIANA

(1) *Generally infested area.*

Allen County. The entire county.
Benton County. The entire county.
Boone County. The entire county.
Carroll County. The entire county.
Cass County. The entire county.
Clark County. That portion of the county bounded by a line beginning at a point where State Highway 62 intersects the Floyd-Clark County line; thence extending northeastward along said highway to the point where it junctions with State Highway 131; thence northeastward along said highway to the point where it intersects Interstate Highway I–65; thence continuing in a northeastward direction along the bituminous surfaced road located on the northern boundary of secs. 20 and 21 to the point where it junctions with Allison Lane; thence southeastward along said lane to the Ohio River; thence westward along the Ohio River to the point where it intersects the Floyd-Clark County line; thence north along said line to the point of beginning.
Clinton County. The entire county.
Daviess County. Secs. 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, and 36, T. 3 N., R. 7 W.; secs. 1, 2, 3, 4, 5, and 6, T. 2 N., R. 7 W.
De Kalb County. The entire county.
Elkhart County. The entire county.
Fulton County. The entire county.
Huntington County. The entire county.
Jasper County. The entire county.
Kosciusko County. The entire county.
Lagrange County. The entire county.
Lake County. The entire county.
La Porte County. The entire county.
Lawrence County. T. 4 N., R. 2 W.; secs. 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, and 18, T. 3 N., R. 2 W.
Marion County. The entire county.
Marshall County. The entire county.
Martin County. The entire county.
Miami County. The entire county.
Montgomery County. The entire county.
Newton County. The entire county.
Noble County. The entire county.
Porter County. The entire county.
Pulaski County. The entire county.
Putnam County. Secs. 4, 5, 6, 7, 8, 9, T. 16 N., R. 3 W.; secs. 1, 2, 3, 10, 11, and 12, T. 16 N., R. 4 W.
St. Joseph County. The entire county.
Starke County. The entire county.
Steuben County. The entire county.
Tippecanoe County. The entire county.
Vanderburgh County. The entire county.
Vigo County. The entire county.
Wabash County. The entire county.
Wayne County. The entire county.
Wells County. The entire county.
White County. The entire county.
Whitley County. The entire county.
(2) *Suppressive area.* None.

KENTUCKY

(1) *Generally infested area.*

Bath County. The entire county.
Bell County. The entire county.
Boone County. The entire county.
Boyd County. The entire county.
Campbell County. The entire county.
Carroll County. The entire county.
Carter County. The entire county.
Elliott County. The entire county.
Estill County. The entire county.
Fleming County. The entire county.
Floyd County. The entire county.
Grant County. The entire county.
Greenup County. The entire county.
Harlan County. The entire county.
Jefferson County. That portion of the county bounded by a line beginning at the Sherman Minton Bridge over the Ohio River thence extending northeast along the Ohio River to a point opposite Blankenbaker Lane; thence south on Blankenbaker Lane to Interstate Highway 71; thence east on Interstate Highway 71 to the Henry Watterson Expressway; thence south on Henry Watterson Expressway to Breckenridge Lane; thence south on Breckenridge Lane to Taylorsville Road; thence east on Taylorsville Road to Hunsinger Lane; thence south on Hunsinger Lane to Fredericks Lane; thence south on Fredericks Lane to Bardstown Road; thence southeast on Bardstown Road to the Jefferson-Bullitt County line; thence west on the Jefferson County line to Pendleton Road; thence northwest on Pendleton Road to Dixie Highway; thence southwest on the Dixie Highway to Watson Lane; thence northwest on Watson Lane and its extension to the Ohio River; and thence northeast up the river to the point of beginning at the Sherman Minton Bridge.
Johnson County. The entire county.
Kenton County. The entire county.
Knott County. The entire county.
Knox County. The entire county.
Laurel County. The entire county.
Lawrence County. The entire county.
Leslie County. The entire county.
Letcher County. The entire county.
Lewis County. The entire county.
Martin County. The entire county.
Mason County. The entire county.
Menifee County. The entire county.
Perry County. The entire county.
Pike County. The entire county.
Rowan County. The entire county.
Whitley County. The entire county.
(2) *Suppressive area.* None.

MAINE

(1) *Generally infested area.*

Androscoggin County. The entire county.
Cumberland County. The entire county.
Kennebec County. The entire county.
Lincoln County. The entire county.
Oxford County. The entire county.
Sagadahoc County. The entire county.
York County. The entire county.
(2) *Suppressive area.* None.

MARYLAND

(1) *Generally infested area.* The entire State.
(2) *Suppressive area.* None.

MASSACHUSETTS

(1) *Generally infested area.* The entire State.
(2) *Suppressive area.* None.

MICHIGAN

(1) *Generally infested area.*

Barry County. Johnstown Township, secs. 25, 26, 35, and 36.
Calhoun County. The city of Battle Creek and the townships of Pennfield, Bedford, Battle Creek, and Emmett; in Leroy Township, secs. 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 20, 21, 22, 23, 24, 25, 28, 29, 32, 33; in Newton Township secs. 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 30; in Fredonia Township, secs. 6, 7; in Marshall Township, secs. 2, 3, 4, 5, 6, 7, 8, 9, 10, 16, 17, 18, 19, 20, 21, 28, 29, 30, 31, 32, 33; in Convis Township, secs. 19, 30, 31, 32, 33, 34, 35.
Kalamazoo County. Ross Township, secs. 1, 12, 13, 14, 23, 24, 25, 26, 27, 34, 35, 36; in Charleston Township, secs. 1, 2, 3, 9, 10, 11, 12, 13, 14, 15, 16, 21, 22, 23, 24, 25, 26, 27, 28, 29, 32, 33, 34, 35, 36; in Climax Township, secs. 1, 2, 3, 11, 12.
Lenawee County. Secs. 25 and 36, T. 8 S., R. 4 E.; sec. 1, T. 9 S., R. 4 E.; secs. 1, 2, 3, 4, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, and 36, T. 8 S., R. 5 E.; secs. 1, 2, 3, 4, 5, and 6, T. 9 S., R. 5 E.
Monroe County. Secs. 3, 4, 5, 6, 7, 8, 9, 10, 11, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, and 36, T. 8 S., R. 6 E.; secs. 1, 2, 3, 4, 5, and 6, T. 9 S., R. 6 E.; secs. 8, 9, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, and 36, T. 8 S., R. 7 E.; secs. 1, 2, 3, 4, 5, and 6, T. 9 S., R. 7 E.
(2) *Suppressive area.* None.

NEW HAMPSHIRE

(1) *Generally infested area.* The entire State.
(2) *Suppressive area.* None.

NEW JERSEY

(1) *Generally infested area.* The entire State.
(2) *Suppressive area.* None.

NEW YORK

(1) *Generally infested area.* The entire State.
(2) *Suppressive area.* None.

NORTH CAROLINA

(1) *Generally infested area.* The entire State.
(2) *Suppressive area.* None.

OHIO

(1) *Generally infested area.*

Adams County. The entire county.
Ashland County. The entire county.
Ashtabula County. The entire county.
Athens County. The entire county.
Belmont County. The entire county.

Brown County. The entire county.
Butler County. The townships of Fairfield, Hanover, Liberty, Morgan, Reily, Ross, St. Clair, and Union; and cities of Fairfield and Hamilton.
Carroll County. The entire county.
Clermont County. The entire county.
Columbiana County. The entire county.
Coshocton County. The entire county.
Crawford County. The townships of Auburn, Chatfield, Cranberry, Jackson, Jefferson, Liberty, Polk, Sandusky, Vernon, and Whetstone; and the cities of Bucyrus, Crestline, and Galion.
Cuyahoga County. The entire county.
Erie County. The entire county.
Fairfield County. The townships of Berne, Greenfield, Hocking, Liberty, Madison, Pleasant, Richland, Rush Creek, and Walnut; and the city of Lancaster.
Franklin County. The townships of Blendon, Clinton, Jefferson, Mifflin, Plain, Sharon, and Truro; and the cities of Bexley, Columbus, Grandview Heights, Marble Cliff, Reynoldsburg, Upper Arlington, Westerville, Whitehall, and Worthington.
Fulton County. The townships of Amboy and Fulton.
Gallia County. The entire county.
Geauga County. The entire county.
Guernsey County. The entire county.
Hamilton County. The entire county.
Harrison County. The entire county.
Hocking County. The entire county.
Holmes County. The entire county.
Huron County. The entire county.
Jackson County. The entire county.
Jefferson County. The entire county.
Knox County. The entire county.
Lake County. The entire county.
Lawrence County. The entire county.
Licking County. The entire county.
Lorain County. The entire county.
Lucas County. The townships of Adams, Harding, Monclova, Oregon, Ottawa Hills, Richfield, Spencer, Springfield, Swanton, Sylvania, Washington, and Waterville; and the cities of Maumee, Oregon, Sylvania, and Toledo.
Mahoning County. The entire county.
Marion County. The townships of Big Island, Claridon, Marion, and Tully; and the city of Marion.
Medina County. The entire county.
Meigs County. The entire county.
Monroe County. The entire county.
Morgan County. The entire county.
Muskingum County. The entire county.
Noble County. The entire county.
Perry County. The entire county.
Pike County. The entire county.
Portage County. The entire county.
Preble County. The township of Jefferson.
Richland County. The entire county.
Ross County. The townships of Franklin, Harrison, Huntington, Jefferson, Liberty, Paxton, Scioto, Springfield, and Twin; and the city of Chillicothe.
Sandusky County. The city of Bellevue.
Scioto County. The entire county.
Stark County. The entire county.
Summit County. The entire county.
Trumbull County. The entire county.
Tuscarawas County. The entire county.
Vinton County. The entire county.
Warren County. The townships of Deerfield and Hamilton; and the city of Loveland.
Washington County. The entire county.
Wayne County. The entire county.
Wood County. The townships of Lake, Perrysburg, Ross, and Rossford; and the city of Perrysburg.
(2) *Suppressive area.* None.

PENNSYLVANIA

(1) *Generally infested area.* The entire State.
(2) *Suppressive area.* None.

RHODE ISLAND

(1) *Generally infested area.* The entire State.
(2) *Suppressive area.* None.

SOUTH CAROLINA

(1) *Generally infested area.*
Aiken County. The entire county.
Cherokee County. The entire county.
Dillon County. The entire county.
Florence County. The entire county.
Greenville County. The entire county.
Horry County. That portion of the county bounded by a line beginning at a point where State Secondary Highway 215 junctions with Bryant Road, thence extending northeast along said road to its intersection with 29th Avenue extension, thence southeast along said extension to its junction with the corporate limits of the city of Myrtle Beach, thence in a westerly direction along said corporate limits to its intersection with State Secondary Highway 215, thence north along said highway to the point of beginning.
Lancaster County. That area bounded by a line beginning at a point where State Primary Highway 9 (Business) junctions with U.S. Highway 521 (Business) and State Primary Highway 200, said junction being approximately 1 mile southeast of intersection of State Primary Highway 9 (Bypass) and U.S. Highway 521; thence extending south and southwest along State Primary Highway 200 to its junction with State Primary Highway 914 and State Secondary Highway 25, thence northwest along State Primary Highway 914 to its junction with State Primary Highway 9 (Business), thence northeast along said highway to the point of beginning.
Lexington County. The entire county.
Marion County. The entire county.
Marlboro County. The entire county.
McCormick County. The entire county.
Oconee County. The entire county.
Pickens County. The entire county.
Richland County. The entire county.
Spartanburg County. The entire county.
(2) *Suppressive area.* None.

TENNESSEE

(1) *Generally infested area.*
Johnson County. Civil Districts 1, 3, and 9; and that portion of Civil District 8 northeast of U.S. Highway 421.
(2) *Suppressive area.*
Carter County. That portion of the county bounded by a line beginning at the intersection of Walnut Mountain Road and the south shoreline of Watauga Lake, thence extending in an easterly direction along the shoreline of Watauga Lake to its intersection with the Carter-Johnson County line and extending southeast along said line to the Tennessee-North Carolina State line, thence southwest along said State line to its intersection with Walnut Mountain Road, thence northwest along Walnut Mountain Road to the point of beginning.
Johnson County. Civil Districts 2, 4, 5, 6, 7, and 10; and that portion of Civil District 8, south and west of U.S. Highway 421.

VERMONT

(1) *Generally infested area.* The entire State.
(2) *Suppressive area.* None.

VIRGINIA

(1) *Generally infested area.* The entire State.
(2) *Suppressive area.* None.

WEST VIRGINIA

(1) *Generally infested area.* The entire State.
(2) *Suppressive area.* None.

(Secs. 8 and 9, 37 Stat. 318, sec. 106, 71 Stat. 33; 7 U.S.C. 161, 162, 150ee; 29 F.R. 16210, as amended; 7 CFR 301.48–2)

This supplemental regulation shall become effective upon publication in the FEDERAL REGISTER when it shall supersede 7 CFR 301.48–2a, effective August 22, 1968.

The Director of the Plant Pest Control Division has determined that infestations of the Japanese beetle exist or are likely to exist in the civil divisions, and parts of civil divisions listed above, or that it is necessary to regulate such localities because of their proximity to infestations or their inseparability for quarantine enforcement purposes from infested localities.

The Director has further determined that each of the quarantined States, wherein only portions of the State have been designated as regulated areas, is enforcing a quarantine or regulation with restrictions on intrastate movement of the regulated articles substantially the same as the restrictions on interstate movement of such articles imposed by the quarantine and regulations in this subpart, and that designation of less than the entire State as a regulated area will otherwise be adequate to prevent the interstate spread of the Japanese beetle. Therefore, such civil divisions, and parts of civil divisions listed above, are designated as Japanese beetle regulated areas.

The purpose of this revision is to add to the generally infested regulated areas all or parts of the following counties: Clark, Daviess, Lawrence, and Putnam in Indiana; Carroll, Estill, Fleming, Grant, Jefferson, Leslie, and Mason in Kentucky; Adams and Brown in Ohio; and Lancaster in South Carolina. It also extends the regulated areas in some previously regulated counties.

Pursuant to a notice of hearing and rule-making published in the FEDERAL REGISTER on March 23, 1968, a public hearing was held in Chicago, Illinois, in regard to quarantining the States of Alabama, Illinois, Michigan, Missouri, and Tennessee, on account of the Japanese beetle. After due consideration of all relevant material presented at the hearing and responses to the notice, Illinois, Michigan, and Tennessee were quarantined effective August 22, 1968. A decision was made to hold in abeyance until after the 1968 survey season the determination as to whether Alabama and Missouri should be added to the list of quarantined States because of eradicative treatment programs being conducted. It has now been decided not to add Alabama and Missouri to the list of quarantined States, since all known infestations have been treated and the States have adopted and are enforcing regulations to prevent the artificial spread of the Japanese beetle.

This document imposes restrictions that are necessary in order to prevent the dissemination of Japanese beetles and should be made effective promptly to accomplish its purposes in the public interest. Accordingly, it is found upon good

cause under the administrative procedure provisions of 5 U.S.C. 553, that notice and other public procedure with respect to the foregoing regulation are impracticable and contrary to the public interest, and good cause is found for making it effective less than 30 days after publication in the FEDERAL REGISTER.

Done at Hyattsville, Md., this 24th day of December 1968.

[SEAL] D. R. SHEPHERD,
Director,
Plant Pest Control Division.

[F.R. Doc. 68-15518; Filed, Dec. 27, 1968; 8:49 a.m.]

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

[Lemon Reg. 354]

PART 910—LEMONS GROWN IN CALIFORNIA AND ARIZONA

Limitation of Handling

§ 910.654 Lemon Regulation 354.

(a) *Findings.* (1) Pursuant to the marketing agreement, as amended, and Order No. 910, as amended (7 CFR Part 910), 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 recommendations 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. 553) 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 December 23, 1968.

(b) *Order.* (1) The respective quantities of lemons grown in California and Arizona which may be handled during the period December 29, 1968, through January 4, 1969, are hereby fixed as follows:

(i) District 1: 13,950 cartons;
(ii) District 2: 49,290 cartons;
(iii) District 3: 94,860 cartons.

(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: December 26, 1968.

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

[F.R. Doc. 68-15547; Filed, Dec. 27, 1968; 8:49 a.m.]

PART 959—ONIONS GROWN IN SOUTH TEXAS

Expenses and Rate of Assessment

Notice of rule making regarding the proposed expenses and rate of assessment, to be effective under Marketing Agreement No. 143 and Order No. 959, both as amended (7 CFR Part 959), regulating the handling of onions grown in designated counties in South Texas, was published in the November 19, 1968, FEDERAL REGISTER (33 F.R. 17145). This regulatory program is effective under the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601 et seq.). The notice afforded interested persons an opportunity to submit data, views, or arguments pertaining thereto not later than 30 days following publication in the FEDERAL REGISTER. None was filed.

After consideration of all relevant matters, including the proposals set forth in the aforesaid notice, which were recommended by the South Texas Onion Committee, established pursuant to the said marketing agreement and this part, it is hereby found and determined that:

§ 959.209 Expenses and rate of assessment.

(a) The reasonable expenses that are likely to be incurred during the fiscal period beginning August 1, 1968, through July 31, 1969, by the South Texas Onion Committee for its maintenance and functioning, and for such purposes as the Secretary determines to be appropriate, will amount to $44,500.

(b) The rate of assessment to be paid by each handler in accordance with the Marketing Agreement and this part shall be one-half cent ($0.005) per 50-pound sack of onions, or equivalent quantity, handled by him as the first handler thereof during said fiscal period.

(c) Terms used in this section have the same meaning as when used in the said marketing agreement and this part.

It is hereby found that good cause exists for not postponing the effective date of this section until 30 days after publication in the FEDERAL REGISTER (5 U.S.C. 553) in that: (1) The relevant provisions of said marketing agreement and this part require that rates of assessment fixed for a particular fiscal period shall be applicable to all assessable onions from the beginning of such period, and (2) the current fiscal period began August 1, 1968, and the rate of assessment herein fixed will automatically apply to all assessable onions beginning with such date.

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

Dated: December 23, 1968.

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

[F.R. Doc. 68-15467; Filed, Dec. 27, 1968; 8:46 a.m.]

Title 15—COMMERCE AND FOREIGN TRADE

Chapter III—Bureau of International Commerce, Department of Commerce

SUBCHAPTER B—EXPORT REGULATIONS

[11th Gen. Rev. of Export Regs, Amdt. 13]

MISCELLANEOUS AMENDMENTS TO CHAPTER

Parts 370, 371, 372, 373, 374, 376, and 385 of the Code of Federal Regulations are revised as set forth below:

(Sec. 3, 63 Stat. 7; 50 U.S.C. App. 2023; E.O. 10945, 26 F.R. 4487, 3 CFR 1959–1963 Comp.; E.O. 11038, 27 F.R. 7003, 3 CFR 1959–1963 Comp.)

Effective date: December 23, 1968.

RAUER H. MEYER,
Director, Office of Export Control.

PART 370—SCOPE OF EXPORT CONTROL BY DEPARTMENT OF COMMERCE

In § 370.5 *Exports authorized by U.S. Government agencies other than Office of Export Control,* paragraph (c) is amended to read as follows:

§ 370.5 Exports authorized by U.S. Government agencies other than Office of Export Control.

* * * * *

(c) *Narcotics.* The Export Regulations of the U.S. Department of Commerce shall not govern the export of narcotic drugs and marihuana subject to the Narcotics Drugs Import and Export Act (21 U.S.C. 171 et seq.) and Marihuana Tax Act of 1937 (26 U.S.C. 4741), as amended, respectively, and regulations promulgated thereunder, administered by the Bureau of Narcotics and Dangerous Drugs, U.S. Department of Justice.

NOTE: Under the provisions of the Narcotics Drugs Import and Export Act, as amended, and the Federal marihuana law, the authority to control exports and imports of narcotic drugs, which are listed below, is vested in the Bureau of Narcotics and Dangerous Drugs, U.S. Department of Justice:

(1) Amidone or Methadon (Adanon and Dolophine—trade names).
(2) Coca leaves and their derivatives.
(3) Isonipecaine (Demerol—trade name).
(4) Marihuana or cannabis.
(5) Opium and its derivatives.
(6) Opiates.
(7) Any medicine or preparation containing any quantity of the foregoing drugs or their derivatives.

* * * * *

PART 371—GENERAL LICENSES

1. In § 371.10 *General License GLV; shipments of limited value,* the note following paragraph (d) is hereby revised to read as follows:

§ 371.10 General license GLV; shipments of limited value.

* * * * *

(d) * * *

NOTE: To determine the net value of a commodity which may be exported in a single shipment under the provisions of General License GLV, the exporter should first determine which country group includes the proposed country of destination. (See § 370.1(g).) The exporter should then find on the Commodity Control List the commodity he proposes to export. For each commodity, in the column titled "GLV $ Value Limits for Shipments to Country Groups T, V, X" a dollar amount or a dash (—) is shown for each of the three applicable country groups. The exporter may ship this commodity in an amount not to exceed the dollar-value limit shown for the country group which includes the proposed destination. Where a dash (—) appears, the commodity may not be shipped to that country group under General License GLV. However, despite a lesser dollar-value limit appearing for Country Group T, single shipments of a net value not to exceed $500 may be exported from the U.S. Virgin Islands to the British Virgin Islands under the provisions of General License GLV.

* * * * *

2. In § 371.11 the introductory text of paragraph (b) (1) and paragraph (c) (1) and (2) are revised to read as follows:

§ 371.11 General Licenses Baggage and Tools of Trade.

* * * * *

(b) *General license Baggage—(1) General provisions.* A general license designated "Baggage" is hereby established authorizing a person leaving the United States, but not including members of crews on vessels and aircraft,[1] to take to any destination, as personal baggage, accompanied or unaccompanied, the classes of commodities listed below. Unaccompanied shipments under this general license shall be clearly marked "Baggage." Shipments of unaccompanied baggage may be made at the time of, or within a reasonable time prior to or after, departure of the consignee or owner from the United States. However, commodities not identified by the symbol "B" in the last column of the Commodity Control List may not be taken out of the United States to Country Group S, W, Y, or Z under this general license.

* * * * *

(c) *General License Tools of Trade.* * * *

(1) *Tools owned by person leaving the United States.* Where the person leaving the United States owns the tools, such tools may be taken to any destination subject to the following conditions:

(i) The tools shall consist of implements or instruments used in such person's trade, occupation, or employment and may include the containers for such implements or instruments;

(ii) The tools shall be for the personal use of the person taking the commodities abroad;

(iii) The tools shall not be sold abroad; and

(iv) Only tools identified by the symbol "B" in the last column of the Commodity Control List may be exported or reexported under this general license to Country Group S, W, Y, or Z.

(2) *Tools not owned by person leaving the United States.* Where the person leaving the United States does not own the tools, such tools may be taken to any destination except Country Group W, X, Y, or Z for use in installing, inspecting, testing, calibrating, or repairing any type of commodity subject to the following conditions:

(i) Only tools identified by the symbol "B" in the last column of the Commodity Control List may be exported to Country Group S;

(ii) The tools shall consist of instruments or implements used in installing, inspecting, testing, calibrating, or repairing any type of commodity and may include the containers for such instruments or implements;

(iii) The tools shall be exported temporarily and may not be sold abroad;

(iv) From the time the tools are exported from the United States until they are returned to the United States, they shall be under the control of a person who is employed by or acting as agent for the owner of the tools; and

(v) The owner of the tools or a responsible official of the organization owning the tools shall promptly inform the Office of Export Control by letter that tools will be or have been shipped under General License "Tools of Trade." This letter shall be addressed to the Office of Export Control, Attention: 852, U.S. Department of Commerce, Washington, D.C. 20230, and shall include the following information:

(*a*) General description and the approximate value of the tools;

(*b*) Temporary destination of the tools;

(*c*) Date the tools will be or were shipped; and

(*d*) The following certification:

I (We) hereby certify that the tools described in this letter (1) will be used in installing, inspecting, testing, calibrating, or repairing a commodity; (2) will not be exported or reexported contrary to the provisions of paragraph 371.11(c) (2) of the Comprehensive Export Schedule; and (3) that (name of person) is authorized by (me) (us) to take these tools abroad.

* * * * *

3. In § 371.15 *General License GLC; exports of commercial vehicles by certain civil airlines and by private or common carriers,* paragraph (b) is hereby revised to read:

§ 371.15 General License GLC; exports of commercial vehicles by certain civil airlines and by private or common carriers.

* * * * *

(b) *Other carriers.* Trucks, busses, trailers, railroad rolling stock, and other commerical vehicles when operated by private or common carriers between the United States and other countries may be exported from the United States to any destination except Country Group S, Y or Z: *Provided,* That such vehicles, except those imported into the United States from a foreign country, shall not be exported for resale.

4. In § 371.18 paragraphs (d), (e), and (f) (1) (i) are hereby revised to read as follows:

§ 371.18 General License GLR; return of certain commodities imported into the United States.

* * * * *

(d) *Return of shipments refused entry.* Shipments of commodities refused entry by the Bureau of Customs, the Food and Drug Administration, or other U.S. Government agencies may be returned under this general license to the country of origin, except that this paragraph (d) does not authorize the return of any shipment to Country Group S or Z, or any shipment to any destination where such shipment has been refused entry by the U.S. Bureau of Customs because of the Foreign Assets Control Regulations of the Treasury Department unless such return is licensed or otherwise authorized by the Treasury Department, Foreign Assets Control.

(e) *Commodities exported for inspection, testing, calibration, repair, overhaul, and return to United States.* (1) Any commodity which was manufactured in a foreign country may be exported under this general license to the country from which originally imported into the United States or to the country in which manufactured for the purpose of being inspected, tested, calibrated, repaired or overhauled and returned to the United States, except that no export may be made under this paragraph (e) to Country Group S, Y, or Z. Any commodity exported under this general license shall be returned to the United States as soon as the repair or overhaul is completed.

(2) Where a commodity is returned to the country of manufacture and this is

[1] See General License Crew (§ 371.13(c)).

not the same country as the one from which the commodity was imported into the United States, the name and address of the manufacturer shall be shown on the Shipper's Export Declaration in addition to the information required by the first paragraph of this § 371.18.

(f) *Commodities exported to replace defective or unacceptable United States origin parts or equipment.*[1] (1) Any commodity may be exported under the provisions of this general license to replace any defective or unacceptable U.S.-origin part or equipment subject to the following conditions:

(i) No commodity may be exported to Country Group S, W, Y, or Z;

* * * * *

5. Paragraph (a) of § 371.25 is hereby revised to read as follows:

§ 371.25 General License GATS; aircraft on temporary sojourn.

* * * * *

(a) *Foreign-registered aircraft.* An operating civil aircraft of foreign registry which has been in the United States on a temporary sojourn may depart from the United States under its own power for any destination except Country Group S, W, Y, or Z (excluding Cuba), provided that the aircraft has not been sold or disposed of while in the United States, and provided it does not carry from the United States any commodity for which export authorization has not been granted by the appropriate U.S. Government agency.

* * * * *

6. Section 371.26 is hereby amended to read as follows:

§ 371.26 General License GMS; shipments under the Mutual Security Act.

(a) A general license designated GMS is hereby established authorizing the export of commodities sold by the U.S. Department of Defense to a foreign government, other than the government of a country included in Country Group S, W, Y, or Z, under the provisions of the Mutual Security Act of 1954, Public Law 665, 83d Congress, approved August 26, 1954 (68 Stat. 832), as amended. In addition to entering the symbol GMS on the Shipper's Export Declaration (see § 371.2 (b)), the MSMS (Mutual Security Military Sales) case number assigned by the Department of Defense to the transaction shall be entered on the Declaration.

(b) The following completed destination control statement is required on each copy of the Shipper's Export Declaration, Bill of Lading, and invoice covering a shipment under this General License GMS:

These commodities licensed by the United States for ultimate destination (name of country). Diversion contrary to U.S. law prohibited.

[1] The provisions of this paragraph (f) do not apply to any commodity to be used in replacing any part or equipment which is worn out from normal use or which is being replaced in order to obtain any part or equipment incorporating improved design or technology.

(c) The alternative forms of the destination control statement set forth in § 379.10(c)(2)(ii) and (iii) of this chapter are not applicable to such shipments and will not be accepted.

PART 372—PROVISIONS FOR INDIVIDUAL AND OTHER VALIDATED LICENSES

Paragraph (b)(3)(i) of § 372.7 is hereby revised to read as follows:

§ 372.7 License applications for ship stores, plane stores, supplies, and equipment.

* * * * *

(b) *Preparation of license applications.*

* * *

(3) *Operating vessels and aircraft.* An application for a license to export commodities or technical data, including ship or plane stores, supplies, and equipment (except as provided in paragraph (c) of this section), to an operating vessel or aircraft, whether in operation or being repaired, shall be prepared on Form FC–419 in accordance with the instructions contained in § 372.5, with the following modifications:

(i) *Country of ultimate destination.* (*a*) Show country where the vessel or aircraft will take on the commodities or technical data.

(*b*) If at the time of filing the license application it is uncertain where the vessel or aircraft will take on the commodities or technical data, but it is known that the commodities or technical data will not be shipped to Country Groups, S, W, X, Y, or Z (see § 370.1(g) of this chapter for country groups), enter the following statement on the license application:

Uncertain; however, shipment(s) will not be made to Country Groups S, W, X, Y, or Z.

An export license issued under this circumstance will bear the following destination restriction:

Shipment(s) may be made to the named (vessel) (aircraft) at any port in any country except Country Groups S, W, X, Y, or Z.

* * * * *

PART 373—LICENSING POLICIES AND RELATED SPECIAL PROVISIONS

1. Paragraph (b)(1) of § 373.48 is hereby revised to read as follows:

§ 373.48 Aircraft and equipment, parts, accessories, and components therefor.

* * * * *

(b) *Loan or sale of aircraft equipment, parts, accessories, and components by airlines.* (1) Any airline[1] operating abroad which has received commodities from the United States for use in the maintenance, repair, or operation of its aircraft may, for the purpose of maintaining in operation aircraft of another airline, lend or sell such commodities to that airline, without written authorization from the Office of Export Control, provided that:

(i) The transaction is subject to an agreement or arrangement that the lender will not receive any monetary profit from the transaction and that either the same or like commodities will be returned to the lender, or that payment for the commodities will be limited to no more than the original purchase price to the lender plus any expenses incurred in handling the commodities; e.g., transportation costs, warehousing costs, etc.;

(ii) The commodities will not be supplied for use on any aircraft registered in, or owned or controlled by, or chartered or leased to, a country in Country Group S, W, Y, or Z, or a national of one of these countries; and

(iii) The commodities will not be supplied for use on any aircraft located in Country Group S, W, Y, or Z.

* * * * *

2. Section 373.69 is hereby added to read as follows:

§ 373.69 Southern Rhodesia.

In considering applications for validated export licenses and other requests for authorization to ship to Southern Rhodesia, the Office of Export Control will, in general deny such applications and requests unless they involve (a) commodities or technical data intended strictly for medical purposes, for use in schools, and other educational institutions, or for the essential needs of recognized charitable institutions; or (b) foodstuffs required in special humanitarian circumstances.

3. In Supplement No. 3 of Part 373, the answer to Question No. 5 is amended to read:

A. Yes. Military aircraft, demilitarized (aircraft not specifically equipped or modified for military operations), the following only: (1) Cargo, bearing designations "C–45 through C–118," and "C–121;" (ii) Trainers, bearing a "T" designation and using piston engines; (iii) Utility, bearing a "U" designation and using piston engines; and (iv) Liaison, bearing an "L" designation.

PART 374—PROJECT LICENSE

Section 374.2 is hereby revised to read:

§ 374.2 Commodities and technical data eligible for project license.

The project licensing procedure is applicable to all commodities and technical data which require a validated license for export, as well as to commodities which may be exported under General License GLV, except:

(a) Commodities indentified by the symbol "F" in the last column of the Commodity Control List (§ 399.1 of this chapter);

(b) Commodities related to nuclear weapons, nuclear explosive devices, or nuclear testing, as described in § 373.7(b) of this chapter; and

(c) Unpublished technical data related to nuclear weapons, nuclear explosive devices, of nuclear testing, as described in § 385.2(c)(3)(vi) of this chapter.

[1] See § 370.1(p) for definition of airline.

PART 376—PERIODIC REQUIREMENTS (PRL) LICENSE

1. Section 376.1 is hereby revised to read:

§ 376.1 Periodic Requirements (PRL) License.

This part establishes a procedure for obtaining a Periodic Requirements (PRL) License, which authorizes the export of the licensed commodities to one or more ultimate consignees in a single country of destination for a period of 1 year from issuance of the license. The PRL licensing procedure is applicable to all destinations except Country Groups S, W, X, Y, and Z. An application may cover as much as 6-months' estimated requirements of the named consignee(s) for the commodities included in the application.

2. Paragraph (a)(2) of § 376.4 is revised to read:

§ 376.4 Application requirements.

(a) *How to prepare a PRL License application.* * * *

(2) *Identification of PRL application.* Enter the words "Periodic Requirements License" on Form FC–419 in the space entitled "Date of Application."

* * * * *

PART 385—EXPORTS OF TECHNICAL DATA

Paragraph (c)(4)(iii), paragraph (c)(5)(i), the introductory text of (c)(5)(ii), and (c)(5)(ii)(*a*) of § 385.2 are revised to read as follows:

§ 385.2 General Licenses.

* * * * *

(c) *General License GTDU; unpublished technical data.* * * *

(4) *Requirement of written assurance for certain data, services, and materials.* * * *

(iii) Technical data relating to the following materials and equipment:

(*a*) Molecular sieves (for example, crystalline calcium alumino-silicate; crystalline sodium alumino-silicate; crystalline alkali metal alumino-silicates, etc.) (Export Control Commodity Nos. 51460, 51470, and 59999);

(*b*) Pyrolytic graphite (i.e., graphite and doped graphites produced by vapor deposition) in any form (Export Control Commodity No. 66363); semifinished or finished materials or products containing pyrolytic graphite as a standing body, a coating, a lining, or a substrate (Export Control Commodity Nos. 59972, 66363, and 72996);

(*c*) Electric industrial melting and refining furnaces and metal heat-treating furnaces specially designed for the production or processing of vapor deposited (pyrolytic) graphite or doped graphites whether as standing bodies, coatings, linings or substrates (Export Control Commodity No. 72992);

(*d*) Cementing equipment; sidewall coring equipment; blowout preventers; fishing tools incorporating integral moving parts, casing cutters, and casing pullers; safety joints; jars, back-off tools, slip or telescopic joints; pipe and casing tongs, power type; percussion or vibratory attachments for rotary drilling; and drawworks and rotary tables designed for an input of 150 hp. and over (Export Control Commodity No. 71842);

(*e*) Rotary drill rigs incorporating rotary tables and with draw works designed for an input of 150 hp. and over; and work-over rigs (Export Control Commodity Nos. 71842 and 73203);

(*f*) Rotary rock drill bits (cone or roller types), and specially designed parts and accessories, n.e.c. (Export Control Commodity Nos. 69524 and 71842);

(*g*) Gravity meters and specially designed parts and accessories (gravimeters) (Export Control Commodity No. 86191);

(*h*) Casing head and Christmas-tree assemblies, 2,000 p.s.i. and over, chokes and components; perforating equipment; drilling control and surveying instruments; formation and production testers, and packers; gas lift equipment; and bottom hole pumps; and work-over rigs (Export Control Commodity Nos. 71921, 71931, 71980, and 71992);

(*i*) Well logging instruments and equipment and seismograph equipment except observatory type (Export Control Commodity No. 72952);

(*j*) Acetal resins (Export Control Commodity No. 58110);

(*k*) Alpha trioxymethylene (trioxane) (Export Control Commodity No. 51208);

(*l*) Ion exchange resins (Export Control Commodity Nos. 58110 and 58120), as follows: (*1*) Copolymers of styrene and divinyl benzene in which the predominant functional groups are either quaternary ammonium derivatives (basic type), or the sulfonic radical (acidic type), (*2*) mixed bed formulations consisting principally of resins specified in (*1*) of this (*l*), (*3*) ion exchange membranes (all types), and (*4*) ion exchange liquids;

(*m*) Rhenium in all forms: Concentrates, oxides and compounds, metal and alloys, and metal powders (Export Control Commodity Nos. 28398, 51369, 51470, 68950, and 69899);

(*n*) Filament winding machines designed for or modified for the manufacture of rigid structural forms by precisely controlled tensioning and positioning of filament yarns, tapes, or rovings; and specially designed parts, controls, and accessories, n.e.c. (Export Control Commodity No. 71980);

(*o*) Alumina, all types, 99 percent purity and over (Export Control Commodity No. 51365);

(*p*) Silicon carbide, all types, 99 percent purity and over (Export Control Commodity No. 51470);

(*q*) Phosphor compounds specially prepared for lasers, including but not limited to: Neodymium-doped calcium tungstate, dysprosium-doped calcium fluoride, eu-trifluoroethenoyl acetonate, praseodymium-doped lanthanum trifluoride (Export Control Commodity No. 53310);

(*r*) Voltmeters, with full scale sensitivity of 10 nanovolts or less (Export Control Commodity No. 72952);

(*s*) Hot or cold isostatic presses; and specially designed parts and accessories (Export Control Commodity No. 71980);

(*t*) Trimellitic acid and anhydrides; and pyromellitic acid and its dianhydrides (Export Control Commodity No. 51202);

(*u*) Polyimide-polyamide resins and products made therefrom (Export Control Commodity Nos. 53332, 58120, 59958, 66311, and 89300);

(*v*) Bonded, brazed, or welded structural sandwich constructions, including cores, face sheets, and attachment materials, manufactured in whole or in part from precipitation hardened stainless steel, beryllium, molybdenum, niobium (columbium), tantalum, titanium, tungsten, and their alloys, or any combination of such materials (Export Control Commodity Nos. 69110 and 69899);

(*w*) Silica, quartz, carbon, or graphite fibers in all forms (for example, chopped of macerated; filaments, yarns, rovings, and unwoven tapes for winding or weaving purposes; woven fabrics and tapes; nonwoven mats and felts); and compounds or compositions (composites) thereof with laminating resins in crude and semifabricated forms, including molding compositions and molded shapes (Export Control Commodity Nos. 58110, 58120, 59972, 65180, 65380, 65543, 66363, 66494, 72996, and 89300);

(*x*) Nonflexible fused fiber optic plates or bundles in which the fiber pitch (center to center spacing) is less than 30 microns, and devices containing such plates or bundles (Export Control Commodity Nos. 66420, 66492, 66494, 72930, 86111, 86112, and 89300); and

(*y*) Transonic (Mach 0.8 to 1.4), supersonic (Mach 1.4 to 5.5), hypersonic (Mach 5.5 to 15), and hypervelocity (above Mach 15) wind tunnels and devices (including hot-shot tunnels, plasma arc tunnels, shock tunnels, gas tunnels, shock tubes, and light gas guns) for simulating environments at Mach 0.8 and above; and specially designed parts and accessories, n.e.c. (Export Control Commodity Nos. 71980, 72952, 86182, 86191, 86193, 86195, 86196, 86197, 86198, and 86199).

* * * * *

(5) *Requirement of written assurance for certain additional products and destinations.* (i) Except for technical data requiring a written assurance in accordance with the provisions of subparagraph (4) of this paragraph, and except as provided in subdivision (v) of this subparagraph; no export of technical data relating to the commodities described below in this § 385.2(c)(5)(i) may be made under the provisions of this General License GTDU, until the U.S. exporter has received a written assurance from the foreign importer that, unless prior authorization is obtained from the Office of Export Control, the importer will not knowingly:

(*a*) Reexport, directly or indirectly, to Country Group W, Y, or Z, any technical data relating to commodities identified by the symbol "W" in the column of the Commodity Control List

indicating the country groups for which a validated license is required;

(b) Export, directly or indirectly, to Country Group Z, any direct product[1] of the technical data if such direct product is identified by the symbol "W" in the column of the Commodity Control List indicating the country groups for which a validated license is required; or

(c) Export, directly or indirectly, to any destination in Country Group W or Y any direct product[1] of the technical data if such direct product is identified by the symbol "A" in the last column of the Commodity Control List.

(ii) If the direct product[1] of any technical data is a complete plant or any major component of a plant which is capable of producing a commodity identified by the symbol "W" in the column of the Commodity Control List indicating the country groups for which a validated license is required, or appears in the U.S. Munitions List, a written assurance by the person who is or will be in control of the distribution of the products of the plant (whether or not such person is the importer) shall be obtained by the U.S. exporter (via the foreign importer), stating that, unless prior authorization is obtained from the Office of Export Control, such person will not knowingly:

(a) Reexport, directly or indirectly, to Country Group W, Y, or Z, the technical data relating to the plant or the major component of a plant;

* * * * *

[F.R. Doc. 68-15523; Filed, Dec. 27, 1968; 8:49 a.m.]

Title 16—COMMERCIAL PRACTICES

Chapter I—Federal Trade Commission

[Docket No. 8714 o.]

PART 13—PROHIBITED TRADE PRACTICES

Leon A. Tashof and New York Jewelry Co.

Subpart—Advertising falsely or misleadingly: § 13.71 *Financing;* § 13.155 *Prices:* 13.155–10 Bait; 13.155–40 Exaggerated as regular and customary. Subpart—Misrepresenting oneself and goods—Prices: § 13.1778 *Additional costs unmentioned;* § 13.1779 *Bait;* § 13.1805 *Exaggerated as regular and customary.* Subpart—Neglecting, unfairly or deceptively, to make material disclosure: § 13.1882 *Prices;* § 13.1905 *Terms and conditions.*

(Sec. 6, 38 Stat. 721; 15 U.S.C. 46. Interprets or applies sec. 5, 38 Stat. 719, as amended; 15 U.S.C. 45 [Cease and desist order, Leon A. Tashof trading as New York Jewelry Co., Washington, D.C., Docket 8714, Dec. 2, 1968]

In the Matter of Leon A. Tashof, Individually Trading as New York Jewelry Co.

Order requiring a Washington, D.C., retailer of eyeglasses, watches, jewelry, and other merchandise to cease using bait and switch tactics, falsely advertising its eyeglasses at "bargain" prices, failing to disclose all details of financing and credit charges, and misusing "easy credit" solicitation of customers.

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

It is ordered, That respondent, Leon A. Tashof, an individual, trading as New York Jewelry Co., or under any other name or names, and respondent's agents, representatives, and employees, directly or through any corporate or other device in connection with the advertising, offering for sale, sale, or distribution of any merchandise, products, goods or services, 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 any merchandise or service is offered for sale when such offer is not a bona fide offer to sell such merchandise or service at the stated price.

2. Representing, directly or by implication, that any article of merchandise is offered for sale or sold at a discount price or at a price below the price charged by other retail establishments for the same or substantially similar merchandise unless respondent shall have conducted, within 12 months before making any such representation, a statistically significant survey of principal retail establishments in the same trade area, which survey establishes that a substantial number of such outlets sell the same or similar merchandise at prices substantially above the prices represented by respondent to be discount, and unless respondent shall retain all documents relating to the manner in which such survey was conducted and the results thereof for at least 24 months after making any such representation.

3. Representing, directly or by implication, that respondent's terms of credit are lenient, including but not limited to the representations that respondent offers "easy credit" or that potential customers have a "preferred" credit rating.

4. Representing, directly or by implication, the rate of a finance charge, the amount of downpayment, the amount of any installment payment, the dollar amount of any finance charge, or the number of installments or the period of repayment unless respondent clearly and conspicuously discloses, in immediate conjunction with such representation, all of the following items:

(a) The cash price.

(b) The time price, consisting of the sum of the cash price, all finance charges, and any other extra charges before deducting any downpayment or allowance for a trade-in or otherwise.

(c) The downpayment, if any.

(d) The number, amount, and due dates or period of payments scheduled to repay the indebtedness if the credit is extended.

(e) The rate of the finance charge expressed as an annual percentage rate.

5. Representing the rate of a finance charge as any periodic rate unless the annual percentage rate is also disclosed in immediate conjunction with, and equally as conspicuously as, any other periodic rate.

6. Failing to disclose orally and in writing to each customer who executes a retail installment contract, or who otherwise purchases merchandise or services from respondent on credit, before such customer obligates himself to make any such credit purchase, all of the following items:

(a) The cash price of the merchandise or service purchased.

(b) The sum of any amounts credited as downpayment (including any trade-in).

(c) The difference between the amount referred to in paragraph (a) and the amount referred to in paragraph (b).

(d) All other charges, individually itemized, which are included in the amount of the credit extended but which are not part of the finance charge.

(e) The total amount to be financed the sum of the amount described in paragraph (c) plus the amount described in paragraph (d)).

(f) The amount of the finance charge.

(g) The finance charge expressed as an annual percentage rate.

(h) The total credit price (the sum of the amounts described in paragraph (e) plus the amount described in paragraph (f) and the number, amount, and due dates or periods of payments scheduled to pay the total credit price.

(i) The default, delinquency, or similar charges payable in the event of late payments as well as all other consequences provided in the sales or credit agreements for late or missed payments.

(j) A description of any security interest held or to be retained or acquired by respondent in connection with the extension of credit, and a clear identification of the property to which the security interest relates.

For purposes of paragraphs 4–6 or this order, the definition of the term "finance charge" and computation of the annual percentage rate is to be determined under (section 106 and section 107 of) Public Law 90–321, the "Truth in Lending Act," and the regulations promulgated thereunder.

It is further ordered, That respondents shall, within sixty (60) days after service upon them of this order, file with the Commission a report, in writing, setting

[1] The term "direct product" used in this sentence and in this context only is defined to mean the immediate product (including processes and services) produced directly by use of the technical data.

forth in detail the manner and form in which they have complied with the order to cease and desist contained herein.

Issued: December 2, 1968.

By the Commission.[1]

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

[F.R. Doc. 68-15462; Filed, Dec. 27, 1968; 8:46 a.m.]

[Docket No. 8756]

PART 13—PROHIBITED TRADE PRACTICES

Western Union Assurance Co. et al.

Subpart—Advertising falsely or misleadingly: § 13.260 *Terms and conditions:* 13.260-40 Insurance coverage. Subpart—Misrepresenting oneself and goods—Goods: § 13.1632 *Government indorsement or recommendation.* Subpart—Neglecting, unfairly or deceptively, to make material disclosure: § 13.1905 *Terms and conditions:* 13.1905-40 Insurance coverage. Subpart—Shipping, for payment demand, goods in excess of or without order: § 13.2195 *Shipping, for payment demand, goods in excess of or without order.*

(Sec. 6, 38 Stat. 721; 15 U.S.C. 46. Interprets or applies sec. 5, 38 Stat. 719, as amended; 15 U.S.C. 45) [Cease and desist order, Western Union Assurance Co. also known as Lincoln Life Insurance Co. et al., Phoenix, Ariz., Docket 8756, Nov. 27, 1968]

In the Matter of Western Union Assurance Co., a Corporation, Also Known as Lincoln Life Insurance Co., and Electro-Data Enterprises, Inc., a Corporation, and Jack P. Stewart, Gordon D. Rutledge, Mercier C. Willard, Jr., Individually and as Officers and Directors of Western Union Assurance Co., and/or Electro-Data Enterprises, Inc., and Elmo Matthews, Individually

Order requiring two affiliated Phoenix, Ariz., insurance companies to cease misrepresenting the terms of policies offered armed service personnel, failing to disclaim approval by the Federal Government, and issuing policies prior to any indication of acceptance by the insured.

The order to cease and desist is as follows:

It is ordered, That respondents Western Union Assurance Co., a corporation, also known as Lincoln Life Insurance Co., and its officers, Electro-Data Enterprises, Inc., a corporation, and its officers, and Jack P. Stewart, Gordon D. Rutledge, Mercier C. Willard, Jr., individually and as officers and directors of Western Union Assurance Co. and/or Electro-Data Enterprises, Inc., and respondents' agents, representatives, and employees, directly or through any corporate or other device, in connection with the offering for sale, sale, or distribution of any insurance policy or policies, in commerce, as "commerce" is defined in the Federal Trade Commission Act, except in those States where respondents are licensed and regulated by State law to conduct the business of insurance, do forthwith cease and desist from:

1. Using the expressions "No Military Restrictions", "No War Clause", or any other words or terms of similar import or meaning, or representing in any other manner that the insurance offered for sale by respondents will be issued regardless of the occupation, military status, or duty assignment of the insured in peace or war.

2. Using any letter or other solicitation material in contacting members of the Armed Forces of the United States or their parents or other relatives, which does not reveal in a prominent place, in clear language and in type at least as large as the largest type used on said material; (a) that said insurance is being offered without the knowledge or consent of the serviceman who appears as the insured therein; and (b) that no Department or Agency of the Federal Government either gave or approved the dissemination of the names and/or addresses of any insured or beneficiary of the insured to the respondents.

3. Using any policy form or similar document, prior to the receipt by respondents of the required premium, which contains the name of the insured, designation of the beneficiary policy number, or signature of any representative of respondents; or which contains any indicia of a policy issued with prior approval of the insured.

4. Representing, directly or by implication, that the insurance offered for sale by respondents has been issued with the knowledge or consent of, the serviceman who appears as the insured therein; or that any Department or Agency of the Federal Government either gave or approved the dissemination of the names and addresses of any insured or beneficiary of the insured to the respondents.

5. Misrepresenting in any manner the conditions or circumstances under which such insurance was initiated or issued.

It is further ordered, That the complaint be, and the same hereby is, dismissed as to the respondent Elmo Matthews, individually, without prejudice.

By "Final Order" further order requiring report of compliance is as follows:

It is further ordered, That Western Union Assurance Co., a corporation, also known as Lincoln Life Insurance Co., and Electro-Data Enterprises, Inc., a corporation and Jack P. Stewart, Gordon D. Rutledge, and Mercier C. Willard, Jr., individually and as officers and directors of Western Union Assurance Co., and/or Electro-Data Enterprises, Inc., shall, within sixty (60) days after service of this order upon them, file with the Commission a report in writing, signed by such respondents, setting forth in detail the manner and form of their compliance with the order to cease and desist.

Issued: November 27, 1968.

By the Commission.

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

[F.R. Doc. 68-15463; Filed, Dec. 27, 1968; 8:46 a.m.]

[1] Commissioner Nicholson did not participate for the reason oral argument was heard prior to his appointment to the Commission.

Title 41—PUBLIC CONTRACTS AND PROPERTY MANAGEMENT

Chapter 50—Public Contracts, Department of Labor

PART 50-204—SAFETY AND HEALTH STANDARDS FOR FEDERAL SUPPLY CONTRACTS

Radiation Standards for Mining

On November 20 and 21, 1968, interested persons were afforded an opportunity to submit orally, data, views, and arguments to show cause why the radiation standards in mining now published in § 50-204.321 of Title 41, Code of Federal Regulations and as noticed in a proposed § 50-204.35 published in the FEDERAL REGISTER on September 20, 1968 (33 F.R. 14258) should not become fully implemented on January 1, 1969. Interested persons were also afforded an opportunity to submit written data, views, or arguments showing such cause, as provided in the notice of proposed rule making published in the FEDERAL REGISTER on October 15, 1968 (33 F.R. 15297). During the oral proceeding, 18 organizations and individuals presented their comments on the proposal, and in addition 21 written comments were received concerning the proposal in response to the notice.

Consideration has been given to all comments presented by interested persons, and § 50-204.321 of Title 41, Code of Federal Regulations, is hereby amended, effective January 1, 1969, as follows:

§ 50-204.321 Radiation standards for mining.

(a) For the purpose of this section, a "working level" is defined as any combination of radon daughters in 1 liter of air which will result in the ultimate emission of 1.3×10^5 million electron volts of potential alpha energy. The numerical value of the "working level" is derived from the alpha energy released by the total decay of short-lived radon daughter products in equilibrium with 100 pico-curies of radon 222 per liter of air. A working level month is defined as the exposure received by a worker breathing air at one working level concentration for 4⅓ weeks of 40 hours each.

(b) (1) Occupational exposure to radon daughters in mines shall be controlled so that no individual will receive an exposure of more than 2 working level months in any consecutive 3-month period and no more than 4 working level

months in any consecutive 12-month period. Actual exposures shall be kept as far below these values as practicable.

(2) In enforcing this section, the Director of the Bureau of Labor Standards may at any stage approve variations in individual cases from the limitation set forth in subparagraph (1) of this paragraph to comply with the requirements of the Act upon a showing to the satisfaction of the Director by an employer having a mine with conditions resulting in an exposure of more than 4 working level months but not more than 12 working level months in any 12 consecutive months that (i) under the particular facts and circumstances involved the working conditions of the employees so exposed are such that their health and safety are protected, and (ii) the employer has a bona fide plan to reduce the levels of exposure to those specified in subparagraph (1) of this paragraph as soon as practicable, but in no event later than January 1, 1971.

(c) (1) For uranium mines, records of environmental concentrations in the occupied parts of the mine, and of the time spent in each area by each person involved in underground work shall be established and maintained. These records shall be in sufficient detail to permit calculations of the exposures, in units of working level months, of the individuals and shall be available for inspection by the Secretary of Labor or his authorized agents.

(2) For other than uranium mines and for surface workers in all mines, subparagraph (1) of this paragraph will be applicable: *Provided, however,* That if no environmental sample shows a concentration greater than 0.33 working level in any occupied part of the mine, the maintenance of individual occupancy records and the calculation of individual exposures will not be required.

(d) (1) At the request of an employee (or former employee) a report of the employee's exposure to radiation as shown in records maintained by the employer pursuant to paragraph (c) of this section, shall be furnished to him. The report shall be in writing and contain the following statement:

This report is furnished to you under the provisions of the U.S. Department of Labor, Radiation Safety and Health Standards (41 CFR Part 50-204, section 321(d)). You should preserve this report for future reference.

(2) The former employee's request should include appropriate identifying data, such as social security number and dates and locations of employment.

(Sec. 4, 49 Stat. 2036, 2038; 41 U.S.C. 38; sec. 7, 60 Stat. 241; 5 U.S.C. 556(d))

Signed at Washington, D.C., this 24th day of December 1968.

WILLARD WIRTZ,
Secretary of Labor.

[F.R. Doc. 68-15479; Filed, Dec. 27, 1968; 8:47 a.m.]

Title 43—PUBLIC LANDS: INTERIOR

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

APPENDIX—PUBLIC LAND ORDERS

[Public Land Order 4545]

[Idaho 016471]

IDAHO

Addition of Lands to Bear Lake National Wildlife Refuge

By virtue of the authority vested in the President and pursuant to Executive Order No. 10355 of May 26, 1952 (17 F.R. 4831), it is ordered as follows:

The following described public land which is under the jurisdiction of the Secretary of the Interior, is hereby withdrawn from all forms of appropriation under the public land laws, including the mining laws (30 U.S.C., ch. 2), but not from leasing under the mineral leasing laws, and added to and made a part of the Bear Lake National Wildlife Refuge:

BOISE MERIDIAN

T. 14 S., R. 44 E.,
Sec. 15, unsurveyed part of S½S½.

The area described contains approximately 48.81 acres in Bear Lake County.

HARRY R. ANDERSON,
Assistant Secretary of the Interior.

DECEMBER 23, 1968.

[F.R. Doc. 68-15464; Filed, Dec. 27, 1968; 8:46 a.m.]

[Public Land Order 4546]

[Oregon 3129]

OREGON

Withdrawal for Umatilla Substation Site, Bonneville Power Administration

By virtue of the authority vested in the President and pursuant to Executive Order No. 10355 of May 26, 1952 (17 F.R. 4831), it is ordered as follows:

Subject to valid existing rights, the following described public lands, which are under the jurisdiction of the Secretary of the Interior, are hereby withdrawn from all forms of appropriation under the public land laws, including the mining laws (30 U.S.C., Ch. 2), but not from leasing under the mineral leasing laws and reserved for the Umatilla Substation of the Bonneville Power Administration:

WILLAMETTE MERIDIAN

T. 5 N., R. 28 E.,
Sec. 14, lots 15 and 16, and S½SE¼.

The areas described aggregate 111.51 acres in Umatilla County.

2. The withdrawal made by this order does not alter the applicability of those public land laws governing the use of the lands under lease, license, or permit, or governing the disposal of their mineral or vegetative resources other than under the mining laws.

HARRY R. ANDERSON,
Assistant Secretary of the Interior.

DECEMBER 23, 1968.

[F.R. Doc. 68-15465; Filed, Dec. 27, 1968; 8:46 a.m.]

Proposed Rule Making

DEPARTMENT OF COMMERCE

Patent Office

[37 CFR Part 1]

RULES OF PRACTICE IN PATENT CASES

Interference Practice

The Patent Office is considering changes in its rules of practice (Title 37, Code of Federal Regulations) relating to patent interferences.

All persons who desire to present their views, objections, recommendations or suggestions in connection with the proposed changes are invited to do so on or before April 1, 1969, on which date a hearing will be held at 10 a.m., in Room 3A-3D48, Building 34, 2011 Jefferson Davis Highway, Arlington, Va. All persons wishing to be heard orally are requested to notify the Commissioner of Patents of their intended appearance.

The proposed changes for the most part are minor and have been found to be desirable based on experience with the amended rules which were adopted, effective July 1, 1965 (30 F.R. 6645-9, May 14, 1965). In addition under a proposed amendment relating to testimony, a party to an interference would be permitted to present his testimony-in-chief in affidavit form subject to production of any affiant for cross-examination upon demand by an opposing party, but at the expense of such opposing party. The use of affidavits in lieu of testimony is now permitted only by agreement of the parties.

Notice is hereby given, therefore, that under the authority contained in section 6 of the Act of July 19, 1952 (66 Stat. 792; 35 U.S.C. 6), the Patent Office proposes to amend Part 1 of Title 37 of the Code of Federal Regulations as follows:

1. By amending paragraph (b) of § 1.55 to delete from the third sentence the words "when specified in §§ 1.216 and 1.224" and to insert in lieu thereof "(§ 1.224)". As thus amended, paragraph (b) would read as follows:

§ 1.55 Serial number and filing date of application.

* * * * *

(b) An applicant may claim the benefit of the filing date of a prior foreign application under the conditions specified in 35 U.S.C. 119. The claim to priority need be in no special form and may be made by the attorney or agent if the foreign application is referred to in the oath as required by § 1.65. The claim for priority and the certified copy of the foreign application specified in the second paragraph of 35 U.S.C. 119 must be filed in the case of interference (§ 1.224); when necessary to overcome the date of a reference relied upon by the examiner; or when specifically required by the examiner; and in all other cases they must be filed not later than the date the final fee is paid. If the papers filed are not in the English language, a translation need not be filed except in the three particular instances specified in the preceding sentence, in which event a sworn translation or a translation certified as accurate by a sworn official translator must be filed.

2. By revising paragraph (c) of § 1.204 to read as follows:

§ 1.204 Interference with a patent; affidavit by junior applicant.

* * * * *

(c) When the effective filing date of an applicant is more than three months subsequent to the effective filing date of the patentee, the applicant, before the interference will be declared, shall file two copies of affidavits by himself and by one or more corroborating witnesses, supported by documentary evidence if available, each setting out a factual description of acts and circumstances which demonstrate a substantial basis for an asserted claim to priority with respect to the effective filing date of the patentee. This showing must be accompanied by an explanation of the basis on which he believes that the facts set forth would overcome the filing date of the patentee. Failure to satisfy the provisions of this section may result in summary judgment against the applicant under § 1.228. Upon a showing of sufficient cause, an affidavit on information and belief as to the expected testimony of a witness whose testimony is necessary to overcome the filing date of the patentee may be accepted in lieu of an affidavit by such witness. If the examiner finds the case to be otherwise in condition for the declaration of an interference he will consider this material only to the extent of determining whether a date prior to the effective filing date of the patentee is alleged, and if so, the interference will be declared.

3. By amending paragraph (b) of § 1.215 so as to delete the word "including" after "preliminary statement", second occurrence, and to insert in lieu thereof the word "and". As thus amended, paragraph (b) would read as follows:

§ 1.215 Preliminary statement required.

* * * * *

(b) A party who files a preliminary statement shall at the same time notify all opposing parties of that fact and by the time set for that purpose he shall serve a copy of his preliminary statement and any attached documents on every opposing party from whom he has received notification of the filing of a statement.

* * * * *

4. By amending paragraph (a) of § 1.216 so as to delete from the second sentence "including a brief statement as to the specific nature of each of the respective acts alleged"; and by amending paragraph (b) of § 1.216 so as to add at the end thereof the reference "(See § 1.223(c).)" As thus amended, the introductory text of paragraph (a) and paragraph (b) would read as follows:

§ 1.216 Contents of the preliminary statement.

(a) The preliminary statement must state that the party made the invention set forth by each count of the interference, and whether the invention was made in the United States or abroad. When the invention was made in the United States the preliminary statement must set forth as to the invention defined by each count the following facts:

* * * * *

(b) When an allegation as to the first drawing (paragraph (a)(1) of this section) and/or as to the first written description (paragraph (a)(2) of this section) is made, a copy of such drawing and/or written description must be attached to the statement. (See § 1.223(c).)

* * * * *

5. By amending paragraph (a)(1) of § 1.217 so as to strike the period at the end thereof, and to add "including documentary attachments if the allegations relate to a drawing or written description.". As thus amended, paragraph (a)(1) would read as follows:

§ 1.217 Contents of the preliminary statement; invention made abroad.

(a) * * *

(1) When the invention was introduced into this country by or on behalf of the party, giving the circumstances with the dates connected therewith which are relied upon to establish the fact and, when appropriate, including allegations of activity in this country of the nature of that represented by § 1.216(a)(1) to (6) including documentary attachments if the allegations relate to a drawing or written description.

* * * * *

6. By revising § 1.222 to read as follows:

§ 1.222 Correction of statement on motion.

In case of material error arising through inadvertence or mistake, the statement or attachments may be corrected or omitted attachments may be supplied on motion (see § 1.243), upon a satisfactory showing that such action is essential to the ends of justice. The motion must be made, if possible, before the taking of any testimony, and as soon

as practicable after the discovery of the error.

7. By revising paragraphs (a) and (c) of § 1.223 to read as follows:

§ 1.223 Effect of statement.

(a) The preliminary statement should be carefully prepared, as a party will not be allowed to amend his statement in any way except by motion under § 1.222, and any doubts as to definiteness or sufficiency of any allegation or compliance with formal requirements will be resolved against the party concerned by restriction to his effective filing date or to the latest date of a period alleged as may be appropriate. Prior to final hearing a party will not be notified of any defect in his statement except that a junior party, subject to restriction resulting from such a defect and by virtue of that restriction being subject to judgment under § 1.225, will be notified of that defect and also notified that judgment on the record will be entered against him at the expiration of a time set, not less than 30 days, unless cause be shown why judgment should not be entered. Each of the parties by whom or on whose behalf a preliminary statement is made will be strictly held in his proofs to the dates set forth therein. This includes joint applicants or patentees; a new preliminary statement will not be received in the event the application is amended or the patent is corrected to remove the names of those not inventors, nor will a preliminary statement alleging different dates be received if an application is amended or a patent is corrected to include a joint inventor, except by motion under § 1.222.

* * * * *

(c) If a party to an interference fails to file a statement, testimony will not be received subsequently from him to prove that he made the invention at a date prior to his effective filing date. If a party alleges in his statement a date of first drawing or first written description but does not attach a copy of such drawing or written description as required by § 1.216(b), he will be restricted to his effective filing date as to that allegation unless such copy is admitted by motion under § 1.222.

* * * * *

8. By revising § 1.224 to read as follows:

§ 1.224 Reliance on prior application.

A party will not be permitted to rely on any prior application to obtain the benefit of its filing date unless the prior application is specified in the notice of interference (see § 1.226) or its benefit is sought by a motion filed in accordance with § 1.231. In the latter case, complete copies of the contents of the application file the benefit of which is sought, except affidavits under §§ 1.131, 1.202, and 1.204, must be served on all opposing parties with the motion, and in the case of a foreign application the necessary papers to prove a date of priority under 35 U.S.C. 119 including a translation where required (§ 1.55), must be filed and copies served on all opposing parties with the motion except for such papers as were of record in the involved application when the interference was declared. In either case proof of service required by § 1.247 must include reference to the prior application as well as the motion or, in the case of the stated exception, note that the papers in question were of record when the interference was declared.

9. By revising § 1.228 to read as follows:

§ 1.228 Summary judgment.

When an interference is declared on the basis of a showing under § 1.204(c), such showing will be examined by an Examiner of Interferences. If the Examiner considers that the facts set out in the showing provide sufficient basis for the interference to proceed, the interference will proceed in the normal manner as provided by the rules in this part; otherwise an order shall be entered concurrently with the notice of interference pointing out wherein the showing is insufficient and notifying the applicant making such showing that summary judgment will be rendered against him because of such insufficiency at the expiration of a period specified in the notice, not less than 30 days, unless cause be shown why such action should not be taken. In the absence of a showing of good and sufficient cause, judgment shall be so rendered. Any response made during the specified period will be considered by a Board of Patent Interferences without an oral hearing unless such hearing is requested by the applicant, but additional affidavits or exhibits will not be considered unless accompanied by a showing in excuse of their omission from the original showing. If the applicant files a response to the order to show cause, the patentee will be furnished with one copy of the showing under § 1.204(c) and will be allowed not less than 30 days from its mailing date within which to present his views with respect thereto. He shall also be entitled to be represented at any oral hearing on the matter. The Board will determine, on the basis of the original showing and the response made, whether the interference should be allowed to proceed or summary judgment should be entered against the junior applicant.

10. By revising paragraphs (a) and (d) of § 1.231 to read as follows:

§ 1.231 Motions before the primary examiner.

(a) Within the period set in the notice of interference for filing motions any party to an interference may file a motion seeking:

(1) To dissolve as to one or more counts, except that such motion based on facts sought to be established by affidavits or evidence outside of official records and printed publications will not normally be considered, and when one of the parties to the interference is a patentee, no motion to dissolve on the ground that the subject matter of the count is unpatentable to all parties or is unpatentable to the patentee will be considered, except that a motion to dissolve as to the patentee may be brought which is limited to such matters as may be considered at final hearings (§ 1.258). Where a motion to dissolve is based on prior art, service on opposing parties must include copies of such prior art. A motion to dissolve on the ground that there is no interference in fact will not be considered unless the interference involves a design or plant patent or application or unless it relates to a count which differs from the corresponding claim of an involved patent or of one or more of the involved applications as provided in §§ 1.203(a) and 1.205(a).

(2) To amend the issue by addition or substitution of new counts. Each such motion must contain an explanation as to why a count proposed to be added is necessary or why a count proposed to be substituted is preferable to the original count, must demonstrate patentability of the count to all parties and must apply the proposed count to all involved applications except an application in which the proposed count originated.

(3) To substitute any other application owned by him as to the existing issue, or to declare an additional interference to include any other application owned by him as to any subject matter other than the existing issue but disclosed in his application or patent involved in the interference and in an opposing party's application or patent in the interference which should be made the basis of interference with such other party. Complete copies of the contents of such other application, except affidavits under §§ 1.131, 1.202, and 1.204, must be served on all other parties and the motion must be accompanied by proof of such service.

(4) To be accorded the benefit of an earlier application or to attack the benefit of an earlier application which has been accorded to an opposing party in the notice of declaration.

(5) To amend an involved application by adding or removing the names of one or more inventors as provided in § 1.45.

* * * * *

(d) All proper motions as specified in paragraph (a) of this section, or of a similar character, will be transmitted to and considered by the primary examiner without oral argument, except that consideration of a motion to dissolve will be deferred to final hearing before a Board of Patent Interferences where the motion urges unpatentability of a count to one or more parties which would be reviewable at final hearing under § 1.258 (a) and such unpatentability is urged against a patentee or has been ruled upon by the Board of Appeals or by a court in ex parte proceedings. Requests for reconsideration will not be entertained.

* * * * *

11. By revising § 1.238 to read as follows:

§ 1.238 Addition of new party by examiner.

If during the pendency of an interference, another case appears, claiming

substantially the subject matter in issue, the primary examiner should notify the Board of Patent Interferences and request addition of such case to the interference. Such addition will be done as a matter of course by a patent interference examiner, if no testimony has been taken. If, however, any testimony may have been taken, the patent interference examiner shall prepare and mail a notice for the proposed new party, disclosing the issue in interference and the names and addresses of the interferants and of their attorneys or agents, and notices for the interferants disclosing the name and address of the said party and his attorney or agent, to each of the parties, setting a time for stating any objections and at his discretion a time of hearing on the question of the admission of the new party. If the patent interference examiner be of the opinion that the new party should be added, he shall prescribe the conditions imposed upon the proceedings, including a suspension if appropriate.

12. By amending § 1.252 so as to add a new sentence at the end of the section. As thus amended, § 1.252 would read as follows:

§ 1.252 Failure of junior party to take testimony.

Upon the filing of a motion for judgment by any senior party to an interference stating that the time for taking testimony on behalf of any junior party has expired and that no testimony has been taken and no other evidence offered by said junior party, an order shall be entered that the junior party show cause within a time set therein, not less than 10 days, why judgment should not be rendered against him, and in the absence of a showing of good and sufficient cause, judgment shall be so rendered. In the absence of such a motion, if any junior party fails to file an evidentiary record by the date set as provided in § 1.253(d), a patent interference examiner shall enter the order to show cause.

13. By amending paragraph (a) of § 1.253 so as to insert after "(§§ 1.275 to 1.278)" the words "or executed copies of affidavits or stipulated testimony or facts (§ 1.272)", and by revising the last sentence of paragraph (c). As thus amended, paragraphs (a) and (c) would read as follows:

§ 1.253 Copies of the testimony.

(a) In addition to the certified transcript of the testimony (§§ 1.275 to 1.278) or executed copies of affidavits or stipulated testimony or facts (§ 1.272), three true copies of the record of each party must be filed for the use of the Patent Office (a total of four copies), and one true copy of the record must be served upon each of the opposing parties.

* * * * *

(c) These records, whether printed or typewritten, must include the testimony presented by the party filing the same. A copy of the counts of the interference and the preliminary statement required by §§ 1.215 to 1.227 must be included. Each record must contain an index of the names of the witnesses, giving the pages where their examination and cross-examination begin, and an index of the exhibits, briefly describing their nature and giving the pages at which they are introduced and offered in evidence, and also the pages where copies of exhibits are shown when such exhibits are copied in the record. The pages must be serially numbered throughout the entire record and the names of the witnesses must appear at the top of the pages over their testimony.

* * * * *

14. By amending § 1.254 so as to insert between the third and fourth sentences the following: "Every brief of more than 15 pages shall contain a subject index with page references, supplemented by a list of all authorities referred to, together with references to pages thereof. Each party should make a statement in his brief identifying those parts of his record upon which he relies."; and to add a new sentence at the end of the section reading: "The brief for the junior party shall present a full and fair statement of the questions involved and a clear statement of the points of law or fact upon which he relies for his case." As thus amended, § 1.254 would read as follows:

§ 1.254 Briefs at final hearing.

Briefs at final hearing before the Board of Patent Interferences shall be submitted in printed form, except that when not in excess of 50 legal-size double-spaced typewritten pages, or the equivalent thereof, and in any other case where satisfactory reason therefor is shown, they may be submitted in typewritten form. If submitted in printed form, they shall be the same in size and the same as to page and print as is specified for printed copies of testimony. Typewritten briefs shall conform to the requirements for typewritten copies of testimony, except that legal-size paper may be used and the binding and covers specified are not required. Every brief of more than 15 pages shall contain a subject index with page references, supplemented by a list of all authorities referred to, together with references to pages thereof. Each party should make a statement in his brief identifying those parts of his record upon which he relies. Three copies of each brief must be filed. The times for filing briefs will ordinarily be set in the order setting times for taking testimony. The brief for the junior party shall present a full and fair statement of the questions involved and a clear statement of the points of law or fact upon which he relies for his case.

15. By amending paragraph (a) of § 1.256 so as to add a new sentence between the fifth and sixth sentences reading: "A junior party may reserve a portion of his time for rebuttal purposes, but a full and fair opening of his case must be made.". As thus amended, paragraph (a) would read as follows:

§ 1.256 Final hearing.

(a) Final hearings will be held by the Board of Patent Interferences on the day appointed at the designated time. If either party appear at the proper time, he will be heard. After the day of hearing, the case will not be taken up for oral argument except by consent of all parties. If the Board of Patent Interferences be prevented from hearing the case at the time specified, a new assignment will be made, or the case will be continued from day to day until heard. Unless it shall be otherwise ordered before the hearing begins, oral arguments will be limited to not more than 1 hour for each party. A junior party may reserve a portion of his time for rebuttal purposes, but a full and fair opening of his case must be made. After a contested case has been argued, nothing further relating thereto will be heard unless upon request of the Board of Patent Interferences.

* * * * *

16. By revising paragraphs (a) and (b) of § 1.258 to read as follows:

§ 1.258 Matters considered in determining priority.

(a) In determining priority of invention, the Board of Patent Interferences will consider only priority of invention on the evidence submitted. Questions of patentability of a claim generally will not be considered in the decision on priority; and neither will the patentability of a claim to an opponent be considered, unless the nonpatentability of the claim to the opponent will necessarily result in the conclusion that the party raising the question is in fact the prior inventor on the evidence before the Office, or relates to matters which have been determined to be ancillary to priority and must be considered. A party shall not be entitled to raise such nonpatentability unless he has duly presented a motion for dissolution under § 1.231 upon such ground or shows good reason why such a motion was not presented; however, the Board of Patent Interferences may in its discretion consider a matter of this character even though it was not raised by motion under § 1.231.

(b) At final hearing a party shall not be entitled to urge consideration of a matter relating to the benefit of an earlier application of his own or of another party unless he has presented such matter in connection with a motion under §1.231(a)(4), or shows good reason why it was not so presented.

* * * * *

17. By revising § 1.272 to read as follows:

§ 1.272 Manner of taking testimony of witnesses.

(a) Except as provided in paragraphs (c) and (d) of this section, testimony of witnesses shall be taken by depositions on oral examination in accordance with these rules.

(b) If the parties so stipulate in writing, deposition may be taken before any person authorized to administer oaths, at any place, upon any notice, and in any manner, and when so taken may be used like other depositions. By agreement of the parties, provided the Commissioner consents, testimony may be taken before

an officer or officers of the Patent Office under such terms and conditions as the Commissioner may prescribe.

(c) A party may present all or part of his testimony-in-chief in the form of affidavits subject to the following conditions:

(1) The affidavits must be filed and served on opposing parties no later than 20 days before the expiration of the period for testimony-in-chief of the party concerned, or for testimony in the case of the senior party, as set or as extended.

(2) Upon demand and a commitment to bear expenses by any party, any affiant must be produced for cross-examination so as to permit completion of cross-examination within the time set or extension granted. Such demand must be filed and served within 10 days from the date of service (see § 1.248) of the affidavits. (Notice of a demand may be given by telephone if written confirmation is promptly filed and served.)

(3) By adopting this form of presentation a party undertakes to produce any of the affiants upon short notice within the time specified in subparagraph (2) of this paragraph, and upon demonstration by an opposing party of his failure to so produce the affiant, the affidavit will not be considered.

(d) By agreement of the parties, the testimony of any witness or witnesses of any party, may be submitted in the form of an affidavit by such witness or witnesses. The parties may stipulate what a particular witness would testify to if called, or the facts in the case of any party may be stipulated.

(e) When evidence is submitted in stipulated or affidavit form, four copies of such affidavits or stipulated testimony or facts (§ 1.253 (a), (f)) are required. Where a bona fide issue of derivation of the invention is raised, the Board of Patent Interferences may refuse to consider testimony not taken by depositions on oral examination.

18. By revising § 1.281 to read as follows:

§ 1.281 Additional time for taking testimony.

If either party has proceeded with the taking of testimony on his behalf but is unable to complete his case because of inability to procure the testimony of a witness or witnesses within the time limited and said time has expired, and he desires additional time for such purpose, he must file a motion, accompanied by a statement under oath setting forth specifically the cause of such inability, the name or names of the witness or witnesses, the facts expected to be proved by such witness or witnesses, the steps which have been taken to procure such testimony, and the dates on which efforts have been made to procure it. (See § 1.245 for extensions of time in other situations.)

19. By revising § 1.283 to read as follows:

§ 1.283 Testimony taken in another interference or action.

Upon motion, supported by a showing demonstrating its relevance and materiality to the issue, duly made and granted, testimony taken in another interference proceeding or action, between the same parties or those in interest, may be used in an interference proceeding, subject, however, to the right of any contesting party to recall or demand the recall of witnesses whose testimony has been taken and who are physically and mentally able to testify, and to take other testimony in rebuttal of the testimony.

20. By amending paragraph (b) of § 1.284 so as to strike at the beginning of the section the words "It must appear" and to insert in lieu thereof "It must be demonstrated". As thus amended, paragraph (b) would read as follows:

§ 1.284 Testimony taken in foreign countries.

* * * * *

(b) It must be demonstrated that the testimony desired is material and competent, and that it cannot be taken in this country at all, or cannot be taken here without hardship and injury to the moving party greatly exceeding that to which the opposite party will be exposed by the taking of such testimony abroad.

* * * * *

Dated: December 20, 1968.

EDWIN L. REYNOLDS,
Acting Commissioner of Patents.

Approved:
JOHN F. KINCAID,
Assistant Secretary for Science and Technology.

[F.R. Doc. 68-15487; Filed, Dec. 27, 1968; 8:47 a.m.]

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

[14 CFR Part 71]

[Airspace Docket No. 68-WE-89]

TRANSITION AREA

Proposed Alteration

The Federal Aviation Administration is considering amendments to Part 71 of the Federal Aviation Regulations that would alter the description of the Portland, Oreg., transition area.

Interested persons may participate in the proposed rule-making by submitting such written data, views, or arguments as they may desire. Communications should be submitted in triplicate to the Director, Western Region, Attention: Chief, Air Traffic Division, Federal Aviation Administration, 5651 West Manchester Avenue, Post Office Box 92007, Worldway Postal Center, Los Angeles, Calif. 90009. All communications received within 30 days after publication of this notice in the FEDERAL REGISTER will be considered before action is taken on the proposed amendments. No public hearing is contemplated at this time, but arrangements for informal conferences with Federal Aviation Administration officials may be made by contacting the Regional Air Traffic Division Chief. Any data, views, or arguments presented during such conferences must also be submitted in writing in accordance with this notice in order to become part of the record for consideration. The proposals contained in this notice may be changed in the light of comments received.

A public docket will be available for examination by interested persons in the office of the Regional Counsel, Federal Aviation Administration, 5651 West Manchester Avenue, Los Angeles, Calif. 90045.

New instrument approach, departure, and holding procedures have been developed for Kelso, Wash., airport, utilizing a privately owned, public use radiobeacon. The proposed additional 700- and 1,200-foot transition area will provide controlled airspace protection for aircraft executing the prescribed instrument procedures.

Federal airway V-99 has been revoked and redesignated V-165. Action is taken herein to reflect this change.

In consideration of the foregoing, the FAA proposes the following airspace action:

In § 71.181 (33 F.R. 2240) the Portland, Oreg., transition area is amended as follows:

1. Delete all between "* * * (latitude 45°35'20" N., longitude 122°35'35" W.) * * *" and "* * * that airspace extending upward from 4,500 feet MSL * * *" and substitute therefor "* * *, within a 5-mile radius of Kelso-Longview, Wash., airport (latitude 46°07'12" N., longitude 122°53'58" W.) and within 2 miles each side of the 012° bearing from the Kelso, Wash., RBN (latitude 46°09'-14" N., longitude 122°54'40" W.) extending from the 5-mile radius area to 8 miles north of the RBN; that airspace extending upward from 1,200 feet above the surface within a 30-mile radius of the Portland International Airport, that airspace northwest of Portland extending from the 30-mile radius area bounded on the south by latitude 45°38'00" N., on the west by longitude 123°17'00" W., and on the north by V-112, within 5 miles east and 5 miles southwest of and parallel to the 021° and 336° bearings, respectively, from the Kelso RBN extending from the RBN to latitude 46°26'00" N., within 5 miles northeast and 5 miles northwest of and parallel to the 151° and 216° bearings, respectively, from the Kelso RBN extending from the RBN to the 30-mile radius area and the north edge of V-112, and within 5 miles east and 8 miles west of the 012° bearing from the Kelso RBN extending from the RBN to 12 miles north of the RBN * * *"

2. Delete "V-99" each place it appears in the text and substitute "V-165" therefor.

These amendments are proposed under the authority of section 307(a) of the Federal Aviation Act of 1958, as amended (72 Stat. 749; 49 U.S.C. 1348), and of section 6(c) of the Department of Transportation Act (49 U.S.C. 1655(c)).

Issued in Los Angeles, Calif., on December 17, 1968.

LEE E. WARREN,
Acting Director, Western Region.

[F.R. Doc. 68-15456; Filed, Dec. 27, 1968; 8:45 a.m.]

[14 CFR Part 71]

[Airspace Docket No. 68-WE-90]

TRANSITION AREA

Proposed Alteration

The Federal Aviation Administration is considering an amendment to Part 71 of the Federal Aviation Regulations that would alter the description of the Phoenix, Ariz., transition area.

Interested persons may participate in the proposed rule-making by submitting such written data, views, or arguments as they may desire. Communications should be submitted in triplicate to the Director, Western Region, Attention: Chief, Air Traffic Division, Federal Aviation Administration, 5651 West Manchester Avenue, Post Office Box 92007, Worldway Postal Center, Los Angeles, Calif. 90009. All communications received within 30 days after publication of this notice in the FEDERAL REGISTER will be considered before action is taken on the proposed amendments. No public hearing is contemplated at this time, but arrangements for informal conferences with Federal Aviation Administration officials may be made by contacting the Regional Air Traffic Division Chief. Any data, views, or arguments presented during such conferences must also be submitted in writing in accordance with this notice in order to become part of the record for consideration. The proposals contained in this notice may be changed in the light of comments received.

A public docket will be available for examination by interested persons in the office of the Regional Counsel, Federal Aviation Administration, 5651 West Manchester Avenue, Los Angeles, Calif. 90045.

Additional controlled airspace is proposed west of the present Phoenix transition area between Federal Airway V-66 and latitude 34°00'00" N. This additional airspace is required to provide more efficient and expeditious control of air traffic arriving and departing the Phoenix and Luke AFB, Ariz., terminal areas.

In consideration of the foregoing, the FAA proposes the following airspace action:

In § 71.181 (33 F.R. 4171) as modified (by 33 F.R. 4981) the Phoenix, Ariz., transition area is amended by adding: "That airspace west of Phoenix extending upward from 5,500 feet MSL bounded on the north by the south edge of V-16, on the east by longitude 113°00'00" W., on the south by the north edge of V-66 and on the west by longitude 114°00'00" W., and that airspace extending upward from 7,000 feet MSL bounded on the north by latitude 34°00'00" N., on the east by longitude 113°00'00" W., on the south by the north edge of V-16 and on the west by longitude 114°00'00" W., excluding that airspace within restricted areas R-2308A, R-2308B, and R-2307."

This amendment is proposed under the authority of section 307(a) of the Federal Aviation Act of 1958, as amended (72 Stat. 749; 49 U.S.C. 1348), and of section 6(c) of the Department of Transportation Act (49 U.S.C. 1655(c)).

Issued in Los Angeles, Calif., on December 17, 1968.

LEE E. WARREN,
Acting Director, Western Region.

[F.R. Doc. 68-15457; Filed, Dec. 27, 1968; 8:45 a.m.]

[14 CFR Part 71]

[Airspace Docket No. 68-WE-91]

TRANSITION AREA

Proposed Alteration

The Federal Aviation Administration is considering an amendment to Part 71 of the Federal Aviation Regulations that would alter the description of the Moses Lake, Wash., transition area.

Interested persons may participate in the proposed rule-making by submitting such written data, views, or arguments as they may desire. Communications should be submitted in triplicate to the Director, Western Region, Attention: Chief, Air Traffic Division, Federal Aviation Administration, 5651 West Manchester Avenue, Post Office Box 92007, Worldway Postal Center, Los Angeles, Calif. 90009. All communications received within 30 days after publication of this notice in the FEDERAL REGISTER will be considered before action is taken on the proposed amendments. No public hearing is contemplated at this time, but arrangements for informal conferences with Federal Aviation Administration officials may be made by contacting the Regional Air Traffic Division Chief. Any data, views, or arguments presented during such conferences must also be submitted in writing in accordance with this notice in order to become part of the record for consideration. The proposals contained in this notice may be changed in the light of comments received.

A public docket will be available for examination by interested persons in the office of the Regional Counsel, Federal Aviation Administration, 5651 West Manchester Avenue, Los Angeles, Calif. 90045.

As a result of impending action to establish approach control service for the Grant County and Ephrata, Wash., airports, three new intersections are proposed as outer fixes for holding aircraft. Holding will be accomplished west of the Potholes INT. (INT V-2 and Ephrata 188° M (209° T) radial, left turns; east of the Batum INT. (INT V-2 and Ephrata 088° M (109° T) radial, right turns; northeast and southwest of the Royal INT. (INT V-448 and Ellensburg 088° M (109° T) radial, left and right turns respectively.

The proposed additional 1,200-foot transition area is necessary to provide controlled airspace for aircraft holding at Potholes and Batum intersections. The 5,500-foot MSL portion of the transition area is required for holding at the Royal intersection.

In consideration of the foregoing the FAA proposes the following airspace action:

In § 71.181 (33 F.R. 2224) the Moses Lake, Wash., transition area is amended by deleting all after "* * * (latitude 47°36'55" N., longitude 117°39'20" W.), * * *" and substituting therefor "* * *, on the southeast by a line 6 miles southeast of and parallel to the Moses Lake VOR 066° radial, on the west by longitude 119°15'00" W., that airspace west of Moses Lake bounded on the north by latitude 47°30'00" N., on the east by longitude 119°15'00" W., on the south by a line 6 miles south of and parallel to the Moses Lake VOR 266° radial, on the west by an arc of a 39-mile radius circle centered on the Grant County Airport, and that airspace southwest of Moses Lake extending upward from 5,500 feet MSL within 7 miles northwest and 10 miles southeast of the Moses Lake VOR 238° radial extending from 10 to 50 miles southwest of the VOR, excluding that airspace overlying R-6715."

This amendment is proposed under the authority of section 307(a) of the Federal Aviation Act of 1958, as amended (72 Stat. 749; 49 U.S.C. 1348), and of section 6(c) of the Department of Transportation Act (49 U.S.C. 1655(c)).

Issued in Los Angeles, Calif., on December 17, 1968.

LEE E. WARREN,
Acting Director, Western Region.

[F.R. Doc. 68-15458; Filed, Dec. 27, 1968; 8:45 a.m.]

[14 CFR Part 71]

[Airspace Docket No. 68-WE-93]

TRANSITION AREA

Proposed Alteration

The Federal Aviation Administration is considering an amendment to Part 71 of the Federal Aviation Regulations that would alter the description of the Lewiston, Idaho, transition area.

Interested persons may participate in the proposed rule-making by submitting such written data, views, or arguments as they may desire. Communications should be submitted in triplicate to the Director, Western Region, Attention: Chief, Air Traffic Division, Federal Aviation Administration, 5651 West Manchester Avenue, Post Office Box 92007, Worldway Postal Center, Los Angeles, Calif. 90009. All communications received within 30 days after publication of this notice in the FEDERAL REGISTER will be considered before action is taken on the proposed amendment. No public hearing is contemplated at this time,

but arrangements for informal conferences with Federal Aviation Administration officials may be made by contacting the Regional Air Traffic Division Chief. Any data, views, or arguments presented during such conferences must also be submitted in writing in accordance with this notice in order to become part of the record for consideration. The proposal contained in this notice may be changed in the light of comments received.

New holding procedures have been developed for turbojet aircraft utilizing the Lewiston VOR 045° M (065° T) radial The proposed additional 6,500-foot MSL floor transition area will provide controlled airspace for aircraft executing the prescribed instrument procedure.

In consideration of the foregoing the FAA proposes the following airspace action:

In § 71.181 (33 F.R. 2210) the Lewiston, Idaho transition area is amended by adding "* * * that airspace extending upward from 6,500 feet MSL within 12 miles northwest and 8 miles southeast of the Lewiston VOR 065° and 245° radials, extending from 23 miles northeast to 11 miles southwest of the VOR."

This amendment is proposed under the authority of section 307(a) of the Federal Aviation Act of 1958, as amended (72 Stat. 749; 49 U.S.C. 1348), and of section 6(c) of the Department of Transportation Act (49 U.S.C. 1655(c)).

Issued in Los Angeles, Calif., on December 18, 1968.

LEE E. WARREN,
Acting Director, Western Region.

[F.R. Doc. 68-15459; Filed, Dec. 27, 1968; 8:45 a.m.]

Notices

DEPARTMENT OF THE INTERIOR

Bureau of Land Management

ALASKA

Notice of Opportunity for Comments on Proposed Withdrawal of Unreserved Lands

On December 14, 1968, a notice of application by the Commissioner of Indian Affairs for withdrawal of all unreserved public lands in Alaska for the the protection of the Alaskan Natives' Claims, was published on page 18591 of the FEDERAL REGISTER. All persons wishing to submit comments, suggestions, or objections in connection with the proposed withdrawal may present their views in writing on or before January 15, 1969. Comments should be addressed to the Director, Bureau of Land Management, Department of the Interior, Washington, D.C. 20240. The determination of the Secretary on the application will be published in the FEDERAL REGISTER.

JOHN O. CROW,
Acting Director.

DECEMBER 26, 1968.

[F.R. Doc. 68-15488; Filed, Dec. 27, 1968; 8:48 a.m.]

NEW MEXICO

Modification of Grazing Districts No. 1 and No. 2

DECEMBER 23, 1968.

By virtue of the authority contained in the act of June 28, 1934 (48 Stat. 1269; 43 U.S.C. 315, et seq.), as amended, and pursuant to authority delegated in 235 D.M. 1.1 (28 F.R. 2535), the boundaries of Grazing Districts No. 1 and No. 2 are hereby modified as follows:

1. The following described lands are hereby excluded from New Mexico Grazing District No. 2:

NEW MEXICO PRINCIPAL MERIDIAN

T. 4 N., R. 1 E.,
Secs. 7, 18, 19, 30, and 31, fractional.
T. 4 N., R. 1 W.,
Sec. 1, fractional;
Secs. 2 to 11, inclusive;
Sec. 12, fractional;
Secs. 13 to 36, inclusive.
T. 5 N., R. 1 W.,
Sec. 1, fractional;
Secs. 2 to 11, inclusive;
Secs. 12 and 13, fractional;
Secs. 14 to 23, inclusive;
Secs. 24 and 25, fractional;
Secs. 26 to 35, inclusive;
Sec. 36, fractional.
T. 6 N., R. 1 W.,
Sec. 5, lot 1;
Sec. 6, fractional;
Secs. 8 and 9, fractional;
Secs. 14 and 15, fractional;
Secs. 16 and 17;
Secs. 20, 21, and 22;
Secs. 23, 25, and 26, fractional;
Secs. 27 to 35, inclusive;
Sec. 36, fractional.
T. 7 N., R. 1 W.,
Sec. 31, fractional.
T. 1 N., R. 2 W.,
Sec. 29, fractional;
Secs. 30 and 31;
Sec. 32, fractional.
Tps. 4 and 5 N., R. 2 W.
T. 6 N., R. 2 W.,
Sec. 36.
T. 7 N., R. 2 W.,
Secs. 31 to 36, inclusive.
T. 1 N., R. 3 W.,
Secs. 17 to 20, inclusive;
Sec. 25;
Secs. 29 to 32, inclusive;
Sec. 36.
Tps. 4 and 5 N., R. 3 W.
T. 8 N., R. 3 W.,
Secs. 3 to 10, inclusive;
Secs. 15 to 22, inclusive;
Secs. 27 to 34, inclusive.
Tps. 3, 4, and 5 N., R. 4 W.
T. 2 N., R. 5 W.,
Sec. 6, W½.
T. 3 N., R. 5 W.,
Secs. 1 to 6, inclusive.
T. 4 N., R. 5 W.
T. 2 N., R. 6 W.,
Secs. 1 to 6, inclusive.
Tps. 3 and 4 N., R. 6 W.
T. 1 N., R. 7 W.,
Sec. 31.
T. 2 N., R. 7 W.,
Secs. 1 to 6, inclusive.
Tps. 3 and 4 N., R. 7 W.
T. 5 N., R. 7 W.,
Secs. 3 to 10, inclusive;
Secs. 14 to 23, inclusive;
Secs. 25 to 36, inclusive.
T. 1 N., R. 8 W.,
Secs. 21 to 23, inclusive;
Secs. 25 to 28, inclusive;
Secs. 32 to 36, inclusive.
T. 2 N., R. 8 W.,
Sec. 1.
T. 3 N., R. 8 W.
T. 4 N., R. 8 W.,
Secs. 1 to 5, inclusive;
Secs. 8 to 17, inclusive;
Secs. 19 to 36, inclusive.
T. 5 N., R. 8 W.
T. 2 N., R. 9 W.,
Secs. 1 to 6, inclusive.
T. 3 N., R. 9 W.,
Secs. 1, 2, and 3;
Secs. 10 to 15, inclusive;
Secs. 24, 25, and 36.
T. 4 N., R. 9 W.,
Secs. 23 to 27, inclusive;
Secs. 34, 35, and 36.
T. 2. N., R. 10 W.,
Secs. 1 to 9, inclusive;
Secs. 17, 18, and 19.
T. 1 N., R. 11 W.,
Sec. 6.
T. 2 N., R. 11 W.,
Secs. 1 to 34, inclusive.
T. 3 N., R. 11 W.
T. 1 N., R. 12 W.,
Secs. 1 to 11, inclusive;
Secs. 15 to 20, inclusive;
Secs. 29 to 33, inclusive.
Tps. 2 and 3 N., R. 12 W.
T. 4 N., R. 12 W.,
Secs. 2 to 36, inclusive.
T. 1 N., R. 13 W.,
Secs. 1 to 6, inclusive;
Secs. 8 to 17, inclusive;
Secs. 19 to 36, inclusive.
Tps. 2 to 5 N., inclusive, R. 13 W.
T. 1 N., R. 14 W.,
Secs. 1 and 2.
Tps. 2 to 5 N., inclusive, R. 14 W.
T. 6 N., R. 14 W.,
Secs. 19 to 36, inclusive.
T. 3 N., R. 15 W.,
Secs. 1 to 12, inclusive.
Tps. 4 and 5 N., R. 15 W.
T. 6 N., R. 15 W.,
Secs. 19 to 36, inclusive.
T. 3 N., R. 16 W.,
Secs. 1 to 12, inclusive.
Tps. 4, 5, and 6 N., R. 16 W.
T. 3 N., R. 17 W.,
Secs. 1 to 18, inclusive.
T. 4 N., R. 17 W.,
Secs. 1 to 6, inclusive;
Secs. 12, 13, and 24;
Secs. 25 to 36, inclusive.
Tps. 5, 6, and 7 N., R. 17 W.
T. 5 N., R. 18 W.,
Secs. 1 to 29, inclusive;
Secs. 32 to 36, inclusive.
Tps. 6 and 7 N., R. 18 W.
T. 5 N., R. 19 W.,
Secs. 1 to 9, inclusive;
Secs. 16 to 21, inclusive;
Secs. 28 to 33, inclusive.
Tps. 6 and 7 N., R. 19 W.
T. 4 N., R. 20 W.,
Secs. 1 to 12, inclusive;
Secs. 15 to 18, inclusive.
Tps. 5, 6 and 7 N., R. 20 W.
T. 3 N., R. 21 W.,
Secs. 1, 2, and 3;
Secs. 4 and 9, fractional;
Secs. 10 to 15, inclusive;
Sec. 16, fractional.
Tps. 4, 5, and 6 N., R. 21 W., fractional.
T. 7 N., R. 21 W.,
Sec. 1;
Secs. 2 and 3, exclusive of Zuni Indian Reservation;
Secs. 10 to 15, inclusive;
Secs. 22 to 27, inclusive;
Secs. 34, 35 and 36.
T. 1 S., R. 2 W.,
Sec. 5, fractional;
Secs. 6 and 7;
Secs. 8, 9, 10, and 11, fractional;
Sec. 12, S½;
Secs. 13 to 36, inclusive.
T. 2 S., R. 2 W.,
Secs. 1 to 24, inclusive;
Secs. 27 to 34, inclusive.
T. 3 S., R. 2 W.,
Secs. 5 to 8, inclusive;
Secs. 17 and 18.
T. 1 S., R. 3 W.
T. 2 S., R. 3 W.,
Secs. 1 to 18, inclusive;
Secs. 21 to 27, inclusive;
Secs. 35 to 36.

T. 3 S., R. 3 W.,
Secs. 1 and 12.
T. 2 S., R. 4 W.,
Secs. 9 to 17, inclusive;
Secs. 19 and 20;
Secs. 22 to 27, inclusive;
Secs. 31 and 32;
Sec. 33, W½;
Secs. 35 and 36.
T. 3 S., R. 4 W.,
Sec. 1, N½;
Sec. 2, N½;
Sec. 4, W½;
Secs. 5, 6, 7, 18, and 19;
Secs. 29 to 32, inclusive.
T. 4 S., R. 4 W.,
Secs. 31 to 33, inclusive.
T. 5 S., R. 4 W.,
Secs. 4 to 9, inclusive;
Secs. 13 to 36, inclusive.
T. 6 S., R. 4 W.,
Secs. 2 to 11, inclusive;
Secs. 13 to 30, inclusive;
Secs. 33 to 36, inclusive.
T. 7 S., R. 4 W.,
Secs. 1 to 4, inclusive;
Secs. 9 to 12, inclusive;
Secs. 14, 15, and 16;
Secs. 21, 22, and 23;
Secs. 25 to 28, inclusive;
Secs. 33 to 36, inclusive.
T. 8 S., R. 4 W.,
Secs. 2, 3, and 4;
Secs. 9 to 11, inclusive;
Secs. 14, 15, and 16;
Secs. 21, 22, and 23;
Secs. 27 and 28.
T. 3 S., R. 5 W.,
Secs. 8, 9, and 10;
Secs. 15 to 22, inclusive;
Secs. 27 to 32, inclusive.
T. 4 S., R. 5 W.,
Secs. 6 and 7;
Secs. 16 to 18, inclusive;
Secs. 20 and 21;
Secs. 27, 28, and 29;
Secs. 32 to 36, inclusive.
T. 5 S., R. 5 W.,
Secs. 1 to 4, inclusive;
Secs. 9 to 16, inclusive;
Secs. 23 to 26, inclusive;
Secs. 35 and 36.
T. 6 S., R. 5 W.,
Secs. 1 to 4, inclusive;
Secs. 9 to 16, inclusive;
Secs. 23 to 26, inclusive.
T. 3 S., R. 6 W.,
Sec. 5, S½;
Secs. 6 and 13;
Secs. 23 to 36, inclusive.
T. 4 S., R. 6 W.,
Secs. 1 to 16, inclusive.
T. 1 S., R. 7 W.,
Secs. 6, 7, 18, 19, 30, and 31.
T. 2 S., R. 7 W.,
Secs. 6, 7, 18, and 19;
Secs. 28 to 36, inclusive.
T. 3 S., R. 7 W.,
Secs. 1 to 6, inclusive;
Secs. 25, 26, 35, and 36.
T. 4 S., R. 7 W.,
Secs. 1, 2, and 12.
Tps. 1 and 2 S., R. 8 W.
T. 3 S., R. 8 W.,
Secs. 1 to 6, inclusive.
T. 4 S., R. 8 W.,
Secs. 13 to 21, inclusive;
Secs. 28 to 33, inclusive.
T. 5 S., R. 8 W.,
Secs. 4 to 9, inclusive;
Secs. 16 to 21, inclusive;
Secs. 28 to 33, inclusive.
T. 7 S., R. 8 W.,
Secs. 25 to 29, inclusive;
Secs. 31 to 36, inclusive.
Tps. 8 and 9 S., R. 8 W.
T. 10 S., R. 8 W.,
Sec. 1, W½E½ and W½;
Sec. 2;
Secs. 5 to 8, inclusive;
Sec. 17, W½;
Sec. 18.
T. 1 S., R. 9 W.,
Sec. 1;
Secs. 12 to 16, inclusive;
Secs. 20 to 29, inclusive;
Secs. 32 to 36, inclusive.
T. 2 S., R. 9 W.,
Secs. 1 to 5, inclusive;
Secs. 7 to 18, inclusive;
Secs. 22 to 26, inclusive;
Secs. 31 and 32;
Secs. 35 and 36.
T. 3 S., R. 9 W.,
Secs. 1 and 2;
Secs. 4 to 9, inclusive;
Secs. 16 to 21, inclusive;
Secs. 31 to 36, inclusive.
Tps. 4 and 5 S., R. 9 W.
T. 7 S., R. 9 W.,
Sec. 36.
T. 8 S., R. 9 W.,
Secs. 1, 12, 13, 24, 25, and 36.
T. 9 S., R. 9 W.,
Secs. 1, 12, 13, 24, 25, and 36.
T. 2 S., R. 10 W.,
Sec. 9;
Secs. 15 and 16;
Secs. 21, 22, and 23;
Secs. 25 to 36, inclusive.
T. 3 S., R. 10 W.,
Secs. 1 to 24, inclusive;
Secs. 27 to 33, inclusive.
T. 4 S., R. 10 W.,
Secs. 7 to 36, inclusive.
T. 5 S., R. 10 W.
T. 8 S., R. 10 W.,
Secs. 1 to 12, inclusive;
Secs. 14 to 23, inclusive;
Secs. 27 to 33, inclusive.
T. 9 S., R. 10 W.,
Secs. 4 to 8, inclusive;
Secs. 17 to 20, inclusive;
Sec. 30.
T. 3 S., R. 11 W.,
Secs. 1 to 4, inclusive;
Secs. 7 to 36, inclusive.
T. 4 S., R. 11 W.,
Sec. 13;
Secs. 23 to 27, inclusive;
Secs. 31 to 36, inclusive.
T. 5 S., R. 11 W.
T. 7 S., R. 11 W.,
Secs. 21, 22 and 23;
Secs. 26 to 36,inclusive.
T. 8 S., R. 11 W.,
Secs. 1 to 6, inclusive;
Secs. 8 to 16, inclusive;
Secs. 23, 24 and 25;
Sec. 36.
T. 9 S., R. 11 W.,
Secs. 1, 12, 13, 14, 24, and 25.
T. 1 S., R. 12 W.,
Secs. 4 to 9, inclusive;
Secs. 16 to 21, inclusive;
Secs. 28 to 33, inclusive.
T. 2 S., R. 12 W.,
Secs. 4 to 9, inclusive;
Secs. 16 to 36, inclusive.
T. 3 S., R. 12 W.,
Secs. 1 to 30, inclusive;
Secs. 34, 35 and 36.
T. 4 S., R. 12 W.,
Secs. 32 to 36, inclusive.
T. 5 S., R. 12 W.,
Secs. 1 to 5, inclusive;
Secs. 8 to 17, inclusive;
Secs. 19 to 36, inclusive.
T. 7 S., R. 12 W.,
Sec. 36.
T. 8 S., R. 12 W.,
Sec. 1;
Secs. 28 to 32, inclusive.
T. 9 S., R. 12 W.,
Secs. 5, 6 and 7;
Secs. 18, 19, 30, and 31.
Tps. 1 and 2 S., R. 13 W.
T. 3 S., R. 13 W.,
Secs. 1 to 17, inclusive;
Secs. 20 to 29, inclusive.
T. 8 S., R. 13 W.,
Secs. 22 and 23;
Secs. 25 to 36, inclusive.
T. 9 S., R. 13 W.
T. 1 S., R. 14 W.,
Secs. 1, 12, 13, 24, and 25;
Secs. 31, 32, and 33;
Sec. 36.
T. 2 S., R. 14 W.,
Secs. 1 to 29, inclusive;
Sec. 36.
T. 3 S., R. 14 W.,
Sec. 1.
T. 1 S., R. 3 E.,
Sec. 1, fractional.
T. 1 S., R. 4 E.,
Secs. 1 to 6, inclusive;
Secs. 8 to 17, inclusive;
Secs. 22, 23, and 24.
T. 1 S., R. 5 E.,
Secs. 3 to 10, inclusive;
Secs. 15 to 23, inclusive;
Secs. 26, 27, 35, and 36.

The above-described areas aggregate 76,937 acres of vacant public domain lands, 42,016 acres of Indian lands (both trust and fee), 2,733 acres of withdrawn public lands, and 2,099,060 acres of non-Federal lands, more or less.

2. The following lands are hereby eliminated from New Mexico Grazing District No. 2 and added to New Mexico Grazing District No. 1:

NEW MEXICO PRINCIPAL MERIDIAN

T. 7 N., R. 10 W.,
Secs. 1 to 3, inclusive;
Sec. 10, NE¼, E½NW¼, and E½SE¼;
Secs. 11 and 12;
Sec. 13, exclusive of Acoma Indian Reservation;
Sec. 14, E½ and E½NW¼, exclusive of Acoma Indian Reservation.

This area aggregates 3,095 acres of public lands and 1,123 acres of non-Federal lands, more or less.

3. The following lands are hereby eliminated from New Mexico Grazing District No. 1 and added to New Mexico Grazing District No. 2:

NEW MEXICO PRINCIPAL MERIDIAN

T. 7 N., R. 6 W.,
Secs. 1 to 18, inclusive;
Secs. 21 and 22.
T. 7 N., R. 11 W.
Tps. 6 and 7 N., R. 12 W.
T. 8 N., R. 12 W.,
Sec. 36.

This area aggregates 33,236 acres of public lands and 49,074 acres of non-Federal lands, more or less.

4. The following lands are hereby added to New Mexico Grazing District No. 2:

NEW MEXICO PRINCIPAL MERIDIAN

T. 10 S., R. 3 W.,
Sec. 15, lots 1, 2, 3, and 4;
Sec. 16, that part east of the Rio Grande;
Sec. 20, that part east of the Rio Grande;
Sec. 21, NW¼NE¼ and NW¼;
Sec. 29, W½E½ and W½, those parts east of the Rio Grande.

The area described aggregates 2,039.60 acres.

5. Also, hereby added to New Mexico Grazing District No. 2 is the following tract, now contiguous to that district, including lands acquired for the Elephant Butte Reservoir of the Rio Grande Project and First Form Reclamation lands withdrawn for the same project, all covered by memorandum of understanding for surface resource administration and management, which tract is described by metes and bounds as shown in Executive Order No. 6086 of March 28, 1933:

Starting at a point in T. 8 S., R. 2 W., NMPM, on the boundary line of New Mexico Grazing District No. 2 at the closing corner of secs. 17 and 20 on the west boundary of Pedro Armendaris Grant No. 34; thence S. 13°26′ E., 0.80 chains, along the west boundary of Pedro Armendaris Grant No. 34, to an iron pipe; thence within Pedro Armendaris Grant No. 34: N. 79°12′ E., 106.25 chains, to an iron pipe; N. 37°47′ E., 65.09 chains, to an iron pipe; N. 7°45′ E., 27.20 chains, to an iron pipe; N. 87°19′ E., 22.11 chains to an iron pipe; N. 42°30′ E., 61.01 chains to U.S.R.S. triangulation Station "Craig"; from which a sandstone monument, 1 foot square and set within the ruins of Old Fort Craig, bears N. 81°45′ W., 18.18 chains distant; N. 32°30′ W., 31.94 chains, to an iron pipe; N. 20°40′ W., 98.04 chains, to U.S.R.S. Triangulation Station "Butte"; N. 10°17′ E., 99.92 chains, to an iron pipe; N. 36°30′ E., 42.37 chains, to an iron pipe; N. 55°27′ E., 31.65 chains, to an iron pipe; N. 66°40′ E., 18.50 chains, to an iron pipe, from which U.S.R.S. triangulation station "Old Town" bears N. 15°30′ W., 6.36 chains distant; S. 15°30′ E., 15.91 chains, to an iron pipe in the center of old channel of Rio Grande; thence following the centerline of old channel of Rio Grande with the following five courses: N. 70°43′ E., 18.34 chains, to an iron pipe; N. 63°45′ E., 15.71 chains, to an iron pipe; N. 56°17′ E., 6.53 chains, to an iron pipe; N. 68°00′ E., 12.78 chains, to an iron pipe; S. 81°40′ E., 13.02 chains, to a point on the Atchison, Topeka & Santa Fe Railway right-of-way, opposite the center of railway bridge;

Thence within Pedro Armendaris Grant No. 33: S. 40°26′ W., 41.87 chains, along the west right-of-way boundary of the Atchison, Topeka & Santa Fe Railway to a point; thence 1.77 chains, on a curve to the left with a radius of 58.63 chains; thence S. 38°42′ W., 39.64 chains, to a point; thence 19.33 chains, on a curve to the left with a radius of 15.23 chains; thence S. 34°01′ E., 14.87 chains, to a point; thence 11.56 chains, on a curve to the right with a radius of 66.02 chains; thence 11.12 chains, on a curve to the right with a radius of 16.61 chains; thence S. 14°22′ W., 14.80 chains, to a point; thence 5.50 chains, on a curve to the left with a radius of 87.57 chains; thence 3.04 chains, on a curve to the left with a radius of 104.93 chains; thence 7.98 chains, on a curve to the left with a radius of 15.23 chains; thence 3.22 chains, on a curve to the left with a radius of 13.17 chains; thence 3.16 chains, on a curve to the left with a radius of 18.13 chains; thence 6.05 chains, on a curve to the left with a radius of 15.23 chains; to a point; thence S. 67°40′ E., 14.44 chains, to a point, thence 5.30 chains, on a curve to the right with a radius of 20.95 chains; to an iron pipe on the west right-of-way boundary of Atchison, Topeka & Santa Fe Railway, from which the U.S.R.S. triangulation station "Cantaderio" bears N. 42°00′ W., 27.20 chains distant; thence S. 18°09′ E., leaving the Atchison, Topeka & Santa Fe Railway right-of-way, 53.35 chains, to an iron pipe; S. 10°39′ E., 45.56 chains, to an iron pipe; S. 22°38′ W., 30.82 chains, to an iron pipe; S. 57°58′ W., 17.21 chains, to an iron pipe; S. 30°28′ W., 52.58 chains to an iron pipe; S. 37°39′ W., 58.13 chains, to an iron pipe; S. 64°22′ W., 13.03 chains, to an iron pipe; S. 0°29′ W., 40.30 chains, to an iron pipe; S. 63°35′ W., 99.41 chains, to an iron pipe; N. 86°55′ W., 30.02 chains, to an iron pipe; S. 33°04′ W., 28.59 chains, to an iron pipe; S. 48°56′ W., 113.16 chains, to an iron pipe; S. 31°02′ W., 41.28 chains, to an iron pipe; S. 6°18′ W., 25.97 chains, to an iron pipe; S. 24°39′ W., 35.61 chains, to an iron pipe; S. 43°41′ E., 51.61 chains, to an iron pipe; S. 14°32′ W., 109.15 chains to an iron pipe; S. 55°51′ W., 54.13 chains, to an iron pipe; S. 7°21′ E., 30.48 chains to an iron pipe; S. 70°59′ W., 59.30 chains, to an iron pipe; N. 59°56′ W., 24.29 chains, to an iron pipe; S. 50°00′ W., 51.96 chains to an iron pipe; S. 84°47′ E., 48.90 chains to an iron pipe, from which U.S.R.S. triangulation station "Fence" bears N. 26°00′ E., 4.39 chains distant; S. 59°13′ W., 64.96 chains, to an iron pipe; S. 9°16′ W., 47.76 chains, to an iron pipe; S. 22°35′ W., 31.14 chains, to an iron pipe; S. 5°44′ W., 63.16 chains, to an iron pipe; S. 49°22′ W., 71.80 chains, to an iron pipe; S. 29°40′ W., 45.22 chains, to an iron pipe; S. 40°46′ W., 65.45 chains, to an iron pipe; S. 66°09′ W., 34.08 chains, to an iron pipe; S. 20°50′ E., 26.80 chains, to an iron pipe; S. 2°17′ W., 51.10 chains, to an iron pipe; S. 27°53′ W., 56.60 chains, to an iron pipe on the west boundary of Pedro Armendaris Grant No. 33, common to the east boundary of sec. 15, T. 10 S., R. 3 W.; thence S., 0°08′ E., along the west boundary of the Pedro Armendaris Grant No. 33, 24 chains, to an iron pipe from which the original corner of secs. 15, 16, 21, and 22, T. 10 S., R. 3 W., bears west 11.14 chains distant.

The areas aggregate 12,800 acres of public lands (both acquired and withdrawn), more or less.

JOHN O. CROW,
Associate Director.

[F.R. Doc. 68–15481; Filed, Dec. 27, 1968; 8:47 a.m.]

[Serial Nos. AA–2779, F–955]

ALASKA

Notice of Classification of Lands for Multiple-Use Management

1. Pursuant to the Act of September 19, 1964 (78 Stat. 986; 43 U.S.C. 1411–18), and to the regulations in 43 CFR Parts 2410 and 2411, all of the public lands in the area described below are hereby classified for multiple-use management. As used herein, "public lands" means any lands which are not withdrawn or reserved for a Federal use or purpose.

Except as provided for in paragraphs 3 and 4 of this notice and excluding prior valid rights, publication of this notice has the effect of segregating the public lands in the described area from appropriation under the Agricultural Land Laws (48 U.S.C. 371–380), Native Allotment Act (48 U.S.C. 357–357b), Trade and Manufacturing Site Act, as amended (48 U.S.C. 461), Townsites (48 U.S.C. 355–355d), and Selections by the State of Alaska under the Act of July 7, 1958 (72 Stat. 339–340).

2. The lands classified are described as follows and are shown on maps on file in the Anchorage District Office, 4700 East 72d Street, Anchorage, Alaska 99502, the Anchorage Land Office, 555 Cordova Street, Anchorage, Alaska 99501, the Glennallen Resource Area Office, Post Office Box 147, Glennallen, Alaska 99588, and the Fairbanks Land Office, 516 Second Avenue (Post Office Box 1050), Fairbanks, Alaska 99701.

COPPER RIVER MERIDIAN

PROTRACTED DESCRIPTIONS

T. 2 N., R. 1 E.; all that portion east of the west bank of the Copper River.
Tps. 3 to 14 N., R. 1 E.
Tps. 1 to 14 N., Rs. 2 and 3 E.
Tps. 1 to 16 N., Rs. 4 and 5 E.
Tps. 1 to 12 N., Rs. 6 to 10 E.
Tps. 1 to 10 N., Rs. 11 and 12 E.
Tps. 1 to 9 N., Rs. 13 and 14 E.
Tps. 1 to 8 N., R. 15 E.
Tps. 1 to 5 N., Rs. 16, 17, and 18 E.
Tps. 1 to 4 N., Rs. 19 to 24 E.
T. 1 N., R. 1 W.
T. 2 N., R. 1 W., W½.
Tps. 6 to 14 N., R. 1 W.
Tps. 1 to 3 N., R. 2 W.
Tps. 5 to 14 N., R. 2 W.
Tps. 1 to 14 N., Rs. 3 to 10 W.
Tps. 1 to 4 N., R. 11 W.
Tps. 1 to 9 S., R. 1 W.
Tps. 1 to 7 S., R. 2 W.
T. 8 S., R. 2 W.,
Secs. 19 to 36, inclusive.
T. 9 S., R. 2 W.
Tps. 1 to 7 S., R. 3 W.
Tps. 1 to 5 S., Rs. 4 and 5 W.
Tps. 1 to 4 S., R. 6 W.
Tps. 1 to 3 S., Rs. 7 and 8 W.
Tps. 1 and 2 S., Rs. 9 to 11 W.
T. 1 S., R. 1 E.,
Secs. 4 to 9, inclusive;
Secs. 16 to 21, inclusive;
Sec. 25, W½;
Secs. 26 to 33, inclusive.
T. 2 S., R. 1 E.,
Secs. 4 to 9, inclusive;
Secs. 15 to 36, inclusive.
Tps. 3 to 9 S., R. 1 E.
T. 1 S., R. 2 E.,
Secs. 1 to 6, inclusive;
Secs. 11, 12, and 13; all east of the west bank of Copper River.
Tps. 3 to 10 S., R. 2 E.
Tps. 1 and 2 S., R. 3 E.; all that portion east of the west bank of the Copper River.
Tps. 3 to 10 S., R. 3 E.
Tps. 14 and 15 S., R. 3 E., north of the Chugach National Forest.
T. 1 S., R. 4 E.
T. 2 S., R. 4 E.; all that portion east of the west bank of the Copper River.
Tps. 3 to 15 S., R. 4 E., north of the Chugach National Forest.
Tps. 1 to 15 S., Rs. 5 and 6 E., north of the Chugach National Forest.
Tps. 1 to 12 S., Rs. 7 to 24 E.
Tps. 5 to 12 S., R. 25 E.

SEWARD MERIDIAN

PROTRACTED DESCRIPTIONS

Tps. 21 to 33 N., Rs. 1 to 12 E.
Tps. 18 and 19 N., Rs. 9 to 12 E.
T. 20 N., R. 9 E., except for surveyed sections 19 to 23, inclusive, and 25 to 30, inclusive.
T. 20 N., Rs. 10 to 12 E., partially surveyed.
Tps. 21 to 33 N., R. 1 W.
Tps. 21 to 30 N., R. 2 W.

FAIRBANKS MERIDIAN

PROTRACTED DESCRIPTIONS

Tps. 15 to 22 S., Rs. 1 and 2 W.
Tps. 14 to 22 S., Rs. 3 to 5 W.
Tps. 19 to 22 S., Rs. 6 and 7 W.
T. 19 S., R. 8 W.,
Secs. 1 to 4, inclusive;
Secs. 7 to 36, inclusive.
Tps. 20, 21, and 22 S., Rs. 8 and 9 W.
T. 22 S., R. 10 W.
Tps. 15 to 22 S., Rs. 1 to 5 E.

Tps. 17 to 22 S., Rs. 6 to 8 E.
Tps. 19 to 22 S., Rs. 9, 10, and 11 E.
Tps. 20 to 22 S., Rs. 12 to 16 E.

Aggregating approximately 23 million acres of which approximately 22 million acres are public lands.

3. As to the following described lands, the segregative effect caused by the publication of this notice shall be only from appropriation under the Agricultural Land Laws (48 U.S.C. 371–380).

COPPER RIVER MERIDIAN

PROTRACTED DESCRIPTIONS

T. 6 N., R. 7 W.,
Secs. 1 to 12, inclusive;
Sec. 13, N½;
Secs. 14 to 22, inclusive;
Sec. 23, W½NE¼, NW¼, SW¼;
Sec. 27, W½;
Secs. 28 and 29.
T. 7 N., R. 7 W.,
Sec. 17, S½; but not including lots 9, 10, and 11 of U.S.S. 3497;
Sec. 18, S½;
Secs. 19 and 20;
Sec. 21, S½
Sec. 22, SW¼;
Sec. 26, SW¼;
Secs. 27 to 36, inclusive.
T. 6 N., R. 4 W.,
Secs. 4 and 5;
Sec. 6, S½;
Secs. 7, 8, and 9;
Secs. 16 to 21, inclusive.
T. 7 N., R. 4 W.,
Secs. 7, 9, 16, 18, 19, and 21;
Sec. 28, S½;
Sec. 30 to 33, inclusive.
T. 6 N., R. 5 W.,
Secs. 1 and 12.
T. 7 N., R. 5 W.,
Secs. 12, 13, 24, 25, and 36.
T. 3 N., R. 6 W.,
Sec. 6.
T. 4 N., R. 6 W.,
Secs. 31, 32, and 33.
T. 3 N., R. 7 W.,
Secs. 1 and 2;
Secs. 8 and 9, S½;
Secs. 10 and 11;
Sec. 15, NW¼;
Secs. 16 and 17, N½.
T. 4 N., R. 7 W.,
Sec. 36, S½.
T. 6 N., R. 1 E.,
Secs. 3 to 9, inclusive;
Sec. 10, N½, SW¼;
Secs. 16 and 17, N½;
Sec. 18.
T. 6 N., R. 1 W.,
Secs. 1 to 23 inclusive;
Secs. 24 and 25, W½;
Secs. 26 to 34, inclusive;
Sec. 35, N½, SW¼; but not including a buffer strip 10 chains (660 feet) wide on either side of the line of MHW of the Gulkana River north of the Richardson Highway crossing.
T. 9 N., R. 4 E.,
Sec. 2, N½;
Secs. 4 to 9, inclusive;
Secs. 16, 17, and 18;
Secs. 19 and 20, N½.
T. 10 N., R. 4 E.,
Secs. 25, 26, and 27;
Sec. 34, W½;
Sec. 35;
Sec. 36, N½.
T. 11 N., R. 8 E.,
Secs. 14, 15, and 16, S½;
Sec. 17, SE¼;
Sec. 19, S½;
Sec. 20, NE¼, S½;
Sec. 21, N½, SW¼;
Secs. 22 and 23, N½;
Sec. 29, N½, SW¼;
Sec. 30.

The above-described areas contain approximately 70,000 acres.

4. The public lands described below and referred to as the Denali area will remain available for selection by the State of Alaska under the Community Grant provisions of the Act of July 7, 1958 (72 Stat. 339–340), and for selection by the State of Alaska for administrative sites for management purposes under any land grant provisions of the said act of 1958.

The public lands described below and referred to as the Talkeetna-Chugach Mountain area will remain available for selection by the State of Alaska under any land grant provisions of the Act of July 7, 1958 (72 Stat. 339–340).

DENALI AREA

Beginning at a point of intersection of the thread of the Slana River and the northern boundary of the Copper River Classification area, and traveling in a southerly direction along the thread of the Slana and Copper Rivers to a point of intersection with the Copper River Meridian and projected T. 6 N., R. 1 W.; thence north along the said meridian to the northeast corner of projected T. 7 N., R. 1 W., CRM; thence west along the township line to the southeast corner of projected T. 8 N., R. 8 W, CRM; thence due north to the northeast corner of the said township; thence west to the center of Tyone Lake; thence in a northwesterly direction along the center of said lake and Tyone River of the junction of the Tyone and Susitna Rivers; thence in a south and westerly direction along the thread of the Susitna River to the intersection of the said river with the western township line of projected T. 32 N., R. 1 W., SM; thence north and east along the northern boundary of the Copper River Classification area back to the point of beginning.

TALKEETNA-CHUGACH MOUNTAIN AREA

Beginning at the northeast corner of projected T. 7 N., R. 1 W., CRM and traveling in a due south direction along Copper River Meridian to the northwest corner of projected T. 7 N., R. 1 W., CRM and traveling the northern line of said township; thence south along the east line of said township; thence west along the south line of said township to the southwest corner of said township; thence south along the Copper River Meridian to the center of the Richardson Highway; thence in a southerly direction along the highway to the southern boundary of the Copper River Classification area; thence in a north and westerly direction along the south boundary of the Copper River Classification area to the intersection of the boundary with the Susitna River; thence in an easterly direction along the thread of the Susitna River to the intersection with the Tyone River; thence in an easterly and southerly direction along the thread of the Tyone River and Tyone Lake to the point of intersection with projected T. 8 N., R. 8 W., CRM; thence east along the northern line of said township; thence south along the east line of said township; thence east along the township line common to projected Tps. 7 and 8 N., CRM to the point of beginning.

5. Both adverse and favorable comments were received during a 180-day period following publication of a notice of proposed classification (33 F.R. 7264–7265) on May 16, 1968.

Numerous informal meetings were held at various locations, culminating in a formal public hearing at Glennallen, Alaska, on November 29, 1968. The record showing the comments received, a transcript of the formal hearing and other information is on file and can be examined in the Anchorage District Office, 4700 East 72d Street, Anchorage, Alaska 99502.

The bulk of these comments were favorable. Several of these comments have been incorporated in the foregoing notice of classification and reflect modifications from the proposed classification previously published. Paragraph 4 represents a modification in that the area has been divided into three parts with each varying in degree as to the segregative effect from State selection.

Protests were received from local residents to the proposal to close the Basin to homesteading. While most of the people live on homesteads few, if any, make a living or grow crops other than garden vegetables on the homestead. Historically homesteading has not been successful. The inclement weather, impoverished soils, and lack of markets as related to the limitations of the Homestead Act make actual agriculture development under the Act a very impractical, if not an impossible venture.

The Ahtna Tanah Ninnah Native Association has protested the proposed classification due to its possible affect on their aboriginal claims. This classification since it does not effect a title transfer has no bearing on the aboriginal claim filed in the area.

Further study will be made in the area after classification for possible refinements and the Bureau will continue discussions of possible reclassification action with interested parties.

6. For a period of 30 days from the date of publication in the FEDERAL REGISTER, this classification shall be subject to the exercise of administrative review and modification by the Secretary of the Interior as provided in 43 CFR 2411.2c.

BURTON W. SILCOCK,
State Director.

DECEMBER 24, 1968.

[F.R. Doc. 68–15514; Filed, Dec. 27, 1968; 8:49 a.m.]

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

ASSISTANT SECRETARY FOR MORTGAGE CREDIT AND FEDERAL HOUSING COMMISSIONER

Delegation of Authority With Respect to Loan Assistance to Nonprofit Sponsors of Low and Moderate Income Housing

SECTION A. The Assistant Secretary for Mortgage Credit and Federal Housing Commissioner (herein called the Assistant Secretary) is hereby authorized to exercise the power and authority of the Secretary of Housing and Urban Development under section 106(b) of the Housing and Urban Development Act of 1968 (82 Stat. 490–491) with respect to loans to nonprofit organizations for

expenses of planning and of obtaining financing for the rehabilitation or construction of housing for low or moderate income families under a federally assisted program.

SEC. B. The Assistant Secretary is authorized to make such rules and regulations as may be necessary to carry out the power and authority delegated under section A.

SEC. C. The Assistant Secretary is further authorized to:

1. Redelegate to one or more employees under his jurisdiction any of the authority delegated under section A and authorize successive redelegations thereof to subordinate employees.

2. Redelegate to Regional Administrators and to Deputy Regional Administrators any of the authority delegated under section A and authorize successive redelegations thereof to Regional employees.

(Sec. 7(d) of Department of HUD Act, 42 U.S.C. 3535(d))

Effective date. This delegation of authority shall be effective as of October 28, 1968.

ROBERT C. WEAVER,
Secretary of Housing and Urban Development.

[F.R. Doc. 68-15478; Filed, Dec. 27, 1968; 8:46 a.m.]

CIVIL AERONAUTICS BOARD

[Docket No. 20424; Order 68-12-102]

ORION AIRWAYS, INC.

Order To Show Cause

Issued under delegated authority on December 19, 1968.

The Postmaster General filed a notice of intent October 30, 1968, pursuant to 14 CFR Part 298, petitioning the Board to establish for the above captioned air taxi operator, a final service mail rate of 35 cents per great circle aircraft mile for the transportation of mail by aircraft between Fayetteville and Little Rock via Harrison, Ark.

No protest or objection was filed against the proposed services during the time for filing such objections. The Postmaster General states that the Department and the carrier agree that the above rate is a fair and reasonable rate of compensation for the proposed services. The Postmaster General believes these services will meet postal needs in the market. He states the air taxi plans to initiate mail service with Beechcraft, Model D-18 or E-18, twin-engine aircraft equipped for all-weather operation.

It is in the public interest to fix, determine, and establish the fair and reasonable rate of compensation to be paid by the Postmaster General for the proposed transportation of mail by aircraft, the facilities used and useful therefor, and the services connected therewith, between the aforesaid points. Upon consideration of the notice of intent and other matters officially noticed, it is proposed to issue an order[1] to include the following findings and conclusions:

The fair and reasonable final service mail rate to be paid to Orion Airways, Inc., in its entirety by the Postmaster General pursuant to section 406 of the Act for the transportation of mail by aircraft, the facilities used and useful therefor, and the services connected therewith, shall be 35 cents per great circle aircraft mile between Fayetteville and Little Rock via Harrison, Ark.

Accordingly, pursuant to the Federal Aviation Act of 1958, and particularly sections 204(a) and 406 thereof, and regulations promulgated in 14 CFR Part 302, 14 CFR Part 298, and 14 CFR 385.14(f):

It is ordered, That:

1. Orion Airways, Inc., the Postmaster General, Frontier Airlines, Inc., and all other interested persons are directed to show cause why the Board should not adopt the foregoing proposed findings and conclusions and fix, determine, and publish the final rate specified above for the transportation of mail by aircraft, the facilities used and useful therefor, and the services connected therewith as specified above as the fair and reasonable rate of compensation to be paid to Orion Airways, Inc.;

2. Further procedures herein shall be in accordance with 14 CFR Part 302, and notice of any objection to the rate or to the other findings and conclusions proposed herein, shall be filed within 10 days, and if notice is filed, written answer and supporting documents shall be filed within 30 days after service of this order;

3. If notice of objection is not filed within 10 days after service of this order, or if notice is filed and answer is not filed within 30 days after service of this order, all persons shall be deemed to have waived the right to a hearing and all other procedural steps short of a final decision by the Board, and the Board may enter an order incorporating the findings and conclusions proposed herein and fix and determine the final rate specified herein;

4. If answer is filed presenting issues for hearing, the issues involved in determining the fair and reasonable final rate shall be limited to those specifically raised by the answer, except insofar as other issues are raised in accordance with Rule 307 of the rules of practice (14 CFR 302.307); and

5. This order shall be served upon Orion Airways, Inc., the Postmaster General and Frontier Airlines, Inc.

This order will be published in the FEDERAL REGISTER.

[SEAL] HAROLD R. SANDERSON,
Secretary.

[F.R. Doc. 68-15482; Filed, Dec. 27, 1968; 8:47 a.m.]

[1] As this order to show cause is not a final action but merely affords interested persons an opportunity to be heard on the matters herein proposed, it is not regarded as subject to the review provisions of Part 385 (14 CFR Part 385). These provisions for Board review will be applicable to final action taken by the staff under authority delegated in § 385.14(g).

[Docket No. 20425; Order 68-12-101]

ORION AIRWAYS, INC.

Order To Show Cause

Issued under delegated authority on December 19, 1968.

The Postmaster General filed a notice of intent October 30, 1968, pursuant to 14 CFR Part 298, petitioning the Board to establish for the above captioned air taxi operator, a final service mail rate of 35 cents per great circle aircraft mile for the transportation of mail by aircraft between Jefferson City and Kansas City via Columbia, Mo.

No protest or objection was filed against the proposed services during the time for filing such objections. The Postmaster General states that the Department and the carrier agree that the above rate is a fair and reasonable rate of compensation for the proposed services. The Postmaster General believes these services will meet postal needs in the market. He states the air taxi plans to initiate mail service with Beechcraft, Model D-18 or E-18, twin-engine aircraft equipped for all-weather operation.

It is in the public interest to fix, determine, and establish the fair and reasonable rate of compensation to be paid by the Postmaster General for the proposed transportation of mail by aircraft, the facilities used and useful therefor, and the services connected therewith, between the aforesaid points. Upon consideration of the notice of intent and other matters officially noticed, it is proposed to issue an order[1] to include the following findings and conclusions:

The fair and reasonable final service mail rate to be paid to Orion Airways, Inc., in its entirety by the Postmaster General pursuant to section 406 of the Act for the transportation of mail by aircraft, the facilities used and useful therefor, and the services connected therewith, shall be 35 cents per great circle aircraft mile between Jefferson City and Kansas City via Columbia, Mo.

Accordingly, pursuant to the Federal Aviation Act of 1958, and particularly sections 204(a) and 406 thereof, and regulations promulgated in 14 CFR Part 302, 14 CFR Part 298, and 14 CFR 385.14(f):

It is ordered, That:

1. Orion Airways, Inc., the Postmaster General, Braniff Airways, Inc., Delta Air Lines, Inc., Frontier Airlines, Inc., and all other interested persons are directed to show cause why the Board should not adopt the foregoing proposed findings and conclusions and fix, determine, and publish the final rate specified above for the transportation of mail by aircraft, the facilities used and useful therefor, and the services connected therewith as

[1] As this order to show cause is not a final action but merely affords interested persons an opportunity to be heard on the matters herein proposed, it is not regarded as subject to the review provisions of Part 385 (14 CFR Part 385). These provisions for Board review will be applicable to final action taken by the staff under authority delegated in § 385.14(g).

specified above as the fair and reasonable rate of compensation to be paid to Orion Airways, Inc.;

2. Further procedures herein shall be in accordance with 14 CFR Part 302, and notice of any objection to the rate or to the other findings and conclusions proposed herein, shall be filed within 10 days, and if notice is filed, written answer and supporting documents shall be filed within 30 days after service of this order;

3. If notice of objection is not filed within 10 days after service of this order, or if notice is filed and answer is not filed within 30 days after service of this order, all persons shall be deemed to have waived the right to a hearing and all other procedural steps short of a final decision by the Board, and the Board may enter an order incorporating the findings and conclusions proposed herein and fix and determine the final rate specified herein;

4. If answer is filed presenting issues for hearing, the issues involved in determining the fair and reasonable final rate shall be limited to those specifically raised by the answer, except insofar as other issues are raised in accordance with Rule 307 of the rules of practice (14 CFR 302.307); and

5. This order shall be served upon Orion Airways, Inc., the Postmaster General, Braniff Airways, Inc., Delta Air Lines, Inc., and Frontier Airlines, Inc.

This order will be published in the FEDERAL REGISTER.

[SEAL] HAROLD R. SANDERSON,
Secretary.

[F.R. Doc. 68-15483; Filed, Dec. 27, 1968; 8:47 a.m.]

[Docket No. 20426; Order 68-12-100]

ORION AIRWAYS, INC.

Order To Show Cause

Issued under delegated authority on December 19, 1968.

The Postmaster General filed a notice of intent October 30, 1968, pursuant to 14 CFR Part 298, petitioning the Board to establish for the above-captioned air taxi operator, a final service mail rate of 35 cents per great circle aircraft mile for the transportation of mail by aircraft between Kansas City, Mo., and Little Rock, Ark.

No protest or objection was filed against the proposed services during the time for filing such objections. The Postmaster General states that the Department and the carrier agree that the above rate is a fair and reasonable rate of compensation for the proposed services. The Postmaster General believes these services will meet postal needs in the market. He states the air taxi plans to initiate mail service with Beechcraft, Model D-18 or E-18, twin-engine aircraft equipped for all-weather operation.

It is in the public interest to fix, determine, and establish the fair and reasonable rate of compensation to be paid by the Postmaster General for the proposed transportation of mail by aircraft, the facilities used and useful therefor, and the services connected therewith, between the aforesaid points. Upon consideration of the notice of intent and other matters officially noticed, it is proposed to issue an order[1] to include the following findings and conclusions:

The fair and reasonable final service mail rate to be paid to Orion Airways, Inc., in its entirety by the Postmaster General pursuant to section 406 of the Act for the transportation of mail by aircraft, the facilities used and useful therefor, and the services connected therewith, shall be 35 cents per great circle aircraft mile between Kansas City, Mo., and Little Rock, Ark.

Accordingly, pursuant to the Federal Aviation Act of 1958, and particularly sections 204(a) and 406 thereof, and regulations promulgated in 14 CFR Part 302, 14 CFR Part 298, and 14 CFR 385.14(f):

It is ordered, That:

1. Orion Airways, Inc., the Postmaster General, Braniff Airways, Inc., Delta Air Lines, Inc., Frontier Airlines, Inc., and all other interested persons are directed to show cause why the Board should not adopt the foregoing proposed findings and conclusions and fix, determine, and publish the final rate specified above for the transportation of mail by aircraft, the facilities used and useful therefor, and the services connected therewith as specified above as the fair and reasonable rate of compensation to be paid to Orion Airways, Inc.;

2. Further procedures herein shall be in accordance with 14 CFR Part 302, and notice of any objection to the rate or to the other findings and conclusions proposed herein, shall be filed within 10 days, and if notice is filed, written answer and supporting documents shall be filed within 30 days after service of this order;

3. If notice of objection is not filed within 10 days after service of this order, or if notice is filed and answer is not filed within 30 days after service of this order, all persons shall be deemed to have waived the right to a hearing and all other procedural steps short of a final decision by the Board, and the Board may enter an order incorporating the findings and conclusions proposed herein and fix and determine the final rate specified herein;

4. If answer is filed presenting issues for hearing, the issues involved in determining the fair and reasonable final rate shall be limited to those specifically raised by the answer, except insofar as other issues are raised in accordance with Rule 307 of the rules of practice (14 CFR 302.307); and

5. This order shall be served upon Orion Airways, Inc., the Postmaster General, Braniff Airways, Inc., Delta Air Lines, Inc., and Frontier Airlines, Inc.

This order will be published in the FEDERAL REGISTER.

[SEAL] HAROLD R. SANDERSON,
Secretary.

[F.R. Doc. 68-15484; Filed, Dec. 27, 1968; 8:47 a.m.]

[Docket No. 20380; Order 68-12-95]

ROSS AVIATION, INC.

Order To Show Cause

Issued under delegated authority on December 17, 1968.

On October 17, 1968, the Postmaster General filed a notice of intent pursuant to 14 CFR Part 298, petitioning the Board to establish for Ross Aviation, Inc. (Ross), a final service mail rate of 42.14 cents per great circle aircraft mile for the transportation of mail by aircraft between Medford and Portland, Oreg., via Klamath Falls and Bend, Oreg.

Ross is currently an air taxi operator under Part 298 of the Board's economic regulations. The Postmaster General states that Ross proposes to initiate service with twin engine Piper Turbo Aztec PA-23 aircraft and that the Department and Ross agree that the above rate is a fair and reasonable rate of compensation for the proposed services which the Postmaster General believes, will meet postal needs in this market.

By Order 68-12-61, December 12, 1968, in this docket the Board approved the notice of intent thereby permitting it to become effective pursuant to 14 CFR 298.24(d). Therefore, Ross may provide the proposed air transportation of mail for the period ending June 30, 1969. Since no mail rate is presently in effect for this carrier in this market, it is necessary and in the public interest to fix, determine, and establish the fair and reasonable rate of compensation to be paid to Ross by the Postmaster General for the proposed transportation of mail by aircraft, the facilities used and useful therefor, and the services connected therewith, between the aforesaid points. Upon consideration of the notice of intent and other matters officially noticed, it is proposed to issue an order[1] to include the following findings and conclusions:

The fair and reasonable final service mail rate to be paid to Ross Aviation, Inc., entirely by the Postmaster General pursuant to section 406 of the Act for the transportation of mail by aircraft, the facilities used and useful therefor, and the services connected therewith, between Medford and Portland, Oreg., via Klamath Falls and Bend, Oreg., shall be 42.14 cents per great circle aircraft mile.

Accordingly, pursuant to the Federal Aviation Act of 1958, and particularly

---

[1] As this order to show cause is not a final action but merely affords interested persons an opportunity to be heard on the matters herein proposed, it is not regarded as subject to the review provisions of Part 385 (14 CFR Part 385). These provisions for Board review will be applicable to final action taken by the staff under authority delegated in § 385.14(g).

[1] As this order to show cause merely affords interested persons an opportunity to be heard on the matters herein proposed, it is not regarded as subject to the review provisions of Part 385 (14 CFR Part 385). These provisions for Board review will be applicable to final action taken by the staff under authority delegated in § 385.14(g).

sections 204(a) and 406 thereof, and regulations promulgated in 14 CFR Part 302, 14 CFR Part 298, and 14 CFR 385.14(f):

It is ordered, That:

1. Ross Aviation, Inc., the Postmaster General, Air West, Inc., United Air Lines, Inc., and all other interested persons are directed to show cause why the Board should not adopt the foregoing proposed findings and conclusions and fix, determine, and publish the final rate specified above for the transportation of mail by aircraft, the facilities used and useful therefor, and the services connected therewith as specified above as the fair and reasonable rate of compensation to be paid to Ross Aviation, Inc.;

2. Further procedures herein shall conform with 14 CFR Part 302, and notice of any objection to the rate or other findings and conclusions proposed herein, shall be filed within 10 days, and if notice is filed, written answer and supporting documents shall be filed within 30 days after service of this order;

3. Unless notice of objection is filed within 10 days after service of this order, and answer is filed within 30 days after service of this order, all persons shall have waived the right to a hearing and all other procedural steps short of a final decision by the Board, and the Board may enter an order incorporating the findings and conclusions proposed herein and fix and determine the final rate specified herein;

4. If answer is filed presenting issues for hearing, the issues involved in determining the fair and reasonable final rate shall be limited to those specifically raised by the answer, except insofar as other issues are raised in accordance with Rule 307 of the rules of practice (14 CFR 302.307); and

5. This order shall be served upon Ross Aviation, Inc., the Postmaster General, Air West, Inc., and United Air Lines, Inc.

This order will be published in the FEDERAL REGISTER.

[SEAL] HAROLD R. SANDERSON,
Secretary.

[F.R. Doc. 68-15485; Filed, Dec. 27, 1968; 8:47 a.m.]

[Docket No. 20516; Order 68-12-59]

SOUTHEAST AIRLINES, INC.

Order To Show Cause

Issued under delegated authority on December 10, 1968.

The Postmaster General filed a notice of intent November 29, 1968, pursuant to 14 CFR Part 298, petitioning the Board to establish for the above captioned air taxi operator, a final service mail rate of 53 cents per great circle aircraft mile for the transportation of mail by aircraft between Kinston, N.C., and Charlotte, N.C., via Fayetteville, N.C.

No protest or objection was filed against the proposed services during the time for filing such objections. The Postmaster General states that the Department and the carrier agree that the above rate is a fair and reasonable rate of compensation for the proposed services. The Postmaster General believes these services will meet postal needs in the market. He states the air taxi plans to initiate mail service with twin-engine Beechcraft, Model 18 aircraft equipped for all-weather operation.

It is in the public interest to fix, determine, and establish the fair and reasonable rate of compensation to be paid by the Postmaster General for the proposed transportation of mail by aircraft, the facilities used and useful therefor, and the services connected therewith, between the aforesaid points. Upon consideration of the notice of intent and other matters officially noticed, it is proposed to issue an order [1] to include the following findings and conclusions:

The fair and reasonable final service mail rate to be paid to Southeast Airlines, Inc., in its entirety by the Postmaster General pursuant to section 406 of the Act for the transportation of mail by aircraft, the facilities used and useful therefor, and the services connected therewith, shall be 53 cents per great circle aircraft mile between Kinston, N.C., and Charlotte, N.C., via Fayetteville, N.C.

Accordingly, pursuant to the Federal Aviation Act of 1958, and particularly sections 204(a) and 406 thereof, and regulations promulgated in 14 CFR Part 302, 14 CFR Part 298, and 14 CFR 385.14(f):

It is ordered, That: 1. Southeast Airlines, Inc., the Postmaster General, Piedmont Aviation, Inc., and all other interested persons are directed to show cause why the Board should not adopt the foregoing proposed findings and conclusions and fix, determine, and publish the final rate specified above for the transportation of mail by aircraft, the facilities used and useful therefor, and the services connected therewith as specified above as the fair and reasonable rate of compensation to be paid to Southeast Airlines, Inc.;

2. Further procedures herein shall be in accordance wth 14 CFR Part 302, and notice of any objection to the rate or to the other findings and conclusions proposed herein, shall be filed within 10 days, and if notice is filed, written answer and supporting documents shall be filed within 30 days after service of this order;

3. If notice of objection is not filed within 10 days after service of this order, or if notice is filed and answer is not filed within 30 days after service of this order, all persons shall be deemed to have waived the right to a hearing and all other procedural steps short of a final decision by the Board, and the Board may enter an order incorporating the findings and conclusions proposed herein and fix and determine the final rate specified herein;

4. If answer is filed presenting issues for hearing, the issues involved in determining the fair and reasonable final rate shall be limited to those specifically raised by the answer, except insofar as other issues are raised in accordance with Rule 307 of the rules of practice (14 CFR 302.307); and

5. This order shall be served upon Southeast Airlines, Inc., the Postmaster General, and Piedmont Aviation, Inc.

This order will be published in the FEDERAL REGISTER.

[SEAL] HAROLD R. SANDERSON,
Secretary.

[F.R. Doc. 68-15486; Filed, Dec. 27, 1968; 8:47 a.m.]

[1] As this order to show cause is not a final action but merely affords interested persons an opportunity to be heard on the matters herein proposed, it is not regarded as subject to the review provisions of Part 385 (14 CFR Part 385). These provisions for Board review will be applicable to final action taken by the staff under authority delegated in § 385.14(g).

CIVIL SERVICE COMMISSION

NURSES, FORT KNOX, KY.

Notice of Adjustment of Minimum Rates and Rate Ranges

Under authority of 5 U.S.C. 5303 and Executive Order 11073, the Civil Service Commission has increased the minimum rates and rate ranges for certain nurse positions in the following location:

GS-610 NURSE SERIES

Geographic coverage: Fort Knox, Ky.
Effective date: First day of the first pay period beginning on or after December 29, 1968.

PER ANNUM RATES

Grade	1[1]	2	3	4	5	6	7	8	9	10
GS-4	$5,829	$6,000	$6,171	$6,342	$6,513	$6,684	$6,855	$7,026	$7,197	$7,368
GS-5	6,307	6,498	6,690	6,881	7,073	7,265	7,456	7,648	7,840	8,032
GS-6	6,743	6,955	7,166	7,377	7,588	7,799	8,010	8,221	8,433	8,645
GS-7	7,214	7,447	7,680	7,913	8,146	8,379	8,612	8,845	9,078	9,311

[1] Corresponding statutory rates: GS-4—fifth; GS-5—fourth; GS-6—third; GS-7—second.

All new employees in the specified occupational levels will be hired at the new minimum rate.

As of the effective date, all agencies will process a pay adjustment to increase the pay of employees on the rolls in the affected occupational levels. An employee who immediately prior to the effective date was receiving basic compensation at one of the statutory rates shall receive basic compensation at the corresponding numbered rate on or after such date. The pay adjustment will not be considered an equivalent increase within the meaning of 5 U.S.C. 5335.

UNITED STATES CIVIL SERVICE COMMISSION,
[SEAL] JAMES C. SPRY,
Executive Assistant to the Commissioners.

[F.R. Doc. 68-15452; Filed, Dec. 27, 1968; 8:45 a.m.]

FEDERAL MARITIME COMMISSION

[Independent Ocean Freight Forwarder License No. 408]

HERBERT B. MOLLER

Revocation of License

The Bureau of Domestic Regulation recently was advised of the death of the licensee, Herbert B. Moller, Post Office Box 121, Jacksonville, Fla., which occurred on August 6, 1967, and that the firm has not operated as an ocean freight forwarder since that date.

By virtue of authority vested in me by the Federal Maritime Commission as set forth in Manual of Orders, Commission Order 201.1; § 6.03:

It is ordered, That Independent Ocean Freight Forwarder License No. 408 be and is hereby revoked effective December 22, 1968.

It is further ordered, That a copy of this order be published in the FEDERAL REGISTER.

LEROY F. FULLER,
Director,
Bureau of Domestic Regulation.

[F.R. Doc. 68-15470; Filed, Dec. 27, 1968; 8:46 a.m.]

[Independent Ocean Freight Forwarder License No. 939]

PACIFIC AIR FREIGHT, INC.

Order of Revocation

On November 8, 1968, the Firemen's Fund Insurance Co. notified the Commission that the Independent Ocean Freight Forwarder Surety Bond No. MR-6108346, underwritten in behalf of Pacific Air Freight, Inc., 811 First Avenue, Seattle, Wash. 98104, would be canceled effective December 7, 1968.

Pacific Air Freight, Inc., was notified that unless a new surety bond was submitted to the Commission, its Independent Ocean Freight Forwarder License No. 939 would be canceled effective December 7, 1968, pursuant to General Order 4, Amendment 12 (46 CFR 510.9).

Pacific Air Freight, Inc., has failed to submit a valid surety bond in compliance with the above rule.

It is ordered, That the Independent Ocean Freight Forwarder License No. 939 is revoked effective December 7, 1968; and

It is further ordered, That the Independent Ocean Freight Forwarder License No. 939 be returned to the Commission for cancellation.

It is further ordered, That a copy of this order be published in the FEDERAL REGISTER and served on the licensee.

LEROY F. FULLER,
Director,
Bureau of Domestic Regulation.

[F.R. Doc. 68-15471; Filed, Dec. 27, 1968; 8:46 a.m.]

AMERICAN WEST AFRICAN FREIGHT CONFERENCE

Notice of Agreement Filed for Approval

Notice is hereby given that the following agreement has 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 agreement at the Washington office of the Federal Maritime Commission, 1405 I Street NW., Room 1202; or may inspect agreements at the offices of the District Managers, New York, N.Y., New Orleans, La., and San Francisco, Calif. 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 10 days after publication of this notice in the FEDERAL REGISTER. A copy of any such statement should also be forwarded to the party filing the agreement (as indicated hereinafter) and the comments should indicate that this has been done.

Notice of agreement filed for approval by:

Mr. John K. Cunningham, Chairman, American West African Freight Conference, 67 Broad Street, New York, N.Y. 10004.

Agreement No. 7680-26, between the member lines of the American West African Freight Conference, modifies the basic agreement by amending Article 1(a) thereof, which presently does not provide for transshipment, to indicate that the agreement covers the transportation of all cargo, except for the transportation of wheat, in bulk, either direct or by transshipment, from Atlantic and St. Lawrence ports of Canada/United States Atlantic and Gulf ports to Lagos/Apapa, Nigeria.

Dated: December 23, 1968.

By order of the Federal Maritime Commission.

FRANCIS C. HURNEY,
Assistant Secretary.

[F.R. Doc. 68-15472; Filed, Dec. 27, 1968; 8:46 a.m.]

GULF ASSOCIATED FREIGHT CONFERENCES

Notice of Agreement Filed for Approval

Notice is hereby given that the following agreement has 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 agreement at the Washington office of the Federal Maritime Commission, 1405 I Street NW., Room 1202; or may inspect agreements at the offices of the District Managers, New York, N.Y., New Orleans, La., and San Francisco, Calif. 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 should also be forwarded to the party filing the agreement (as indicated hereinafter) and the comments should indicate that this has been done.

Notice of agreement filed for approval by:

Mr. John T. Crook, Chairman, Gulf Associated Freight Conferences, Suite 927, Whitney Building, New Orleans, La. 70130.

Agreement No. 189-03, between the Gulf Associated Freight Conferences, modifies the basic inter-conference agreement by adding a new provision which permits the member conferences to establish and maintain a uniform credit system and will enable the conference office to maintain a single credit list for the three trades. The form of agreement to be executed by the shipper and the terms under which credit is to be granted will be stated in the tariffs of the respective Conferences.

Dated: December 24, 1968.

By order of the Federal Maritime Commission.

THOMAS LISI,
Secretary.

[F.R. Doc. 68-15474; Filed, Dec. 27, 1968; 8:47 a.m.]

GULF/MEDITERRANEAN PORTS CONFERENCE

Notice of Agreement Filed for Approval

Notice is hereby given that the following agreement has 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 agreement at the Washington office of the Federal Maritime Commission, 1405 I Street NW., Room 1202; or may inspect agreements at the offices of the District Managers, New York, N.Y., New Orleans, La., and San Francisco, Calif. 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 should also be forwarded to the party filing the agreement (as indicated hereinafter) and the comments should indicate that this has been done.

Notice of agreement filed for approval by:

Mr. John T. Crook, Chairman, Gulf/Mediterranean Ports Conference, Suite 927, Whitney Building, New Orleans, La. 70130.

Agreement No. 134–33, between the member lines of the Gulf/Mediterranean Ports Conference, modifies the basic conference agreement in conformity with the requirements of the Commission's General Order 24, and amends certain of its provisions with respect to (1) contract/noncontract rates; (2) open rates; (3) voting procedures; (4) assessment of Conference expenses; (5) adoption of a Uniform Credit System; and (6) the calling of special meetings for purposes other than the taking of action to meet outside competition.

Dated: December 23, 1968.

By order of the Federal Maritime Commission.

FRANCIS C. HURNEY,
Assistant Secretary.

[F.R. Doc. 68–15473; Filed, Dec. 27, 1968; 8:46 a.m.]

GULF/SCANDINAVIAN AND BALTIC SEA PORTS CONFERENCE

Notice of Agreement Filed for Approval

Notice is hereby given that the following agreement has 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 agreement at the Washington office of the Federal Maritime Commission, 1405 I Street NW., Room 1202; or may inspect agreements at the offices of the District Managers, New York, N.Y., New Orleans, La., and San Francisco, Calif. 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 should also be forwarded to the party filing the agreement (as indicated hereinafter) and the comments should indicate that this has been done.

Notice of agreement filed for approval by:

Mr. John T. Crook, Chairman, Gulf/Scandinavian and Baltic Sea Ports Conference, Suite 927, Whitney Building, New Orleans, La. 70130.

Agreement No. 5400–09, between the member lines of the Gulf/Scandinavian and Baltic Sea Ports Conference, modifies the basic conference agreement in conformity with the requirements of the Commission's General Order 24, and amends certain of its provisions with respect to (1) contract/noncontract rates; (2) open rates; (3) voting procedures; (4) assessment of Conference expenses; (5) adoption of a Uniform Credit System; (6) the calling of special meetings for purposes other than the taking of action to meet outside competition, and (7) to restrict Representation by Agents.

Dated: December 23, 1968.

By order of the Federal Maritime Commission.

FRANCIS C. HURNEY,
Assistant Secretary.

[F.R. Doc. 68–15475; Filed, Dec. 27, 1968; 8:47 a.m.]

GULF/UNITED KINGDOM CONFERENCE

Notice of Agreement Filed for Approval

Notice is hereby given that the following agreement has 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 agreement at the Washington office of the Federal Maritime Commission, 1405 I Street NW., Room 1202; or may inspect agreements at the offices of the District Managers, New York, N.Y., New Orleans, La., and San Francisco, Calif. 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 should also be forwarded to the party filing the agreement (as indicated hereinafter) and the comments should indicate that this has been done.

Notice of agreement filed for approval by:

Mr. John T. Crook, Chairman, Gulf/United Kingdom Conference, Suite 927, Whitney Building, New Orleans, La. 70130.

Agreement No. 161–25, between the member lines of the Gulf/United Kingdom Conference, modifies the basic conference agreement in conformity with the requirements of the Commission's General Order 24, and amends certain of its provisions with respect to (1) contract/noncontract rates; (2) open rates; (3) voting procedures; (4) assessment of Conference expenses; (5) adoption of a Uniform Credit System; (6) the calling of special meetings for purposes other than the taking of action to meet outside competition, and (7) to restrict Representation by Agents.

Dated: December 23, 1968.

By order of the Federal Maritime Commission.

FRANCIS C. HURNEY,
Assistant Secretary.

[F.R. Doc. 68–15476; Filed, Dec. 27, 1968; 8:47 a.m.]

RIVER PLATE AND BRAZIL CONFERENCE ET AL.

Notice of Proposed Cancellation of Agreements

Notice is hereby given that the following agreement(s) will be canceled by the Commission 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 agreement(s) at the Washington office of the Federal Maritime Commission, 1405 I Street NW., Room 1202; or may inspect agreements at the offices of the District Managers, New York, N.Y., New Orleans, La., and San Francisco, Calif. 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.

The approval by the Commission of the Inter-American Freight Conference Agreement No. 9648–A in Docket No. 67–48 on February 16, 1968, has rendered the following conferences which covered the trade between U.S. Atlantic and Gulf Ports and Eastern Canadian Ports (excluding Newfoundland) and ports in Uruguay, Argentina, Paraguay, and Brazil inoperative and they are therefore canceled:

River Plate and Brazil Conference (Agreement No. 59, as amended).
Brazil/United States-Canada Freight Conference (Agreement No. 5450, as amended).
East Coast of South America Reefer Conference (Agreement No. 6800, as amended).
River Plate/United States-Canada Freight Conference (Agreement No. 6900, as amended).
River Plate and Brazil/United States Reefer Conference (Agreement No. 7200, as amended).
Mid Brazil/United States-Canada Freight Conference (Agreement No. 7630, as amended).
North Brazil/United States-Canada Freight Conference (Agreement No. 7640, as amended).

Dated: December 23, 1968.

By order of the Federal Maritime Commission.

FRANCIS C. HURNEY,
Assistant Secretary.

[F.R. Doc. 68–15477; Filed, Dec. 27, 1968; 8:47 a.m.]

FEDERAL POWER COMMISSION

[Docket No. IT–5331]

ARIZONA PUBLIC SERVICE CO.

Notice of Application

DECEMBER 18, 1968.

Take notice that on November 21, 1968, Arizona Public Service Co. (Applicant), incorporated under the laws of the State of Arizona and qualified to do business

as a foreign corporation in the State of New Mexico, with its principal place of business in Phoenix, Ariz., filed an application in Docket No. IT–5331 for a supplemental order, pursuant to section 202 (e) of the Federal Power Act, modifying Applicant's current authorization to transmit electric energy from the United States to Mexico.

By Commission order issued June 5, 1964, in the above-entitled proceeding, 31 FPC 1400, Applicant was authorized to transmit electric energy from the United States to Mexico in an amount not in excess of 8 million kw.-hr. per year at a transmission rate not to exceed 1,900 kw. for sale and delivery to Compania de Servicios Publicos de Agua Prieta, S.A. (Mexican Company), incorporated under the laws of the Republic of Mexico, over certain facilities of Applicant covered by its Presidential Permit signed by the President of the United States on July 30, 1941, as amended, in Docket No. IT–5331.

Application now requests that the authorization granted by Commission order issued June 5, 1964, referred to above, be modified so as to authorize Applicant to export electric energy in an amount not in excess of 11 million kw.-hr. per year to Mexican Company at a rate not to exceed 2,500 kw. over the above-mentioned facilities for the purpose of meeting the increasing load of Mexican Company's electric system.

Any person desiring to be heard or to make any protest with reference to said application should on or before January 10, 1969, file with the Federal Power Commission, Washington, D.C. 20426, a petition or protest in accordance with the requirements of the Commission's rules of practice and procedure (18 CFR 1.8 or 1.10). The application is on file with the Commission and available for public inspection.

GORDON M. GRANT,
Secretary.

[F.R. Doc. 68–15490; Filed, Dec. 27, 1968; 8:48 a.m.]

[Docket No. E–7225]

ARIZONA PUBLIC SERVICE CO.

Notice of Application

DECEMBER 18, 1968.

Take notice that on November 21, 1968, Arizona Public Service Co. (Applicant), incorporated under the laws of the State of Arizona and qualified to do business as a foreign corporation in the State of New Mexico, with its principal place of business at Phoenix, Ariz., filed an application in Docket No. E–7225 for a supplemental order, pursuant to section 202(e) of the Federal Power Act, modifying Applicant's current authorization to transmit electric energy from the United States to Mexico.

By Commission order issued November 3, 1965, in the above-entitled proceeding, 34 FPC 1227, Applicant was authorized to transmit electric energy from the United States to Mexico in an amount not to exceed 2,102,400 kw.-hr. per year at a transmission rate not to exceed 400 kw. for sale and delivery to Comision Federal De Electricidad (Comision Federal), a department of the Republic of Mexico, over certain facilities of Applicant covered by its Permit signed by the Acting Chairman of the Federal Power Commission on October 20, 1965 in Docket No. E–7224.

Applicant now requests that the authorization granted by Commission order issued November 3, 1965, referred to above, be modified so as to authorize Applicant to export electric energy in an amount not to exceed 3,957,000 kw.-hr. per year to Comision Federal at a rate not to exceed 750 kw. over the above-mentioned facilities for the purpose of meeting the increasing electric service requirements of Comision Federal's customers in the town of Sonoyta, Sonora, Mexico, and vicinity.

Any person desiring to be heard or to make any protest with reference to said application should on or before January 10, 1969, file with the Federal Power Commission, Washington, D.C. 20426, a petition or protest in accordance with the requirements of the Commission's rules of practice and procedure (18 CFR 1.8 or 1.10). The application is on file with the Commission and available for public inspection.

GORDON M. GRANT,
Secretary.

[F.R. Doc. 68–15491; Filed, Dec. 27, 1968; 8:48 a.m.]

[Docket No. CP69–168]

CITIES SERVICE GAS CO.

Notice of Application

DECEMBER 18, 1968.

Take notice that on December 11, 1968, Cities Service Gas Co. (Applicant), Post Office Box 25128, Oklahoma City, Okla. 73125, filed in Docket No. CP69–168 a "budget-type" application pursuant to section 7(c) of the Natural Gas Act, as implemented by § 157.7(c) of the regulations thereunder for a certificate of public convenience and necessity authorizing the construction and operation of certain natural gas facilities, all as more fully set forth in the application which is on file with the Commission and open to public inspection.

Specifically, Applicant seeks authority to construct during the calendar year 1969 and operate small field compressor units and minor appurtenant facilities including, where necessary, the relocation of such units and appurtenant facilities to enable Applicant to take into its certificated main pipeline system natural gas which it is authorized to purchase from producers thereof.

Total estimated cost of the proposed facilities will not exceed $700,000 with the cost of units for any single producing area not to exceed $300,000. Financing will be from treasury funds.

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) and the regulations under the Natural Gas Act (§ 157.10) on or before January 15, 1969.

Take further notice that, pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by sections 7 and 15 of the Natural Gas Act and the Commission's rules of practice and procedure, a hearing will be held without further notice before the Commission on this application if no petition to intervene is filed within the time required herein, if the Commission on its own review of the matter finds that a grant of the certificate is required by public convenience and necessity. If a petition for leave to intervene is timely filed, or if 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.

GORDON M. GRANT,
Secretary.

[F.R. Doc. 68–15492; Filed, Dec. 27, 1968; 8:48 a.m.]

[Docket No. RI64–101]

MALLARD PETROLEUM, INC., ET AL.

Order Accepting Substitute Increased Rate Filing, Severing and Terminating Proceeding

DECEMBER 18, 1968.

By order issued August 23, 1963, in Docket No. RI64–101, the Commission suspended until September 1, 1963, an increased rate proposal from 16 cents to 21.8 cents per Mcf of Mallard Petroleum, Inc. (Operator), et al. (Mallard), designated as Supplement No. 3 to Mallard's FPC Gas Rate Schedule No. 2, for jurisdictional sales of natural gas to Transwestern Pipeline Co. from the Permian Basin Area. The increased rate has not been placed in effect.

Mallard, on October 31, 1968, filed a motion in this proceeding requesting that it be permitted to substitute, in lieu of said Supplement No. 3, an increased rate proposal from 16 cents to 16.96 cents per Mcf at 14.65 p.s.i.a. (designated as Supplement No. 1 to Supplement No. 3 to Mallard's FPC Gas Rate Schedule No. 2) and that the suspension proceeding in Docket No. RI64–101 be terminated.

Since Mallard has filed a quality statement indicating that its proposed substitute rate is within the just and reasonable rate ceiling prescribed by the Commission in Opinion Nos. 468 and 468–A, 34 FPC 159 and 1068, good cause exists for accepting for filing said Supplement No. 1 to Supplement No. 3 effective as of October 31, 1968, for considering said Supplement No. 3 as withdrawn, for severing Docket No. RI64–101 from the show cause proceedings in Docket No. AR61–1 et al., and for terminating Docket No. RI64–101.

The Commission orders: For the foregoing reasons, Supplement No. 1 to Supplement No. 3 to Mallard's FPC Gas Rate Schedule No. 2 is accepted for filing effective as of October 31, 1968, said Supplement No. 3 is permitted to be and is considered withdrawn, Docket No. RI64–101 is severed from Docket No. AR61–1 et al., and the proceeding in Docket No. RI64–101 is terminated.

By the Commission.

[SEAL] GORDON M. GRANT, *Secretary.*

[F.R. Doc. 68–15493; Filed, Dec. 27, 1968; 8:48 a.m.]

[Docket No. CP69–172]

PANHANDLE EASTERN PIPE LINE CO.

Notice of Application

DECEMBER 18, 1968.

Take notice that on December 13, 1968, Panhandle Eastern Pipe Line Co. (Applicant), 3444 Broadway, Kansas City, Mo. 64141, filed in Docket No. CP69–172 an application pursuant to section 7(b) and 7(c) of the Natural Gas Act for permission and approval to abandon certain natural gas facilities and for a certificate of public convenience and necessity to construct and operate certain new facilities, all as more fully set forth in the application which is on file with the Commission and open to public inspection.

Specifically, Applicant seeks permission and approval to abandon by sale to Northern Indiana Public Service Co. (Nipsco) a portion of Applicant's Fort Wayne Lateral, consisting of approximately 15,410 feet of 16-inch pipe, 46,556 feet of 10-inch pipe, and 46,679 feet of 12-inch pipe looping that portion of the lateral consisting of the 10-inch pipe, together with all appurtenant facilities, easements, permits, and property rights affecting these facilities and Applicant's existing measuring and regulating station and associated land rights. Applicant also proposes to construct and operate new measuring and regulating facilities at Chaining Station 38+56 to provide a new point of delivery to Nipsco.

Applicant states that the sale to Nipsco will enable Nipsco to further develop its market area more readily and with a considerable reduction in new construction and associated costs.

Total estimated cost of constructing the proposed facilities is $90,000. Financing will be from funds on hand.

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) and the regulations under the Natural Gas Act (§ 157.10) on or before January 16, 1969.

Take further notice that, pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by sections 7 and 15 of the Natural Gas Act and the Commission's rules of practice and procedure, a hearing will be held without further notice before the Commission on this application if no petition to intervene is filed within the time required herein, if the Commission on its own review of the matter finds that a grant of the certificate and permission and approval for the proposed abandonment is required by the public convenience and necessity. If a petition for leave to intervene is timely filed, or if 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.

GORDON M. GRANT, *Secretary.*

[F.R. Doc. 68–15494; Filed Dec. 27, 1968; 8:48 a.m.]

[Docket No. CP69–173]

SHAWNEE PIPELINE CO. AND KENTUCKY GAS TRANSMISSION CORP.

Notice of Application

DECEMBER 18, 1968.

Take notice that on December 13, 1968, Shawnee Pipeline Co. (Applicant), Post Office Box 201, New Lexington, Ohio 43764, filed in Docket No. CP69–173 an application pursuant to section 7(a) of the Natural Gas Act for an order of the Commission directing Kentucky Gas Transmission Corp. (Respondent) to establish physical connection of its transmission facilities with those proposed to be constructed by Applicant at a point near Carntown, Pendleton County, Ky. and to sell and deliver natural gas to Applicant at said location, as more fully set forth in the application which is on file with the Commission and open to public inspection.

Applicant proposes to distribute natural gas to Black River Mining Co. and to all other residential, commercial, and industrial customers situated in Applicant's service area. Applicant proposes to construct approximately 6,400 feet of 6-inch main together with associated facilities to provide service to customers.

Applicant states that its proposal will bring the benefits of natural gas service to the Carntown, Ky. community.

The total estimated volumes of natural gas required to meet Applicant's annual and maximum day requirements for the first 3 years of proposed operation are as follows:

Year of operation	Peak day (Mcf)	Annual (Mcf)
First	2,000	640,000
Second	2,000	670,000
Third	2,000	700,000

Total estimated cost of the proposed construction is $42,880.

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) and the regulations under the Natural Gas Act (§ 157.10) on or before January 16, 1969.

GORDON M. GRANT, *Secretary.*

[F.R. Doc. 68–15495; Filed, Dec. 27, 1968; 8:48 a.m.]

[Docket No. CP69–170]

TRANSCONTINENTAL GAS PIPE LINE CORP.

Notice of Application

DECEMBER 19, 1968.

Take notice that on December 13, 1968, Transcontinental Gas Pipe Line Corp. (Applicant), Post Office Box 1396, Houston, Tex. 77001, filed in Docket No. CP69–170 an application pursuant to section 7(b) of the Natural Gas Act for permission and approval to abandon certain natural gas facilities, all as more fully set forth in the application which is on file with the Commission and open to public inspection.

Specifically, Applicant seeks permission and approval to abandon 0.50 mile of 4-inch purchase line and appurtenant meter and regulator station located in Raceland Field, Lafourche Parish, La.

Applicant states that the said facilities served as a means of taking gas purchased from Mobil Oil Corp. (Mobil) in Raceland Field into Applicant's system. Applicant states that the said facilities are no longer necessary due to cessation of deliveries by Mobil resulting from diminished reserves.

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) and the regulations under the Natural Gas Act (§ 157.10) on or before January 16, 1969.

Take further notice that, pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by sections 7 and 15 of the Natural Gas Act and the Commission's rules of practice and procedure, a hearing will be held without further notice before the Commission on this application if no petition to intervene is filed within the time required herein, if the Commission on its own review of the matter finds that a grant of permission and approval for the proposed abandonment is required by the public convenience and necessity. If a petition for leave to intervene is timely filed, or if 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.

GORDON M. GRANT, *Secretary.*

[F.R. Doc. 68–15496; Filed, Dec. 27, 1968; 8:48 a.m.]

[Docket No. CS69-20]

TYRA & TYRA

Notice of Application for "Small Producer" Certificates

DECEMBER 19, 1968.

Take notice that on November 29, 1968, Tyra & Tyra, 1208 Vaughn Building, Midland, Tex. 79701, filed an application pursuant to section 7(c) of the Natural Gas Act and § 157.40 of the regulations thereunder for a "small producer" certificate of public convenience and necessity authorizing the sale for resale and delivery of natural gas in interstate commerce from the Permian Basin area of Texas and New Mexico, all as more fully set forth in the application which is on file with the Commission and open to public inspection.

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 January 13, 1969.

Take further notice that, pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by sections 7 and 15 of the Natural Gas Act and the Commission's rules of practice and procedure, a hearing will be held without further notice before the Commission providing no petition to intervene is filed within the time required herein, if the Commission on its own review of the matter believes that a grant of the certificate is required by the public convenience and necessity. Where a 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 Applicants to appear or be represented at the hearing.

GORDON M. GRANT,
Secretary.

[F.R. Doc. 68-15497; Filed, Dec. 27, 1968; 8:48 a.m.]

FEDERAL RESERVE SYSTEM

FIRST SECURITY CORP.

Notice of Request and Order for Hearing

Notice is hereby given that request has been made to the Board of Governors of the Federal Reserve System, pursuant to section 4(c)(8) of the Bank Holding Company Act of 1956 (12 U.S.C. 1843(c)(8)), and § 222.4(a) of the Board's Regulation Y (12 CFR 222.4(a)), by First Security Corp., Salt Lake City, Utah, a bank holding company, for a determination that the planned insurance activities of two proposed nonbanking subsidiaries, either Ed D. Smith & Sons, Inc., and First Security Life Insurance Company of Texas or two corporations to be formed by Applicant, are of the kind described in the aforementioned sections of the Act and the regulation so as to make it unnecessary for the prohibitions of section 4 of the Act with respect to the acquisition or retention of shares in nonbanking organizations to apply in order to carry out the purposes of the Act.

Inasmuch as section 4(c)(8) of the Act requires that any determination pursuant thereto be made by the Board after due notice and hearing and on the basis of the record made at such hearing:

It is hereby ordered, That pursuant to section 4(c)(8) of the Bank Holding Company Act and in accordance with §§ 222.4(a) and 222.5(a) of the Board's Regulation Y (12 CFR 222.4(a), 222.5(a)), promulgated under the Bank Holding Company Act, a hearing with respect to this matter be held commencing on January 15, 1969, at 10 a.m. at the offices of the Salt Lake City Branch of the Federal Reserve Bank of San Francisco before a hearing examiner selected by the Civil Service Commission, pursuant to section 3344 of title 5 of the United States Code, such hearing to be conducted according to the Rules of Practice for Formal Hearings of the Board of Governors of the Federal Reserve System (12 CFR Part 263). The right is reserved to the Board or such hearing examiner to designate any other date or place for such hearing or any part thereof which may be determined to be necessary or appropriate for the convenience of the parties. The Board's Rules of Practice for Formal Hearings provide, in part, that "All such hearings shall be private and shall be attended only by parties and their representatives or counsel, representatives of the Board, witnesses, and other persons having an official interest in the proceedings: *Provided, however,* That, on written request by a party or representatives of the Board, or on the Board's own motion, the Board, unless prohibited by law, may permit other persons to attend or may order the hearing to be public."

Any person desiring to give testimony in this proceeding should file with the Secretary of the Board, directly or through the Federal Reserve Bank of San Francisco, San Francisco, Calif., on or before January 6, 1969, a written request containing a statement of the nature of the petitioner's interest in the proceeding, and a summary of the matters concerning which said petitioner wishes to give testimony. Such requests will be presented to the designated hearing examiner for his determination. Persons submitting timely requests will be notified of the hearing examiner's decision.

Dated at Washington, D.C., this 16th day of December 1968.

By order of the Board of Governors.

[SEAL] ROBERT P. FORRESTAL,
Assistant Secretary.

[F.R. Doc. 68-15461; Filed, Dec. 27, 1968; 8:46 a.m.]

CHARTER BANKSHARES CORP.

Order Approving Application Under Bank Holding Company Act

In the matter of the application of Charter Bankshares Corp., Jacksonville, Fla., for approval of acquisition of 80 percent or more of the voting shares of First National Bank in Milton, Milton, Fla.

There has come before the Board of Governors, pursuant to section 3(a)(3) of the Bank Holding Company Act of 1956 (12 U.S.C. 1842(a)(3)), and § 222.3(a) of Federal Reserve Regulation Y (12 CFR 222.3(a)), an application by Charter Bankshares Corp., Jacksonville, Fla., a registered bank holding company, for the Board's prior approval of the acquisition of 80 percent or more of the voting shares of the First National Bank in Milton, Fla.

As required by section 3(b) of the Act, the Board notified the Comptroller of the Currency of the application and requested his views and recommendation. The Comptroller recommended approval of the application.

The present application was originally filed under the name of Commercial Associates, Inc. As part of a corporate reorganization which occurred during the pendency of the application, the name of the applicant was changed to Charter Bankshares Corp. Notice of receipt of the application was published in the FEDERAL REGISTER on August 1, 1967 (32 F.R. 11185), providing an opportunity for interested persons to submit comments and views with respect to the proposed transaction. A copy of the application was forwarded to the U.S. Department of Justice for its consideration. Time for filing comments and views has expired and all those received have been considered by the Board.

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 approved: *Provided,* That the application so approved shall not be consummated (a) before the 30th calendar day following the date of this order or (b) later than 3 months after the date of this order unless such period is extended for good cause by the Board or by the Federal Reserve Bank of Atlanta pursuant to delegated authority.

Dated at Washington, D.C., this 18th day of December 1968.

By order of the Board of Governors.[2]

[SEAL] ROBERT P. FORRESTAL,
Assistant Secretary.

[F.R. Doc. 68-15499; Filed, Dec. 27, 1968; 8:48 a.m.]

---

[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 Atlanta.

[2] Voting for this action: Chairman Martin and Governors Robertson, Mitchell, Maisel, and Sherrill. Absent and not voting: Governors Daane and Brimmer.

FIRST BANK SYSTEM, INC.

Order Approving Application Under Bank Holding Company Act

In the matter of the application of First Bank System, Inc., Minneapolis, Minn., for approval of acquisition of all of the voting shares (less directors' qualifying shares) of First Plymouth National Bank, Minneapolis, Minn., a proposed new bank.

There has come before the Board of Governors, pursuant to section 3(a)(3) of the Bank Holding Company Act of 1956 (12 U.S.C. 1842(a)(3)) and § 222.3 (a) of Federal Reserve Regulation Y (12 CFR 222.3(a)), an application by First Bank System, Inc., Minneapolis, Minn., for the Board's prior approval of the acquisition of all of the voting shares (less directors' qualifying shares) of First Plymouth National Bank, Minneapolis, Minn., a proposed new bank.

As required by section 3(b) of the Act, the Board gave written notice of receipt of the application to the Comptroller of the Currency and requested his views and recommendation. The Acting Comptroller recommended approval of the application.

Notice of receipt of the application was published in the FEDERAL REGISTER on May 21, 1968 (33 F.R. 7505), providing an opportunity for interested persons to submit comments and views with respect to the proposed acquisition. A copy of the application was forwarded to the U.S. Department of Justice for its consideration. Time for filing comments and views has expired and all those received have been considered by the Board.

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 approved: *Provided,* That the action so approved shall not be consummated (a) before the 30th calendar day following the date of this order or (b) later than 3 months after the date of this order unless such time shall be extended by the Board, or by the Federal Reserve Bank of Minneapolis pursuant to delegated authority: *And provided further,* That the First Plymouth National Bank shall be opened for business not later than 6 months after the date of this order.

Dated at Washington, D.C., this 19th day of December 1968.

By order of the Board of Governors.[2]

[SEAL] ROBERT P. FORRESTAL,
Assistant Secretary.

[F.R. Doc. 68-15502; Filed, Dec. 27, 1968; 8:49 a.m.]

[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 Minneapolis.

[2] Voting for this action: Chairman Martin and Governors Robertson, Mitchell, Daane, Maisel, Brimmer, and Sherrill.

FIRST EMPIRE STATE CORP.

Notice of Application for Approval of Acquisition of Shares of Banks

Notice is hereby given that application has been made to the Board of Governors of the Federal Reserve System pursuant to section 3(a)(1) of the Bank Holding Company Act of 1956 (12 U.S.C. 1842(a)(1)), by First Empire State Corp., Buffalo, N.Y., for prior approval of the Board of action whereby Applicant would become a bank holding company through the acquisition by Applicant of 100 percent of the voting shares of each of the following banks: First Trust and Deposit Co., Syracuse, N.Y., and Manufacturers and Traders Trust Co., Buffalo, N.Y.; and of 100 percent of the voting shares (less directors' qualifying shares) of each of the following banks: Successor by merger to National Commercial Bank and Trust Co., Albany, N.Y., and Successor by merger to First National Bank in Yonkers, Yonkers, N.Y.

Section 3(c) of the Act, as amended, provides that the Board shall not approve (1) any acquisition or merger or consolidation under this section which would result in a monopoly, or which would be in furtherance of any combination or conspiracy to monopolize or to attempt to monopolize the business of banking in any part of the United States, or (2) any other proposed acquisition or merger or consolidation under this section whose effect in any section of the country may be substantially to lessen competition, or to tend to create a monopoly, or which in any other manner would be in restraint of trade, unless it finds that the anticompetitive effects of the proposed transaction are clearly outweighed in the public interest by the probable effect of the transaction in meeting the convenience and needs of the community to be served.

Section 3(c) further provides that, in every case, the Board shall take into consideration the financial and managerial resources and future prospects of the company or companies and the banks concerned, and the convenience and needs of the community to be served.

Not later than thirty (30) days after the publication of this notice in the FEDERAL REGISTER, comments and views regarding the proposed acquisition may be filed with the Board. Communications should be addressed to the Secretary, Board of Governors of the Federal Reserve System, Washington, D.C. 20551. The application may be inspected at the office of the Board of Governors or the Federal Reserve Bank of New York.

Dated at Washington, D.C., this 13th day of December 1968.

By order of the Board of Governors.

[SEAL] ROBERT P. FORRESTAL,
Assistant Secretary.

[F.R. Doc. 68-15500; Filed, Dec. 27, 1968; 8:48 a.m.]

FIRST NATIONAL BANK OF FORT WORTH

Notice of Application for Approval of Acquisition of Shares of Bank

Notice is hereby given that application has been made to the Board of Governors of the Federal Reserve System pursuant to section 3(a) of the Bank Holding Company Act of 1956 (12 U.S.C. 1842 (a)), by the First National Bank of Fort Worth, which is a bank holding company located in Fort Worth, Tex., for the prior approval of the Board of the acquisition by Applicant of 24.9 percent of the voting shares of Great Southwest National Bank of Arlington, Arlington, Tex., a proposed new bank.

Section 3(c) of the Act provides that the Board shall not approve (1) any acquisition or merger or consolidation under this section which would result in a monopoly, or which would be in furtherance of any combination or conspiracy to monopolize or to attempt to monopolize the business of banking in any part of the United States, or (2) any other proposed acquisition or merger or consolidation under this section whose effect in any section of the country may be substantially to lessen competition, or to tend to create a monopoly, or which in any other manner would be in restraint of trade, unless it finds that the anticompetitive effects of the proposed transaction are clearly outweighed in the public interest by the probable effect of the transaction in meeting the convenience and needs of the community to be served.

Section 3(c) further provides that, in every case, the Board shall take into consideration the financial and managerial resources and future prospects of the company or companies and the banks concerned, and the convenience and needs of the community to be served.

Not later than thirty (30) days after the publication of this notice in the FEDERAL REGISTER, comments and views regarding the proposed acquisition may be filed with the Board. Communications should be addressed to the Secretary, Board of Governors of the Federal Reserve System, Washington, D.C. 20551. The application may be inspected at the office of the Board of Governors or the Federal Reserve Bank of Dallas.

Dated at Washington, D.C., this 20th day of December 1968.

By order of the Board of Governors.

[SEAL] ROBERT P. FORRESTAL,
Assistant Secretary.

[F.R. Doc. 68-15501; Filed, Dec. 27, 1968; 8:48 a.m.]

HAWKEYE BANCORPORATION

Order Approving Application Under Bank Holding Company Act

In the matter of the application of Hawkeye Bancorporation, Red Oak, Iowa, for approval of acquisition of 80

percent or more of the voting shares of The Pella National Bank, Pella, Iowa.

There has come before the Board of Governors, pursuant to section 3(a)(3) of the Bank Holding Company Act of 1956 (12 U.S.C. 1842(a)(3)), and § 222.3 (a) of Federal Reserve Regulation Y (12 CFR 222.3(a)), an application by Hawkeye Bancorporation, Red Oak, Iowa, a registered bank holding company, for the Board's prior approval of the acquisition of 80 percent or more of the voting shares of The Pella National Bank, Pella, Iowa.

As required by section 3(b) of the Act, the Board notified the Comptroller of the Currency of receipt of the application and requested his views and recommendation. The Comptroller recommended approval of the application.

Notice of receipt of the application was published in the FEDERAL REGISTER on June 21, 1968 (33 F.R. 9227), providing an opportunity for interested persons to submit comments and views with respect to the proposed transaction. A copy of the application was forwarded to the U.S. Department of Justice for its consideration. Time for filing comments and views has expired and all those received have been considered by the Board.

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 approved: *Provided,* That the acquisition so approved shall not be consummated (a) before the 30th calendar day following the date of this order or (b) later than 3 months after the date of this order unless such period is extended for good cause by the Board or by the Federal Reserve Bank of Chicago pursuant to delegated authority.

Dated at Washington, D.C., this 19th day of December 1968.

By order of the Board of Governors.[2]

[SEAL] ROBERT P. FORRESTAL,
Assistant Secretary.

[F.R. Doc. 68-15503; Filed, Dec. 27, 1968; 8:49 a.m.]

HAWKEYE BANCORPORATION

Order Approving Application Under Bank Holding Company Act

In the matter of the application of Hawkeye Bancorporation, Red Oak, Iowa, for approval of acquisition of 51 percent or more of the voting shares of First National Bank, Clinton, Iowa.

There has come before the Board of Governors, pursuant to section 3(a)(3) of the Bank Holding Company Act of 1956 (12 U.S.C. 1842(a)(3)), and § 222.3 (a) of Federal Reserve Regulation Y (12 CFR 222.3(a)), an application by Hawkeye Bancorporation, Red Oak, Iowa, a registered bank holding company, for the Board's prior approval of the acquisition of 51 percent or more of the voting shares of First National Bank, Clinton, Iowa.

As required by section 3(b) of the Act, the Board notified the Comptroller of the Currency of receipt of the application and requested his views and recommendation. The Comptroller did not object to approval of the application.

Notice of receipt of the application was published in the FEDERAL REGISTER on June 21, 1968 (33 F.R. 9228), providing an opportunity for interested persons to submit comments and views with respect to the proposed transaction. A copy of the application was forwarded to the U.S. Department of Justice for its consideration. Time for filing comments and views has expired and all those received have been considered by the Board.

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 approved: *Provided,* That the acquisition so approved shall not be consummated (a) before the 30th calendar day following the date of this order or (b) later than 3 months after the date of this order unless such period is extended for good cause by the Board or by the Federal Reserve Bank of Chicago pursuant to delegated authority.

Dated at Washington, D.C., this 19th day of December 1968.

By order of the Board of Governors.[2]

[SEAL] ROBERT P. FORRESTAL,
Assistant Secretary.

[F.R. Doc. 68-15504; Filed, Dec. 27, 1968; 8:49 a.m.]

HAWKEYE BANCORPORATION

Order Approving Application Under Bank Holding Company Act

In the matter of the application of Hawkeye Bancorporation, Red Oak, Iowa, for approval of acquisition of 69 percent or more of the voting shares of Burlington Bank and Trust Co., Burlington, Iowa.

There has come before the Board of Governors, pursuant to section 3(a)(3) of the Bank Holding Company Act of 1956 (12 U.S.C. 1842(a)(3)), and § 222.3(a) of Federal Reserve Regulation Y (12 CFR 222.3(a)), an application by Hawkeye Bancorporation, Red Oak, Iowa, a registered bank holding company, for the Board's prior approval of the acquisition of 69 percent or more of the voting shares of Burlington Bank and Trust Co., Burlington, Iowa.

As required by section 3(b) of the Act, the Board notified the Iowa Superintendent of Banking of receipt of the application and requested his views and recommendation. The Superintendent stated that he had no objection to approval of the application.

Notice of receipt of the application was published in the FEDERAL REGISTER on June 21, 1968 (33 F.R. 9228), providing an opportunity for interested persons to submit comments and views with respect to the proposed transaction. A copy of the application was forwarded to the U.S. Department of Justice for its consideration. Time for filing comments and views has expired and all those received have been considered by the Board.

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 approved: *Provided,* That the acquisition so approved shall not be consummated (a) before the 30th calendar day following the date of this order or (b) later than 3 months after the date of this order unless such period is extended for good cause by the Board or by the Federal Reserve Bank of Chicago pursuant to delegated authority.

Dated at Washington, D.C., this 19th day of December 1968.

By order of the Board of Governors.[2]

[SEAL] ROBERT P. FORRESTAL,
Assistant Secretary.

[F.R. Doc. 68-15505; Filed, Dec. 27, 1968; 8:49 a.m.]

HUNTINGTON BANCSHARES INC.

Order Approving Application Under Bank Holding Company Act

In the matter of the application of Huntington Bancshares Inc., Columbus, Ohio, for approval of the acquisition of 80 percent or more of the voting shares of The Farmers Bank of Ashland, Ashland, Ohio.

There has come before the Board of Governors, pursuant to section 3(a)(3) of the Bank Holding Company Act of 1956 (12 U.S.C. 1842(a)(3)), and § 222.3 (a) of Federal Reserve Regulation Y (12 CFR 222.3(a)), an application by Huntington Bancshares Inc., Columbus, Ohio, a registered bank holding company, for the Board's prior approval of the acquisition of 80 percent or more of the voting shares of The Farmers Bank of Ashland, Ashland, Ohio.

As required by section 3(b) of the Act, the Board gave written notice of receipt of the application to the Superintendent of Banks for the State of Ohio, and requested his views and recommendation.

[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 Chicago.

[2] Voting for this action: Chairman Martin and Governors Robertson, Mitchell, Maisel, Brimmer, and Sherrill. Absent and not voting: Governor Daane.

[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 Chicago.

[2] Voting for this action: Chairman Martin and Governors Robertson, Mitchell, Maisel, Brimmer, and Sherrill. Absent and not voting: Governor Daane.

[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 Chicago.

[2] Voting for this action: Chairman Martin and Governors Robertson, Mitchell, Maisel, Brimmer, and Sherrill. Absent and not voting: Governor Daane.

The Superintendent recommended approval of the application.

Notice of receipt of the application was published in the FEDERAL REGISTER on September 5, 1968 (33 F.R. 12596), providing an opportunity for interested persons to submit comments and views with respect to the proposed transaction. A copy of the application was forwarded to the Department of Justice for its consideration. Time for filing comments and views has expired and all those received have been considered by the Board.

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 approved: *Provided,* That the action so approved shall not be consummated (a) before the 30th calendar day following the date of this order or (b) later than 3 months after the date of the order, unless such period is extended for good cause by the Board or by the Federal Reserve Bank of Cleveland pursuant to delegated authority.

Dated at Washington, D.C., this 19th day of December 1968.

By order of the Board of Governors.[2]

[SEAL] ROBERT P. FORRESTAL,
Assistant Secretary.

[F.R. Doc. 68-15506; Filed, Dec. 27, 1968; 8:49 a.m.]

SECURITIES AND EXCHANGE COMMISSION

TOP NOTCH URANIUM AND MINING CORP.

Order Suspending Trading

DECEMBER 23, 1968.

It appearing to the Securities and Exchange Commission that the summary suspension of trading in the common stock of Top Notch Uranium and Mining Corp. (a Utah Corporation) and all other securities of Top Notch Uranium and Mining Corp. being traded otherwise than on a national securities exchange is required in the public interest and for the protection of investors:

It is ordered, Pursuant to section 15 (c)(5) of the Securities Exchange Act of 1934, that trading in such securities otherwise than on a national securities exchange be summarily suspended, this order to be effective for the period December 24, 1968, through January 2, 1969, both dates inclusive.

By the Commission.

[SEAL] ORVAL L. DUBOIS,
Secretary.

[F.R. Doc. 68-15508; Filed, Dec. 27, 1968; 8:49 a.m.]

[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 Cleveland.

[2] Voting for this action: Chairman Martin and Governors Robertson, Mitchell, Daane, Maisel, Brimmer, and Sherrill.

INTERSTATE COMMERCE COMMISSION

[Notice 1252]

MOTOR CARRIER, BROKER, WATER CARRIER, AND FREIGHT FORWARDER APPLICATIONS

DECEMBER 20, 1968.

The following applications are governed by Special Rule 1.247[1] of the Commission's general rules of practice (49 CFR, as amended), published in the FEDERAL REGISTER issue of April 20, 1966, effective May 20, 1966. These rules provide, among other things, that a protest to the granting of an application must be filed with the Commission within 30 days after date of notice of filing of the application is published in the FEDERAL REGISTER. Failure seasonably to file a protest will be construed as a waiver of opposition and participation in the proceeding. A protest under these rules should comply with § 1.247(d)(3) of the rules of practice which requires that it set forth specifically the grounds upon which it is made, contain a detailed statement of protestant's interest in the proceeding (including a copy of the specific portions of its authority which protestant believes to be in conflict with that sought in the application, and describing in detail the method—whether by joinder, interline, or other means—by which protestant would use such authority to provide all or part of the service proposed), and shall specify with particularity the facts, matters, and things relied upon, but shall not include issues or allegations phrased generally. Protests not in reasonable compliance with the requirements of the rules may be rejected. The original and 1 copy of the protest shall be filed with the Commission, and a copy shall be served concurrently upon applicant's representative, or applicant if no representative is named. If the protest includes a request for oral hearing, such requests shall meet the requirements of § 1.247(d)(4) of the special rules, and shall include the certification required therein.

Section 1.247(f) of the Commission's rules of practice further provides that each applicant shall, if protests to its application have been filed, and within 60 days of the date of this publication, notify the Commission in writing; (1) that it is ready to proceed and prosecute the application, or (2) that it wishes to withdraw the application, failure in which the application will be dismissed by the Commission.

Further processing steps (whether modified procedure, oral hearing, or other procedures) will be determined generally in accordance with the Commission's General Policy Statement concerning Motor Carrier Licensing Procedures, published in the FEDERAL REGISTER issue of May 3, 1966. This assignment will be by Commission order which will be served on each party of record.

The publications hereinafter set forth reflect the scope of the applications as filed by applicants, and may include descriptions, restrictions, or limitations which are not in a form acceptable to the Commission. Authority which ultimately may be granted as a result of the applications here noticed will not necessarily reflect the phraseology set forth in the application as filed, but also will eliminate any restrictions which are not acceptable to the Commission.

No. MC 2860 (Sub-No. 48), filed November 25, 1968. Applicant: NATIONAL FREIGHT, INC., 57 West Park Avenue, Vineland, N.J. 08360. Applicant's representative: Alvin Altman, 1776 Broadway, New York, N.Y. 10019. Authority sought to operate as a *common carrier,* by motor vehicle, over irregular routes, transporting: *Malt beverages,* except in bulk, from Pittsburgh, Pa., to points in Florida and *returned shipments of malt beverages* on return. NOTE: If a hearing is deemed necessary, applicant requests it be held at New York, N.Y., Philadelphia, Pa., or Washington, D.C.

No. MC 2860 (Sub-No. 49), filed November 27, 1968. Applicant NATIONAL FREIGHT, INC., 57 West Park Avenue, Vineland, N.J. 08360. Applicant's representative: Alvin Altman, 1776 Broadway, New York, N.Y. 10019. Authority sought to operate as a *common carrier,* by motor vehicle, over irregular routes, transporting: *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 manufacture, production, distribution, and sale of such commodities (except commodities in bulk), from Camp Hill, Pa., to points in Connecticut, Delaware, Maryland, Massachusetts, New Jersey, New York, Pennsylvania, Rhode Island, Virginia, and the District of Columbia. NOTE: Applicant states that joinder is possible to a certain extent but it does not presently intend to avail itself of same. Applicant further states that some degree of duplication may exist with present authority. If a hearing is deemed necessary, applicant requests it be held at New York, N.Y., Washington, D.C., or Philadelphia, Pa.

No. MC 5470 (Sub-No. 50) (Correction), filed November 26, 1968, published FEDERAL REGISTER issue of December 19, 1968, corrected and republished as corrected this issue. Applicant: TAJON, INC., Rural Delivery No. 5, Mercer, Pa. 16137. Applicant's representative: Don Cross, 917 Munsey Building, Washington, D.C. 20004. Authority sought to operate as a *common carrier,* by motor vehicle, over irregular routes, transporting: *Alloys, ores, pig iron and silicon metals* in dump vehicles, from Monaca, Pa., to points in New Jersey (except points in Cumberland, Salem, Gloucester, Cape May, Atlantic, Camden, and Burlington Counties), and points in New York east of Highway 15. NOTE: The purpose of this republication is to add the word counties to the exceptions, which was

[1] Copies of Special Rule 1.247 (as amended) can be obtained by writing to the Secretary, Interstate Commerce Commission, Washington, D.C. 20423.

inadvertently omitted from the previous publication. If a hearing is deemed necessary, applicant requests it be held at Washington, D.C.

No. MC 30092 (Sub-No. 17), filed November 25, 1968. Applicant: HERRETT TRUCKING COMPANY, INC., Post Office Box 539, Sunnyside, Wash. 98944. Applicant's representative: Norman E. Sutherland, 1200 Jackson Tower, Portland, Oreg. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Wooden shakes, shingles, and trim*, from points in Oregon and Washington, to points in California, Arizona, and Nevada. NOTE: If a hearing is deemed necessary, applicant requests it be held at Portland, Oreg., or Seattle, Wash.

No. MC 30844 (Sub-No. 264), filed November 21, 1968. Applicant: KROBLIN REFRIGERATED XPRESS, INC., 2125 Commercial, Waterloo, Iowa 50704. Applicant's representative: Truman A. Stockton, Jr., The 1650 Grant Street Building, Denver, Colo. 80202. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Such articles* as are dealt in by retail discount stores, from points in Wayne County, Mich., to points in Illinois, Wisconsin, Minnesota, Iowa, Missouri, Kansas, Nebraska, Colorado, and Oklahoma, restricted to shipments originated by or destined to Arlan's Department Stores, Inc. NOTE: Common control may be involved. If a hearing is deemed necessary, applicant requests it be held at Waterloo, Iowa, or Washington, D.C.

No. MC 32882 (Sub-No. 43), filed December 2, 1968. Applicant: MITCHELL BROS. TRUCK LINES, a corporation, 3841 North Columbia Boulevard, Portland, Oreg. 97217. Applicant's representative: Norman E. Sutherland, 1200 Jackson Tower, Portland, Oreg. 97205. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Helium*, in specially designed shipper-owned trailers, from Otis, Kans., to Portland, Oreg. NOTE: If a hearing is deemed necessary, applicant requests it be held at Portland, Oreg.

No. MC 35358 (Sub-No. 20), filed December 9, 1968. Applicant: BERGER TRANSFER & STORAGE, INC., 3720 Macalaster Drive NE., Minneapolis, Minn. 55421. Applicant's representative: Donald A. Morken, 1000 First National Bank Building, Minneapolis, Minn. 55402. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Furniture, furnishings, fixtures, appliances, school, store, and office fixtures, furnishings, and cabinets, kitchen equipment*, uncrated, between points in Minnesota, on the one hand, and, on the other, points in the United States (except Alaska and Hawaii). NOTE: Applicant states that no duplicating authority is being sought. If a hearing is deemed necessary, applicant requests it be held at Minneapolis, Minn.

No. MC 59059 (Sub-No. 5), filed November 29, 1968. Applicant: ARROW FREIGHT LINES, INC., Post Office Box 1665, Grand Island, Nebr. Applicant's representative: J. Max Harding, 605 South 14th Street, Post Office Box 2028, Lincoln, Nebr. 68501. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: (1) *Classes A and B explosives*, moving on Government bills of lading, from the Cornhusker Ordnance Plant near Grand Island, Nebr., to Port Chicago, Calif.; Herlong, Calif.; Tooele, Utah; Umatilla, Oreg.; Bangor, Wash.; Gallup, N. Mex.; and Hawthorne, Nev.; and, (2) *general commodities*, except those requiring other than refrigeration. Regular routes: (a) between Kearney and Omaha, Nebr., over U.S. Highway 30 to Fremont, thence over U.S. Highway 275 to Omaha, serving all intermediate points and the off-route points of the Cornhusker Ordnance Plant; (b) from Grand Island, Nebr., over Nebraska Highway 2 to Lincoln, Nebr., thence over U.S. Highway 77 to Beatrice, Nebr., thence returning over U.S. Highway 77 to its junction with Nebraska Highway 33, thence over Nebraska Highway 33 to its junction with U.S. Highway 6, thence over U.S. Highway 6 to its junction with U.S. Highway 81, thence over U.S. Highway 81 to its junction with Nebraska Highway 2, thence over Nebraska Highway 2 to Grand Island, serving all intermediate points and the off-route points within 10 miles from said route, including Harvard and Henderson, Nebr.; and, (c) Irregular routes: Between points within a 15-mile radius of Grand Island and between points within said radial area, on the one hand, and, on the other, points within a radius of 150 miles of Grand Island. NOTE: Applicant states it intends to tack at Grand Island, Nebr. Applicant states that the purpose of Part 2 of this application is to convert that portion of applicant's authority from registration to certificated. If a hearing is deemed necessary, applicant requests it be held at Omaha, Nebr.

No. MC 63041 (Sub-No. 7), filed December 6, 1968. Applicant: BUILDERS TRANSPORT, INC., Post Office Box 1991, 14 Wellsley Court, York, Pa. 17405. Applicant's representative: John M. Musselman, 400 North Third Street, Harrisburg, Pa. 17108. Authority sought to operate as a *contract carrier*, by motor vehicle, over irregular routes, transporting: (1) *Roofing, siding, sealing, insulating, wall, flooring, and ceiling materials*, from Baltimore, Md., to points in Delaware, points in Adams, Allegheny, Armstrong, Beaver, Bedford, Berks, Blair, Bradford, Bucks, Butler, Cambria, Carbon, Centre, Chester, Clearfield, Clinton, Columbia, Cumberland, Dauphin, Delaware, Fayette, Franklin, Fulton, Greene, Huntingdon, Indiana, Jefferson, Juniata, Lackawanna, Lancaster, Lawrence, Lebanon, Lehigh, Luzerne, Lycoming, Mifflin, Monroe, Montgomery, Montour, Northampton, Northumberland, Perry, Philadelphia, Pike, Schuylkill, Snyder, Somerset, Sullivan, Susquehanna, Tioga, Union, Washington, Wayne, Westmoreland, Wyoming, and York Counties, Pa.; and Albermarle, Amelia, Amherst, Appomattox, Augusta, Bath, Bedford, Buckingham, Campbell, Caroline, Charles City, Charlotte, Chesterfield, Culpeper, Cumberland, Dinwiddie, Essex, Fairfax, Fauquier, Fluvanna, Frederick, Gloucester, Goochland, Greene, Halifax, Hanover, Henrico, Highland, James City, King and Queen, King George, King William, Loudoun, Louisa, Lunenburg, Madison, Mathews, Middlesex, Nelson, New Kent, Nottoway, Orange, Page, Pittsylvania, Powhatan, Prince Edward, Prince George, Prince William, Rappahannock, Rockbridge, Rockingham, Shenandoah, Spotsylvania, Stafford, and York Counties, Va. (except Fredericksburg, Norfolk, Richmond, and West Point, Va., and points in Virginia, within 10 miles of Washington, D.C.); and Barbour, Boone, Braxton, Clay, Fayette, Grant, Greenbrier, Hampshire, Hardy, Logan, Mineral, Nicholas, Pendleton, Pocohontas, Preston, Raleigh, Randolph, Tucker, Upshur, and Webster Counties, W. Va., for the account of GAF Corp., Building and Industrial Products Division; and (2) *building papers and roofing felt*, from Cedarhurst, Md., to points in Delaware, New Jersey, points in Adams, Allegheny, Armstrong, Beaver, Bedford, Berks, Blair, Bradford, Bucks, Butler, Cambria, Carbon, Centre, Chester, Clearfield, Clinton, Columbia, Cumberland, Dauphin, Delaware, Fayette, Franklin, Fulton, Greene, Huntingdon, Indiana, Jefferson, Juniata, Lackawanna, Lancaster, Lawrence, Lebanon, Lehigh, Luzerne, Lycoming, Mifflin, Monroe, Montgomery, Montour, Northampton, Northumberland, Perry, Philadelphia, Pike, Schuylkill, Snyder, Somerset, Sullivan, Susquehanna, Tioga, Union, Washington, Wayne, Westmoreland, Wyoming, and York Counties, Pa., and Albermarle, Amelia, Amherst, Appomattox, Augusta, Bath, Bedford, Buckingham, Campbell, Caroline, Charles City, Charlotte, Chesterfield, Culpeper, Cumberland, Dinwiddie, Essex, Fairfax, Fauquier, Fluvanna, Frederick, Gloucester, Goochland, Greene, Halifax, Hanover, Henrico, Highland, James City, King and Queen, King George, King William, Loudoun, Louisa, Lunenburg, Madison, Mathews, Middlesex, Nelson, New Kent, Nottoway, Orange, Page, Pittsylvania, Powhatan, Prince Edward, Prince George, Prince William, Rappahannock, Rockbridge, Rockingham, Shenandoah, Spotsylvania, Stafford, and York Counties, Va. (except Fredericksburg, Norfolk, Richmond, and West Point, Va., and points in Virginia, within 10 miles of Washington, D.C.); and Barbour, Boone, Braxton, Clay, Fayette, Grant, Greenbrier, Hampshire, Hardy, Logan, Mineral, Nicholas, Pendleton, Pocohontas, Preston, Raleigh, Randolph, Tucker, Upshur, and Webster Counties, W. Va., for the account of Seaboard Supply Co. NOTE: If a hearing is deemed necessary, applicant requests it be held at Harrisburg, Pa., or Washington, D.C.

No. MC 67818 (Sub-No. 78) (Correction), filed October 31, 1968, published FEDERAL REGISTER issue of November 28, 1968, corrected and republished as corrected, this issue. Applicant: MICHIGAN EXPRESS, INC., 1122 Freeman Avenue

SW., Grand Rapids, Mich. 49502. Applicant's representatives: Edward G. Bazelon and Carl L. Steiner, 39 South La Salle Street, Chicago, Ill. 60603. Authority sought to operate as a *common carrier*, by motor vehicle, over regular routes, transporting: *General commodities*, except those of unusual value, classes A and B explosives, household goods as defined by the Commission, commodities in bulk, commodities requiring special equipment, and those injurious or contaminating to other lading, between the junction of U.S. Highway 30 and U.S. Highway 52 and the junction of U.S. Highway 30 and Illinois Highway 2, as an alternate route for operating convenience only: From the junction of U.S. Highway 30 and U.S. Highway 52 over U.S. Highway 30 to junction Illinois Highway 2, and return over the same route. NOTE: Applicant is presently authorized to operate between the aforesaid junctions by operation from the junction of U.S. Highways 30 and 52 over U.S. Highway 52 to Dixon, thence over Illinois Highway 2 to junction U.S. Highway 30, and return over the same route, serving no intermediate points. The purpose of this republication is to show operations of applicant's presently held authority over U.S. Highway 52 in lieu of U.S. Highway 32 as shown in previous publication. If a hearing is deemed necessary, applicant requests it be held at Chicago, Ill.

No. MC 94350 (Sub-No. 203), filed November 29, 1968. Applicant: TRANSIT HOMES, INC., Haywood Road, Post Office Box 1628, Greenville, S.C. 29602. Applicant's representative: Mitchell King (same address as applicant). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Trailers* designed to be drawn by passenger automobiles in initial shipments, from points in Sumner County, Tenn. (except Gallatin, Tenn.), to points in the United States (except Detroit, Mount Clemens, and Flint, Mich., Alaska, and Hawaii). NOTE: If a hearing is deemed necessary, applicant requests it be held at Nashville, Tenn.

No. MC 94350 (Sub-No. 206), filed December 2, 1968. Applicant: TRANSIT HOMES, INC., Haywood Road at Transit Drive, Post Office Box 1628, Greenville, S.C. 29602. Applicant's representative: Mitchell King, Jr., Post Office Box 1628, Greenville, S.C. 29602. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Trailers* designed to be drawn by passenger automobiles in initial movements, in truckaway service, from points in Marion County, Oreg., to points in the United States on and west of a line beginning at the mouth of the Mississippi River, and extending along the Mississippi River to its junction with the western boundary of Itasca County, Minn., thence northward along the western boundaries of Itasca and Koochiching Counties, Minn., to the international boundary line between the United States and Canada (excluding Hawaii). NOTE: If a hearing is deemed necessary, applicant requests it be held at Portland, Oreg.

No. MC 98501 (Sub-No. 3), filed December 6, 1968. Applicant: DONALD V. LINDGREN, doing business as DAKOTA FILM & EXPRESS, Post Office Box 65, Grand Forks, N. Dak. 58201. Applicant's representative: Carlton G. Nelson, 303 South Fourth Street, Grand Forks, N. Dak. 58201. Authority sought to operate as a *common carrier*, by motor vehicle, over regular routes, transporting: *General commodities* with a limit of 100 pounds per package; (1) between Grand Forks, N. Dak., and Grand Forks, N. Dak., in a circuitous manner as follows: From Grand Forks over U.S. Highway 81 to Grafton; thence west on North Dakota Highway 17 to junction North Dakota Highway 18, thence north on North Dakota Highway to Cavalier, N. Dak., thence north over North Dakota Highway 18 to Neche, N. Dak., thence east on county road to Pembina, N. Dak., thence south over Interstate Highway 29 and North Dakota Highway 44 to Manvel, N. Dak., and return to Grand Forks over U.S. Highway 81, serving all intermediate points; (2) between Grand Forks, N. Dak., and Grand Forks, N. Dak., in a circuitous manner as follows: From Grand Forks over U.S. Highway 81 to Grafton, thence west on North Dakota 17 to Edmore, N. Dak., thence north over North Dakota Highway 1 to Langdon, N. Dak., thence east over North Dakota Highway 5 to junction North Dakota Highway 32, thence north on North Dakota Highway 32 to Walhalla, thence south on North Dakota Highway 32 to county road running directly east to Conway and Forest River, N. Dak., thence south on county road from Forest River to junction U.S. Highway 2, thence east on U.S. Highway 2 to Grand Forks, serving all intermediate points; and (3) between Grand Forks, N. Dak., and Grand Forks, N. Dak., in a circuitous manner as follows: From Grand Forks over U.S. Highway 2 to Lakota, N. Dak. thence over North Dakota Highway 1 to Pekin, N. Dak., thence over North Dakota Highway 15 to junction North Dakota Highway 32, thence over North Dakota Highway 32 to Finley, thence over North Dakota Highway 7 to Mayville, thence over North Dakota Highway 7 to junction North Dakota Highway 18, thence over North Dakota Highway 18 to Larimore, thence over U.S. Highway 2 to Grand Forks, serving the intermediate points of Emerado, Arvilla, Niagara, Petersburg, Michigan, Mapes, Lakota, Pekin, McVille, Kloten, Aneta, Sharon, Finley, Portland, Mayville, Hatton, Northwood, Larimore, and East Grand Forks, Minn. NOTE: If a hearing is deemed necessary, applicant requests it be held at Fargo, N. Dak.

No. MC 100684 (Sub-No. 5), filed December 9, 1968. Applicant: CLIFFORD A. MANGUS, doing business as MANGUS COMPANY, 606 South Main Street, Lusk, Wyo. 82225. Applicant's representative: Robert S. Stauffer, 1510 East 20th Street, Cheyenne, Wyo. 28001. Authority sought to operate as a *contract carrier*, by motor vehicle, over irregular routes, transporting: (1) *Air compressors*, permanently mounted on shipper-owned trailers, between points in California, Colorado, Nevada, Utah, and Wyoming; and (2) *bentonite, barite, drilling mud compounds, lost circulation materials and chemicals:* (a) from points in Niobrara County, Wyo., to points in Kimball, Banner, Scotts Bluff, Sioux, Dawes, Box Butte, Morrill, and Cheyenne Counties, Nebr., Fall River, Custer, Pennington, Lawrence, Butte, Harding, Perkins and Meade Counties, S. Dak.; and (b) from points in Big Horn County, Wyo., to Cut Bank, Roundup, Miles City, and Wolf Point, Mont.; and to Williston, Dickinson, and West Hope, N. Dak.; and to Sterling and Craig, Colo.; all under contract with Dresser Magcobar, a Division of Dresser Industries, Inc. NOTE: If a hearing is deemed necessary, applicant requests it be held at Denver, Colo., or Casper, Wyo.

No. MC 103993 (Sub-No. 363), filed December 5, 1968. Applicant: MORGAN DRIVE-AWAY, INC., 2800 West Lexington Avenue, Elkhart, Ind. 46514. Applicant's representatives: Bill R. Privitt and Ralph H. Miller (same address as applicant). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Buildings* in sections, mounted on wheeled undercarriages with hitch-ball connector, from points in Cumberland County, Tenn. to points in Maine, Vermont, New Hampshire, Massachusetts, Rhode Island, Connecticut, New York, New Jersey, Pennsylvania, Maryland, Delaware, Washington, D.C., North Carolina, South Carolina, South Dakota, North Dakota, Virginia, New Mexico, Colorado, Wyoming, Utah, Nevada, California, Oregon, Montana, Idaho, and Washington (excluding Alaska and Hawaii). NOTE: If a hearing is deemed necessary, applicant requests it be held at Nashville, Tenn.

No. MC 105350 (Sub-No. 16), filed December 6, 1968. Applicant: NORTH PARK TRANSPORTATION COMPANY, a corporation, 1600 Eliot Street, Denver, Colo. 80204. Applicant's representative: Leslie R. Kehl, 420 Denver Club Building, Denver, Colo. 80202. Authority sought to operate as a *common carrier*, by motor vehicle, over; (1) regular routes, transporting: *General commodities*, except commodities of unusual value, household goods as defined by the Commission, commodities in bulk, and those requiring special equipment, between Walden, Colo., and Saratoga, Wyo., from Walden over Colorado Highway 125 to the Colorado-Wyoming State line, thence over Wyoming Highway 230 to Saratoga, and return over the same route, serving all intermediate points; (2) irregular routes: *Lumber*, from Saratoga and Encampment, Wyo., to points in Colorado. NOTE: If a hearing is deemed necessary, applicant requests it be held at Denver, Colo.

No. MC 106298 (Sub-No. 9), filed December 5, 1968. Applicant: BEN BINDER, doing business as TRI-STATE TRANSPORTATION CO., 2690 Prior Avenue North, St. Paul, Minn. 55113. Applicant's representative: Andrew R. Clark, 1000 First National Bank Building, Minneapolis, Minn. 55402. Authority sought to operate as a *common carrier*, by motor vehicle, over regular routes, transporting: *General commodities*, except those of

unusual value, livestock, classes A and B explosives, household goods as defined by the Commission, commodities in bulk, commodities requiring special equipment, and those injurious or contaminating to other lading, serving Mitchell, S. Dak., as an intermediate point on applicant's presently authorized route between Sioux City, Iowa, and Pierre, S. Dak. NOTE: Applicant states that the above proposed authority is for the purpose of joinder with its present regular and irregular route authority from or to Illinois, Nebraska, Iowa, Minnesota, and South Dakota. If a hearing is deemed necessary, applicant requests it be held at Huron, S. Dak., and Minneapolis, Minn.

No. MC 106398 (Sub-No. 379), filed December 2, 1968. Applicant: NATIONAL TRAILER CONVOY, INC., 1925 National Plaza, Tulsa, Okla. 74151. Applicant's representative: Irvin Tull (same address as applicant). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Trailers designed to be drawn by passenger automobiles and buildings in sections equipped with hitch-ball connector*, from points in Sumner County, Tenn., to points in the United States (except Alaska and Hawaii). NOTE: Common control and dual operations may be involved. If a hearing is deemed necessary, applicant requests it be held at Nashville, Tenn.

No. MC 106398 (Sub-No. 380), filed December 2, 1968. Applicant: NATIONAL TRAILER CONVOY, INC., 1925 National Plaza, Tulsa, Okla. 74151. Applicant's representative: Irvin Tull (same address as applicant). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Trailers designed to be drawn by passenger automobiles and buildings in sections equipped with hitch-ball connector*, from points in Crittenden County, Ark., to points in the United States (except Alaska and Hawaii). NOTE: Common control and dual operations may be involved. If a hearing is deemed necessary, applicant requests it be held at Memphis, Tenn.

No. MC 10012 (Sub-No. 89), filed December 4, 1968. Applicant: NORTH AMERICAN VAN LINES, INC., Post Office Box 988, Lincoln Highway East and Meyer Road, Fort Wayne, Ind. 46801. Applicant's representative: Martin A. Weissert (same address as applicant). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Furniture frames*, set up or knocked down, from Oakdale, La., to Fort Smith, Ark. NOTE: Common control and dual operations may be involved. If a hearing is deemed necessary, applicant requests it be held at Fort Smith or Little Rock, Ark., or Washington, D.C.

No. MC 108068 (Sub-No. 72), filed December 5, 1968. Applicant: U.S.A.C. TRANSPORT, INC., Post Office Box G, Joplin, Mo. 64801. Applicant's representative: A. N. Jacobs (same address as applicant). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Equipment, parts, materials, machinery, and supplies* used in the manufacturing, assembling, maintenance, servicing, repairing, and operation of aircraft; (1) between points in the United States east of a line beginning at the mouth of the Mississippi River, and extending along the Mississippi River to its junction with the western boundary of Itasca County, Minn., thence northward along the western boundaries of Itasca and Koochiching Counties, Minn., to the international boundary line between the United States and Canada; and (2) between the points described in (1) above, on the one hand, and, on the other, points in that part of the United States west of the above-described line, restricted to traffic originating at or destined to terminals and facilities of Eastern Air Lines, Inc. NOTE: If a hearing is deemed necessary, applicant requests it be held at Washington, D.C., or Chicago, Ill.

No. MC 108393 (Sub-No. 15), filed December 4, 1968. Applicant: SIGNAL DELIVERY SERVICE, INC., 782 Industrial Drive, Elmhurst, Ill. 60126. Applicant's representative: J. A. Kundtz, 1050 Union Commerce Building, Cleveland, Ohio 44115. Authority sought to operate as a *contract carrier*, by motor vehicle, over irregular routes, transporting: *Such merchandise* as is dealt in by retail department stores and mail-order houses, and *related advertising material*, (1) between King of Prussia, Pa., on the one hand, and, on the other, points in Delaware, Maryland, New Jersey, and Berks, Bucks, Chester, Dauphin, Delaware, Lancaster, Lebanon, Lehigh, Montgomery, Northampton, Philadelphia, and York Counties, Pa., and the District of Columbia; and (2) between Wilmington, Del., on the one hand, and, on the other, points in Delaware, Maryland, New Jersey, and Berks, Bucks, Chester, Dauphin, Delaware, Lancaster, Lebanon, Lehigh, Montgomery, Northhampton, Philadelphia, and York Counties, Pa., and the District of Columbia, under contract with Sears, Roebuck & Co. NOTE: Applicant holds common carrier authority under Docket No. MC 118459, therefore, dual operations may be involved. Applicant states that no duplicating authority is sought. If a hearing is deemed necessary, applicant requests it be held at Washington, D.C.

No. MC 109533 (Sub-No. 39), filed December 6, 1968. Applicant: OVERNITE TRANSPORTATION COMPANY, a corporation, 1100 Commerce Road, Richmond, Va. 23224. Applicant's representative: Eugene T. Liipfert, 11th Floor, 1660 L Street NW., Washington, D.C. 20036. Authority sought to operate as a common carrier, by motor vehicle, over regular routes, transporting: *General commodities* (except those of unusual value, classes A and B explosives, household goods as defined by the Commission, commodities in bulk, and those requiring special equipment); (1) between Savannah, Ga., and Jacksonville, Fla., over U.S. Highway 17 and/or Interstate Highway 95, serving no intermediate points, but serving off-route points within 10 miles of Jacksonville, Fla.; and (2) between Macon, Ga., and Jacksonville, Fla.; (a) over U.S. Highway 23; and (b) from Macon over Interstate Highway 75 to junction Interstate Highway 10, thence over Interstate Highway 10 to Jacksonville, and return over the same route, serving no intermediate points, but serving off-route points within 10 miles of Jacksonville, Fla., in connection with (2) (a) and (b) above. NOTE: Applicant states it will tack at the common points of Macon and Savannah, Ga. Common control may be involved. If a hearing is deemed necessary, applicant requests it be held at Atlanta or Macon, Ga.

No. MC 109637 (Sub-No. 351), filed December 6, 1968. Applicant: SOUTHERN TANK LINES INC., Post Office Box 1047, Bells Lane, Louisville, Ky. 40201. Applicant's representative: Harris G. Andrews, Post Office Box 1047, 4107 Bells Lane, Louisville, Ky. 40201. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Caustic soda*, in bulk, from Kentucky Asphalt Terminal, near Louisville, Ky., to points in Ohio. NOTE: If a hearing is deemed necessary, applicant requests it be held at Columbus, Ohio, or Louisville, Ky.

No. MC 110683 (Sub-No. 52), filed December 10, 1968. Applicant: SMITH'S TRANSFER CORPORATION OF STAUNTON, VA., Post Office Box No. 1000, Staunton, Va. 24401. Applicant's representative: James W. Lawson, 1000 16th Street NW., Washington, D.C. 20036. Authority sought to operate as a *common carrier*, by motor vehicle, over regular routes, transporting: *General commodities* (except those of unusual value, classes A and B explosives, household goods as defined by the Commission, commodities in bulk, and those requiring special equipment), between Bristol and Morristown, Tenn., and junction U.S. Highway 25E and 25W at or near Corbin, Ky.; (1) from Bristol over U.S. Highway 11W to junction U.S. Highway 25E, thence over U.S. Highway 25E to junction U.S. Highway 25W, and return over the same route, serving no intermediate points, as an alternate route for operating convenience only; and (2) from Morristown over U.S. Highway 25E to junction U.S. Highway 25W, and return over the same route, serving no intermediate points as an alternate route for operating convenience only. NOTE: If a hearing is deemed necessary, applicant requests it be held at Washington, D.C.

No. MC 111956 (Sub-No. 18), filed December 6, 1968. Applicant: SUWAK TRUCKING COMPANY, a corporation, 1105 Fayette Street, Washington, Pa. 15301. Applicant's representative: Henry M. Wick, Jr., 2310 Grant Building, Pittsburgh, Pa. 15219. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Salt*, in bags, and packages, from Cleveland and Akron, Ohio, to points in Pennsylvania and West Virginia. NOTE: If a hearing is deemed necessary, applicant requests it be held at Washington, D.C., or Pittsburgh, Pa.

No. MC 113158 (Sub-No. 7), filed December 5, 1968. Applicant: TODD TRANSPORT COMPANY, INC., Secretary, Md. Applicant's representative: V. Baker Smith, 2107 The Fidelity Building, Philadelphia, Pa. 19109. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Beverages*, nonalcoholic, in cans or bottles, from Bridgeport, Pa., to points in New York (except New York, N.Y., and points in Sullivan, Ulster, Dutchess, Orange, Putnam, Rockland, Westchester, Nassau, Suffolk, Greene, Albany, Schenectady, Montgomery, and Herkimer Counties, N.Y.). NOTE: If a hearing is deemed necessary, applicant requests it be held at Washington, D.C.

No. MC 114290 (Sub-No. 37), filed December 5, 1968. Applicant: EXLEY EXPRESS, INC., 2610 Southeast Eighth Avenue, Portland, Oreg. 97202. Applicant's representative: James T. Johnson, 1610 IBM Building, Seattle, Wash. 98101. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Containers*, from Portland, Oreg., to the plantsites of the Welch Grape Juice Co., Inc., at or near Grandview and Kennewick, Wash. NOTE: If a hearing is deemed necessary, applicant requests it be held at Portland, Oreg.

No. MC 115331 (Sub-No. 263), filed December 3, 1968. Applicant: TRUCK TRANSPORT, INCORPORATED, 1931 North Geyer Road, St. Louis, Mo. 63131. Applicant's representative: J. R. Ferris (same address as applicant). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Grain and grain products*, dry, from points in Randolph County, Ill., to points in Alabama, Arkansas, Florida, Georgia, Mississippi, Tennessee, Louisiana, Kentucky, Illinois, Indiana, Michigan, Minnesota, Missouri, New Jersey, New York, Ohio, Oklahoma, Pennsylvania, Texas, West Virginia, Virginia, Wisconsin, Kansas, and Nebraska. NOTE: Common control and dual operations may be involved. If a hearing is deemed necessary, applicant requests it be held at St. Louis, Mo.

No. MC 115876 (Sub-No. 21), filed December 5, 1968. Applicant: ERWIN HURNER, 2605 South Rivershore Drive, Moorhead, Minn. 56560. Applicant's representative: Gene P. Johnson, 502 First National Bank Building, Fargo, N. Dak. 58102. Authority sought to operate as a *contract carrier*, by motor vehicle, over irregular routes, transporting: *Dairy products, beverages, and frozen foods*, from Fargo, N. Dak., to Aberdeen, S. Dak.; under contract with Cass Clay Creamery, Inc. NOTE: Applicant holds common authority under MC-117148, therefore, dual operations may be involved. If a hearing is deemed necessary, applicant requests it be held at Fargo, N. Dak.

No. MC 116077 (Sub-No. 255), filed December 6, 1968. Applicant: ROBERTSON TANK LINES, INC., 5700 Polk Avenue, Post Office Box 1505, Houston, Tex. 77001. Applicant's representative: Thomas E. James, The 904 Lavaca Building, Austin, Tex. 78701. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Ethane*, in bulk, from points in San Patricio County, Tex., to New Orleans, La. NOTE: If a hearing is deemed necessary, applicant requests it be held at Houston, Tex.

No. MC 116457 (Sub-No. 7), filed December 5, 1968. Applicant: CLAUDE BUTLER, doing business as BUTLER TRUCKING CO., Post Office Box 416, Show Low, Ariz. 85901. Applicant's representative: Pete H. Dawson, 4453 East Piccadilly Road, Phoenix, Ariz. 85018. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Roofing*, in rolls, *shingles and felts, and roofing products*, from Stroud, Okla., to points in New Mexico on and north of U.S. Highway 66 and/or Interstate Highway 40, and points in Arizona. NOTE: If a hearing is deemed necessary, applicant requests it be held at Phoenix, Ariz.

No. MC 116544 (Sub-No. 103), filed December 4, 1968. Applicant: WILSON BROTHERS TRUCK LINE, INC., 700 East Fairview Avenue, Post Office Box 636, Carthage, Mo. 64836. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Meat, meat products, meat byproducts, and articles distributed by meat packinghouses*, as described in appendix I to the report in *Descriptions in Motor Carrier Certificates*, 61 M.C.C. 209 and 766 (except hides, and commodities in bulk, in tank vehicles), from Eau Claire, Wis., and St. Paul, Minn., to points in Alabama, Florida, Georgia, Louisiana, Mississippi, North Carolina, South Carolina, Tennessee, and Texas. NOTE: If a hearing is deemed necessary, applicant requests it be held at Minneapolis, Minn., or Chicago, Ill.

No. MC 117698 (Sub-No. 6), filed December 9, 1968. Applicant: LEO H. SEARLES, doing business as L. H. SEARLES, South Worcester, N.Y. Applicant's representative: Harold C. Vrooman, 140 Main Street, Oneonta, N.Y. 13820. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: (1) *Ice cream, ice cream products, ice confections, ice mix such as ice cream* in bulk (not over 5 gallons) and in small containers, fudgsicles, popsicles, cones, candied ice cream sherbets in bulk (not over 5 gallons) or in small containers or in sticks, to be transported in refrigerated trailers and not in bulk or tank vehicles, from Suffield, Conn., to Worcester, Mass., Providence, R.I., and Ellenville, N.Y.; Woodbridge, N.J., and Rockville, Md. No return movement unless rejected products are returned to the plant at Suffield, Conn.; and (2) *milk, cream, cheese, and milk products* packaged in paper cartons or glass, to be transported in refrigerated trailers and not in bulk or tank vehicles, from Agawam, Mass., to Hartford and New Haven, Conn. No return movement unless rejected products are returned to the milk plant at Agawam, Mass. NOTE: Applicant states it intends to tack with its present authority at points in Connecticut, Rhode Island, Massachusetts, and New York to provide a through service. If a hearing is deemed necessary, applicant requests it be held at Albany, N.Y.

No. MC 118292 (Sub-No. 17), filed December 16, 1968. Applicant: BALLENTINE PRODUCE, INC., Post Office Box 312, Alma, Ark. 72921. Applicant's representative: Lester M. Bridgeman, 1000 Woodward Building, Washington, D.C. 20005. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: (1) *Frozen poultry products*, when moving at the same time and in the same vehicle with poultry, the transportation of which is otherwise partialy exempt from economic regulation under section 203 (b)(6) of the Interstate Commerce Act; and (2) *poultry*, the transportation of which is otherwise partialy exempt from economic regulation under section 203(b)(6) of the Interstate Commerce Act, when moving at the same time and in the same vehicle with frozen poultry products, from Fort Smith, Ark., to points in Michigan; restricted to the transportation of traffic originating at the facilities of O. K. Processors, Inc. NOTE: If a hearing is deemed necessary, applicant requests it be held at Little Rock, Ark., or Washington, D.C.

No. MC 119777 (Sub-No. 134), filed December 4, 1968. Applicant: LIGON SPECIALIZED HAULER, INC., Post Office Drawer L, Madisonville, Ky. 42431. Applicant's representative: Louis J. Amato, Post Office Box E, Bowling Green, Ky. 42101. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Pallets, skids, boxes, bases, crating, veneer, baskets, oak treads, oak risers, oak sills, oak moldings, cardboard cartons, nails, and lumber*, from points in Madison County, Ill., to points in Kansas, Minnesota, Iowa, Missouri, Wisconsin, Michigan, Indiana, Ohio, Pennsylvania, Kentucky, and Tennessee. NOTE: Applicant holds contract carrier authority under Docket No. MC 126970, therefore, dual operations may be involved. If a hearing is deemed necessary, applicant requests it be held at Chicago, Ill.

No. MC 124111 (Sub-No. 18), filed December 6, 1968. Applicant: OHIO EASTERN EXPRESS, INC., Post Office Box 2297, 300 West Perkins Avenue, Sandusky, Ohio 44870. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Meats, meat products, meat byproducts, and articles distributed by meat packinghouses* as described in sections A and C of appendix I to the report in *Descriptions in Motor Carrier Certificates*, 61 M.C.C. 209 and 766, from points in Seneca and Wyandot Counties, Ohio, to points in Connecticut, Delaware, Florida, Georgia, Maryland, Massachusetts, New Jersey, New York, North Carolina, Pennsylvania, Rhode Island, South Carolina, Virginia, and the District of Columbia. NOTE: If a hearing is deemed necessary, applicant requests it be held at Columbus, Ohio, or Washington, D.C.

No. MC 124211 (Sub-No. 125), filed November 26, 1968. Applicant: HILT TRUCK LINE, INC., 14th Avenue and 35th Street (Post Office Box H), Council Bluffs, Iowa 51501. Applicant's representative: Thomas L. Hilt (same address as applicant). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: (1) *Baled cotton goods*, from points in North Carolina and South Carolina, to points in Missouri; (2) *textiles*, from points in Missouri, to points in the United States on and west of U.S. Highway 71 (except Alaska and Hawaii); and, (3) *advertising matter and advertising paraphernalia, beverages, beverage concentrates, containers, pallets, and equipment, materials, and supplies*, used in the manufacture or production, and distribution or sale of the aforementioned commodities; (a) from points in Connecticut, Illinois, Indiana, Kentucky, Massachusetts, Michigan, Missouri, Nebraska, New Jersey, New York, Ohio, and Tennessee, to points in Arizona, California, Colorado, Idaho, Iowa, Kansas, Minnesota, Missouri, Montana, Nebraska, Nevada, New Mexico, North Dakota, Oklahoma, Oregon, South Dakota, Texas, Utah, Washington, and Wyoming, and; (b) from St. Louis, Mo., to points in Alabama, Arkansas, Illinois, Indiana, Kentucky, Louisiana, Michigan, Ohio, Tennessee, and Wisconsin; and, *containers and pallets*, on return. NOTE: If a hearing is deemed necessary, applicant requests it be held at Washington, D.C.

No. MC 124692 (Sub-No. 57), filed December 13, 1968. Applicant: SAMMONS TRUCKING, a corporation, Post Office Box 933, Missoula, Mont. 59801. Applicant's representative: Charles E. Nieman, 1160 Northwestern Bank Building, Minneapolis, Minn. 55402. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *General commodities* (except household goods and commodities in bulk, in tank vehicles), between points in Illinois, Wisconsin, Upper Peninsula of Michigan, Minnesota, Iowa, North Dakota, South Dakota, Nebraska, Kansas, Montana, Wyoming, Colorado, Idaho, Utah, Nevada, Washington, Oregon, and California, restricted to traffic moving; (1) on Government bills of lading; and (2) on commercial bills of lading containing an endorsement approved in *Interpretation of Government Rate Tariff for Eastern Central Motor Carriers Association, Inc.*, 332 I.C.C. 161, 164, 165. NOTE: If a hearing is deemed necessary, applicant requests it be held at Washington, D.C.

No. MC 124813 (Sub-No. 62), filed December 2, 1968. Applicant: UMTHUN TRUCKING CO., a corporation, 910 South Jackson Street, Eagle Grove, Iowa 50533. Applicant's representative: William A. Landau, 1451 East Grand Avenue, Des Moines, Iowa 50306. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Feed ingredients* (except liquids), from Sioux Falls, S. Dak., to points in Illinois, Indiana, Iowa, Michigan, Minnesota, Montana, Nebraska, North Dakota, Ohio, South Dakota, Wisconsin, and Wyoming. NOTE: Applicant states it does not intend to tack. Applicant is authorized to conduct operations under MC 1118468, therefore, dual operations may be involved. If a hearing is deemed necessary, applicant requests it be held at Des Moines, Iowa.

No. MC 126305 (Sub-No. 14), filed December 2, 1968. Applicant: BOYD BROTHERS TRANSPORTATION CO., INC., Route 1, Clayton, Ala. 36016. Applicant's representative: George A. Olsen, 69 Tonnele Avenue, Jersey City, N.J. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Lumber and lumber products*, from points in Memphis County, Tenn.; Grenada and De Soto Counties, Miss.; and Randolph County, Ga., to points in Florida, South Carolina, North Carolina, Pennsylvania, Virginia, Delaware, Maryland, New Jersey, New York, Connecticut, Massachusetts, Rhode Island, and the District of Columbia. NOTE: If a hearing is deemed necessary, applicant requests it be held at Memphis, Tenn.

No. MC 127122 (Sub-No. 1), filed December 6, 1968. Applicant: JOE MOSS, doing business as SIMPSONVILLE GARAGE WRECKER SERVICE, Box 66, Simpsonville, Ky. 40067. Applicant's representative: Robert M. Pearce, Post Office Box E, Bowling Green, Ky. 42101. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Wrecked, disabled, and repossessed motor vehicles, including trailers* designed to be drawn by passenger automobiles, and *replacement vehicles and parts therefor*, by use of wrecker equipment only, between points in Kentucky on and west of U.S. Highway 25 and points in Alabama, Arkansas, Florida, Georgia, Illinois, Louisiana, Mississippi, Missouri, North Carolina, Oklahoma, South Carolina, Tennessee, Texas, Virginia, and West Virginia. NOTE: Applicant states it intends to tack the sought authority with that held in its presently existing authority under MC–127122. If a hearing is deemed necessary, applicant requests it be held at Louisville, Ky.

No. MC 127505 (Sub-No. 19), filed December 1, 1968. Applicant: RALPH H. BOELK, doing business as R. H. BOELK TRUCK LINES, 1201 14th Avenue, Mendota, Ill. 61342. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Electric motors* (except those which require use of special equipment or handling because of size or weight), from Earlville, Ill., to Cranston, R.I., Hanover and Totowa, N.J. NOTE: If a hearing is deemed necessary, applicant requests it be held at Chicago, Ill.

No. MC 127519 (Sub-No. 2) (Correction), filed November 21, 1968, published in the FEDERAL REGISTER issue of December 19, 1968, and republished, as corrected, this issue. Applicant: KLAUS GRUBER, 2955 Huntington Circle, Brookfield, Wis. 53005. Applicant's representative: Frank M. Coyne, 1 West Main Street, Madison, Wis. 53703. Authority sought to operate as a contract carrier, by motor vehicle, over irregular routes, transporting: *Concrete brick, concrete slabs, concrete veneer stone, and concrete panels*, from Brookfield, Wis., to points in the United States (except Alaska and Hawaii), under contract with Split Rock Products, Inc. NOTE: The purpose of this republication is to eliminate Washington, D.C., as an exception. If a hearing is deemed necessary, applicant requests it be held at Madison, Wis.

No. MC 127605 (Sub-No. 5), filed November 14, 1968. Applicant: ELMER E. LAIRD, doing business as ELMER E. LAIRD & SON, 3135 West North Temple, Post Office Box 1343, Salt Lake City, Utah. Applicant's representative: William S. Richards, 1610 Walker Bank Building, Salt Lake City, Utah 84111. Authority sought to operate as a *contract carrier*, by motor vehicle, over irregular routes, transporting: (a) *Sporting goods, fire alarms, vacuum cleaners, sewing machines, sewing machine cases, electric blenders, photo albums, floor sanding, waxing, and cleaning machines, cameras, projectors, lawn mowers, encyclopedias, cookware, dishware, melmac products, can openers, coffee makers, luggage, watches, power tools, radios, toothbrushes, grass catchers, picnic jugs, cutlery, and advertising material*, from Los Angeles, Calif., points in the Los Angeles Harbor, Calif., commercial zone, and Salt Lake City, Utah, to Cincinnati, Ohio; (b) *cookware*, from Jackson, Miss., to Los Angeles and points in the Los Angeles Harbor, Calif., commercial zone, and Salt Lake City, Utah; (c) *luggage*, from Memphis, Tenn., to Los Angeles and points in the Los Angeles Harbor, Calif., commercial zone, and Salt Lake City, Utah; (d) *books and power tools*, from Chicago, Ill., to Los Angeles and points in the Los Angeles Harbor, Calif., commercial zone, and Salt Lake City, Utah; (e) *lawn mowers*, from Omaha, Nebr., to Los Angeles and points in the Los Angeles Harbor, Calif., commercial zone, and Salt Lake City, Utah; under contract with National Warehouses, Inc. NOTE: If a hearing is deemed necessary, applicant requests it be held at Salt Lake City, Utah.

No. MC 127634 (Sub-No. 2), filed November 27, 1968. Applicant: JAMES J. GAMBRELL, doing business as GRAMBELL MOBILE HOMES TRAILER TOWING, 1820 Fairview Avenue, Augusta, Ga. 30904. Applicant's representative: Ariel V. Conlin, 626 Fulton National Bank Building, Atlanta, Ga. 30303. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Mobile homes*, in initial movements, from Sparta, Ga., to points in Mississippi, Florida, North Carolina, South Carolina, Alabama, and Tennessee. NOTE: If a hearing is deemed necessary, applicant requests it be held at Atlanta or Augusta, Ga., or Columbia, S.C.

No. MC 127915 (Sub-No. 5), filed November 26, 1968. Applicant: C & W

TRUCKING, INC., 2017 East Colfax, Denver, Colo. 80208. Applicant's representative: Joseph F. Nigro, 400 Hilton Office Building, Denver, Colo. 80202. Authority sought to operate as a *contract carrier*, by motor vehicle, over irregular routes, transporting: *Foodstuffs* (except frozen food and meats requiring mechanical refrigeration), between Denver, Colo., and points in California and Nevada; under contract with Red Seal, Snack Foods Division, Pet Inc. NOTE: If a hearing is deemed necessary, applicant requests it be held at Denver, Colo., or Albuquerque, N. Mex., or Washington, D.C.

No. MC 128375 (Sub-No. 25), filed November 29, 1968. Applicant: CRETE CARRIER CORPORATION, Post Office Box 249, Crete, Nebr. 68333. Applicant's representative: Duane W. Acklie, 521 South 14th Street, Post Office Box 806, Lincoln, Nebr. 68501. Authority sought to operate as a *contract carrier*, by motor vehicle, over irregular routes, transporting: *Ingredients, materials, and supplies* used in the manufacture and production of animal feed and feed ingredients; (a) from points in New Jersey, New York, Washington, Oregon, and California, to points in Nebraska, Pennsylvania, and Maryland; and (b) from points in South Dakota, Wisconsin, Minnesota, Illinois, Indiana, Ohio, Iowa, Missouri, Kansas, Texas, Oklahoma, Louisiana, Arkansas, Michigan, Nebraska, New Mexico, Arizona, Tennessee, Mississippi, and Kentucky, to points in Nebraska (except Crete, Nebr.), all under contract with Allen Products Co., Inc. NOTE: If a hearing is deemed necessary, applicant requests it be held at Lincoln, Nebr.

No. MC 128375 (Sub-No. 26), filed December 9, 1968. Applicant: CRETE CARRIER CORPORATION, Post Office Box 249, Crete, Nebr. 68333. Applicant's representative: Richard A. Peterson, 521 South 14th Street, Post Office Box 806, Lincoln, Nebr. 68501. Authority sought to operate as a *contract carrier*, by motor vehicle, over irregular routes, transporting: *Construction materials, contractors' equipment, engines, hoists, forms, equipment, and supplies*, between Marietta, Ohio, Benton, Ala., Whiskey Bay Bridge Job Site, La., the plantsite and storage facilities of the Dravo Corp. at Pittsburgh and Neville Island, Pa., Newburgh, Ind., and Black River Falls Job Site, Wis., on the one hand, and, on the other, points in Alabama, Arizona, Arkansas, Connecticut, Delaware, Florida, Georgia, Idaho, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, Montana, Nebraska, Nevada, New Hampshire, New Jersey, New Mexico, New York, North Carolina, Ohio, Oklahoma, Pennsylvania, Rhode Island, South Carolina, Tennessee, Texas, Vermont, Virginia, West Virginia, Wisconsin, Wyoming, and the District of Columbia; under contract with Dravo Corp. NOTE: If a hearing is deemed necessary, applicant requests it be held at Lincoln, Nebr.

No. MC 128944 (Sub-No. 4), filed November 18, 1968. Applicant: RELIABLE TRUCK LINES, INC., 402 Maplewood Avenue, Nashville, Tenn. 37210. Applicant's representative: Clarence Evans, 18th Floor, Third National Bank Building, Nashville, Tenn. 37219. Authority sought to operate as a common carrier, by motor vehicle, over regular routes, transporting: *General commodities* (except those of unusual value, household goods as defined by the Commission, commodities in bulk, dangerous explosives, and commodities requiring special equipment), between Nashville, Tenn., and Tuscumbia, Ala.; (a) from Nashville over U.S. Highway 31 to Columbia, Tenn., thence over U.S. Highway 43 to junction U.S. Highway 72, and thence over U.S. Highway 72 to Tuscumbia, and return over the same route; (b) from Nashville over Interstate Highway 65 to Decatur, Ala., and thence over Alternate U.S. Highway 72 to Tuscumbia, and return over the same route; (c) from Nashville over Interstate Highway 65 to Athens, Ala., and thence over U.S. Highway 72 to Tuscumbia, and return over the same route, serving the intermediate points of Florence and Sheffield, Ala., and the off-route point of Russellville, Ala., and points in Lauderdale and Colbert Counties, Ala.; and (d) serving Athens and Decatur, Ala., for purpose of interchanging only with other carriers. NOTE: (1) Applicant states it presently holds the authority described in (a), (b), and (c) above, in its certificate MC 128944 (Sub-No. 1), and the present application is to seek authority to serve Decatur and Athens, Ala., for purpose of, and limited to interchange only, with no local pickup or delivery to or from any original shipper or consignee to be authorized at either Decatur or Athens, Ala. Accordingly this application seeks to amend the Sub-1 authority by adding the following thereto. "With authority to serve Decatur and Athens, Ala., but only in interchange service with other carriers"; and (2) applicant further states it has pending application under MC 128944 (Sub-No. 3), between Memphis, Tenn., and Florence, Ala. If and when Sub 3 is granted, applicant intends to tack at Florence and provide interchange service at Decatur or Athens for traffic moving between Memphis and Decatur, or Memphis and Athens. If a hearing is deemed necessary, applicant requests it be held at Memphis, Tenn., or Florence, Ala.

No. MC 129307 (Sub-No. 14), filed December 4, 1968. Applicant: McKEE LINES, INC., 664 54th Avenue, Mattawan, Mich. 49071. Applicant's representative: William C. Harris (same address as applicant). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Such commodities as are dealt in by retail department stores and specialty shops, and materials, equipment, and supplies* used in the conduct of such business, between Detroit and Mount Clemens, Mich., on the one hand, and, on the other, points in Colorado, Connecticut, Georgia, Illinois, Indiana, Iowa, Kansas, Kentucky, Maine, Massachusetts, Minnesota, Missouri, Nebraska, New Jersey, New York, North Carolina, Ohio, Oklahoma, Pennsylvania, Virginia, West Virginia, and Wisconsin. NOTE: Applicant holds contract carrier authority under MC 119394, therefore, dual operations may be involved. If a hearing is deemed necessary, applicant requests it be held at Washington, D.C., or New York, N.Y.

No. MC 133029 (Sub-No. 2), filed December 5, 1968. Applicant: DOEPP CROCKETT, doing business as DOEPP CROCKETT HAULING, Route 1, Box 92C. Applicant's representative: Jerry R. Murphy, 708 La Veta Drive, NE., Albuquerque, N. Mex. 87108. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Wire*, from Pueblo, Colo., to points in Chaves and Curry Counties, N. Mex., and Ochiltree, Dawson, Martin, and Wheeler Counties, Tex. NOTE: If a hearing is deemed necessary, applicant requests it be held at Roswell or Santa Fe, N. Mex.

No. MC 133100 (Sub-No. 1) (Amendment), filed August 29, 1968, published in the FEDERAL REGISTER issue of September 19, 1968, and republished as amended this issue. Applicant: SUPERIOR CARRIERS, a corporation, 25 Berkshire Valley Road, Post Office Box K, Kenvil, N.J. Applicant's representative: A. David Millner, 744 Broad Street, Newark, N.J. 07102. Authority sought to operate as a *contract carrier*, by motor vehicle, over irregular routes, transporting: (1) *Animal, vegetable, fish, or sea animal oils, tallow, shortening, vegetable oil, castor oil, and blends and derivatives of the foregoing products*, in liquid bulk, in tank vehicles; (a) from the plantsites and/or storage facilities of Drew Chemical Corp. at Boonton, Guttenberg, Jersey City, and Weehawken, N.J., to points in Alabama, Connecticut, Delaware, Georgia, Illinois, Indiana, Iowa, Kentucky, Maine, Maryland, Massachusetts, Michigan, New York, North Carolina, Ohio, Pennsylvania, Rhode Island, South Carolina, Tennessee, Virginia, and the District of Columbia; and, (b) from points in Alabama, Connecticut, Delaware, Georgia (except Moultrie, Ga.), Illinois, Indiana, Iowa, Kentucky, Maine, Maryland, Massachusetts, Michigan, New York, North Carolina, Ohio, Pennsylvania, Rhode Island, South Carolina, Tennessee, Virginia, the District of Columbia, and Carteret, N.J., to the plantsites and/or storage facilities of Drew Chemical Corp. at Boonton, Guttenberg, Jersey City, and Weehawken, N.J.; and, (2) *fatty acids of oils, glycerine, liquid soaps, and liquid soap products, textile softeners, plasticizers, liquid cleaning compounds, defoaming compound, rust preventing compound, stearic acid, lubricants other than petroleum, synthetic fatty acids, and blends and derivatives of the foregoing products*, in liquid bulk, in tank vehicles, between the plantsites and/or storage facilities of Drew Chemical Corp. at Boonton, Guttenberg, Jersey City, and Weehawken, N.J., on the

one hand, and, on the other, points in Connecticut, Delaware, Illinois, Indiana, Maine, Maryland, Massachusetts, Michigan, New York, Ohio, Pennsylvania, Rhode Island, Virginia, the District of Columbia, and Carteret, N.J., under contract with Drew Chemical Corp., Boonton, N.J. NOTE: The purpose of this republication is to redescribe the authority sought. If a hearing is deemed necessary, applicant requests it be held at New York, N.Y., or Washington, D.C.

No. MC 133148 (Sub-No. 2), filed December 9, 1968. Applicant: SAN LUIS GARBAGE COMPANY, doing business as RIZZOLI CATTANEO TRUCKING CO., 970 Monterey Street, San Luis Obispo, Calif. Applicant's representative: Eldon M. Johnson, 140 Montgomery Street, San Francisco, Calif. 94104. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *General commodities*, except those of unusual value, classes A and B explosives, household goods as defined by the Commission, and commodities in bulk, from San Luis Obispo, Calif., to the plantsite of the Pacific Gas & Electric Co., Diablo Canyon, Calif., on traffic having a prior movement by rail. NOTE: If a hearing is deemed necessary, applicant requests it be held at San Francisco, Calif., or San Luis Obispo, Calif.

No. MC 133164 (Sub-No. 2), filed December 2, 1968. Applicant: CENTRAL TRANSPORTATION CO., a corporation, 265 Church Street, New Haven, Conn. 06510. Applicant's representative: William M. Mack, 205 Church Street, New Haven, Conn. 06510. Authority sought to operate as a *contract carrier*, by motor vehicle, over irregular routes, transporting: *Crushed stone, sand, gravel, bituminous concrete, and mixed aggregates*, in dump vehicles, between Danbury and Newtown, Conn., on the one hand, and on the other, points in Westchester, Putnam, and Dutchess Counties, N.Y., under contract with New Haven Trap Rock Division of Ashland Oil & Refining Co. NOTE: If a hearing is deemed necessary, applicant requests it be held at New Haven or Hartford, Conn., Boston, Mass., or New York, N.Y.

No. MC 133316, filed November 25, 1968. Applicant: FRANK R. GIVIGLIANO, doing business as GIVIGLIANO TRANSPORT, 301 Willow Street, Trinidad, Colo. Applicant's representative: Joseph F. Nigro, 400 Hilton Office Building, 1515 Cleveland Place, Denver, Colo. 80202. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: (1) *Perishable commodities* which require refrigeration, from Denver and Pueblo, Colo., to points in Pueblo, Otero, Bent, Prowers, Huerfano, and Las Animas Counties, Colo., and to points in Colfax, Union, Harding, Mora, Taos, and San Miguel Counties, N. Mex.; (2) *food products and juices*, from points in California to Raton, N. Mex., and Pueblo and Colorado Springs, Colo.; (3) *agricultural and exempt commodities* as defined in section 203(b)(6) of the Act, as amended, when transported in the same vehicle or at the same time with authorized commodities; and (4) *candy and confections*, from Los Angeles, Calif., to points in Colorado and New Mexico. NOTE: If a hearing is deemed necessary, applicant requests it be held at Trinidad or Denver, Colo.

No. MC 133318, filed December 2, 1968. Applicant: VAN DE HOGEN CARTAGE LIMITED, Route 4, Chatham, Ontario, Canada. Applicant's representative: William J. Hirsch, 43 Niagara Street, Buffalo, N.Y. 14202. Authority sought to operate as a *contract carrier*, by motor vehicle, over irregular routes, transporting: *Building brick, stone, and tile on self-unloading trailers;* (1) from Brazil, Ind.; Princess, Ky.; points in Beaver County, Pa.; Detroit, Mich.; and points in Ohio; to ports of entry on the international boundary line between the United States and Canada in Michigan and New York; and (2) from ports of entry on the international boundary line between the United States and Canada in Michigan to points in Michigan under contract with Windsor Builders Supply, Ltd., d.b.a. Canadian Builders Supply & Ryancrete Products. NOTE: Applicant states no duplicating authority is being sought. If a hearing is deemed necessary, applicant requests it be held at Buffalo, N.Y.

No. MC 133326, filed December 3, 1968. Applicant: DIVERSIFIED AUTO FREIGHT, INC., Port of Lake Charles, La., Post Office Box 3045, Lake Charles, La. 70601. Applicant's representative: Gordon I. Herzog, 506 Olive Street, Suite 1701, St. Louis, Mo. 63101. Authority sought to operate as a *contract carrier*, by motor vehicle, over irregular routes, transporting: *Motor vehicles*, between Lake Charles, La., to points in Missouri, Kansas, Nebraska, Arkansas, and Iowa, under contract with Volkswagen Mid-America, Inc. NOTE: If a hearing is deemed necessary, applicant requests it be held at St. Louis, Mo.

No. MC 133329, filed December 4, 1968. Applicant: ALL PURPOSE WAREHOUSE NO. 2 INC., 96 New South Road, Hicksville, N.Y. 11801. Applicant's representative: Morris Honig, 150 Broadway, New York, N.Y. 10038. Authority sought to operate as a *contract carrier*, by motor vehicle, over irregular routes, transporting: *Major household appliances; air conditioners; vacuum cleaners; radios; television receiving sets; record players and combinations of radios, television receiving sets, and record players; sinks; ranges; refrigerators; and combination sinks and refrigerators; garbage disposal units; clothes and dish washers; clothes dryers; freezers and kindred appliances of all the above*, between Hicksville, N.Y., on the one hand, and, on the other, New York, N.Y., and points in Bergen, Essex, Hudson, Passaic, and Union Counties, N.J., under contract with Marta Co-operative, Inc., American Home Center, Inc., Ecco Appliance, Inc., Eldee & Paramount Appliance Co., Inc. NOTE: If a hearing is deemed necessary, applicant requests it be held at New York, N.Y.

APPLICATIONS OF FREIGHT FORWARDERS

No. FF-357 (OCEAN KARGO FORWARDERS, INC.) Freight Forwarder Application—filed December 4, 1968. Applicant: OCEAN KARGO FORWARDERS, INC., 117 West Virginia Beach Boulevard, Norfolk, Va. 23510. Applicant's representative: Alan F. Wohlstetter, 1 Farragut Square South, Washington, D.C. 20006. Authority sought under Part IV of the Interstate Commerce Act as a freight forwarder in interstate or foreign commerce, in the forwarding of *household goods*, as defined by the Commission in Practices of Motor Common Carriers of Household Goods, 17 M.C.C. 467, and *used automobiles and unaccompanied baggage*, between points in the United States, including Alaska and Hawaii.

No. FF-358 KINGPAK, INC., Freight Forwarder Application, filed December 10, 1968. Applicant: KINGPAK, INC., 7707 East Harry, Post Office Box 18298, Wichita, Kans. Applicant's representative: H. Charles Ephraim, 1411 K Street NW., Washington, D.C. 20005. Authority sought under Part IV of the Interstate Commerce Act as a freight forwarder in interstate or foreign commerce, in the forwarding of (1) *household goods*, as defined by the Commission in Practices of Motor Common Carriers of Household Goods, 17 M.C.C. 467; (2) *used automobiles;* and (3) *unaccompanied baggage*, between points in the United States, including Alaska and Hawaii.

No. FF-360 CARTWRIGHT INTERNATIONAL VAN LINES, INC., Freight Forwarder Application, filed December 11, 1968. Applicant: CARTWRIGHT INTERNATIONAL VAN LINES, INC., 4250 24th Avenue West, Seattle, Wash. 98199. Applicant's representative: Alan F. Wohlstetter, 1 Farragut Square South, Washington, D.C. 20006. Authority sought under Part IV of the Interstate Commerce Act as a freight forwarder in interstate or foreign commerce, in the forwarding of (a) *household goods;* as defined by the Commission in Practices of Motor Common Carriers of Household Goods, 17 M.C.C. 467; (b) *used automobiles;* and (c) *unaccompanied baggage* between points in the United States, including Alaska and Hawaii.

No. FF-361 CREST FORWARDERS, INC., Freight Forwarder Application, filed December 13, 1968. Applicant: CREST FORWARDERS, INC., 863 Massachusetts Avenue, Indianapolis, Ind. 46204. Applicant's representative: James L. Beattey, 130 East Washington Street, Indianapolis, Ind. 46204. Authority sought under Part IV of the Interstate Commerce Act as a freight forwarder in interstate or foreign commerce, through the use of the facilities of common carriers by motor vehicle in the transportation of (a) *used household goods;* (b) *used automobiles;* (c) *unaccompanied baggage;* and (d) *such articles, including objects of art, displays, and exhibits*, which because of their unusual nature or value, require specialized handling and equipment within the meaning of the Third Proviso of Household Goods, as defined by the Commission, in Practices of Motor Common Carriers of Household Goods, 17 M.C.C. 467, between points in the United States, including Alaska and Hawaii.

No. FF–362 TRANS-AMERICAN WORLD TRANSIT, INC., Freight Forwarder Application, filed December 13, 1968. Applicant: TRANS-AMERICAN WORLD TRANSIT, INC., 7540 South Western Avenue, Chicago, Ill. 60620. Applicant's representative: J. Elliott Bunce, 1111 E Street NW., Washington, D.C. 20004. Authority sought under Part IV of the Interstate Commerce Act as a freight forwarder in interstate or foreign commerce, through the use of facilities of common carriers by railroad, express, water, air, and motor vehicle in the transportation of *used household goods, new furniture, personal effects and baggage, used automobiles and display automobiles, new and used typewriters, golf cars, musical instruments, pianos and organs, antiques and objects of art,* between points in the United States.

APPLICATION FOR BROKERAGE LICENSE FOR PASSENGERS

No. MC 130075, filed November 26, 1968. Applicant: THE BUTLER COUNTY AUTOMOBILE CLUB, INC., 829 High Street, Hamilton, Ohio 45011. For a license (BMC 5) to engage in operations as a *broker* at Hamilton, Ohio, in arranging for the transportation, in interstate or foreign commerce, of *passengers and their baggage,* in all-expense round-trip tours, in special and charter operations, beginning and ending at points in Butler County, Ohio, and extending to points in the United States (including Alaska and Hawaii).

By the Commission.

[SEAL] H. NEIL GARSON, *Secretary.*

[F.R. Doc. 68–15435; Filed, Dec. 27, 1968; 8:45 a.m.]

CUMULATIVE LIST OF PARTS AFFECTED—DECEMBER

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 December

3 CFR

Page

PROCLAMATIONS:

3882 ... 18343
3883 ... 18645

EXECUTIVE ORDERS:

5889 (revoked in part by PLO 4541) ... 18493
11232 (revoked by EO 11437) ... 17945
11248 (amended by EO 11441) ... 19775
11352 (revoked by EO 11437) ... 17945
11361 (revoked by EO 11437) ... 17945
11372 (revoked by EO 11439) ... 18257
11436 ... 17943
11437 ... 17945
11438 ... 18085
11439 ... 18257
11440 ... 18475
11441 ... 19775

4 CFR

6 ... 18429
53 ... 18429
54 ... 18429

5 CFR

213 ... 18225, 18650, 19897
294 ... 17947
550 ... 18669, 19897

7 CFR

31 ... 19073
52 ... 18225
207 ... 19245
210 ... 18006
301 ... 19939
354 ... 18580
401 ... 18273, 18274, 18924, 18925
717 ... 18345
722 ... 18607, 18693, 18925, 19159, 19823
725 ... 18225
728 ... 17881, 18580
729 ... 18351, 18981
811 ... 18087, 19245, 19827
815 ... 18694
831 ... 18366
842 ... 19827
905 ... 17893, 18226, 18227, 18429, 18430
906 ... 17894, 18275
907 ... 18087, 18430 18609, 18925, 19828
908 ... 19829
910 ... 17894, 18228, 18581, 18610, 19076, 19248, 19942.
915 ... 18581
929 ... 18228
944 ... 17895, 18088, 18694, 19248
948 ... 18366, 18926
959 ... 19942
966 ... 19161
980 ... 19161
982 ... 18431
993 ... 19161
1101 ... 18228
1104 ... 19831
1106 ... 18981
1421 ... 18088, 18431, 18432, 19163
1443 ... 18133
1464 ... 18007, 18432
1468 ... 18009
1472 ... 18009

7 CFR—Continued

Page

PROPOSED RULES:

26 ... 18379
51 ... 18040
52 ... 19251, 19846
58 ... 18379
68 ... 18380, 18627
724 ... 18378, 18707
725 ... 19196
812 ... 18040
905 ... 18582, 18709
913 ... 18710
917 ... 18381
918 ... 18495
929 ... 19019
947 ... 18282
948 ... 18495
1030 ... 18282, 18937
1047 ... 18282, 18937
1049 ... 18282, 18937
1061 ... 18158, 18937
1068 ... 18181, 18937
1104 ... 18582
1106 ... 18239

9 CFR

72 ... 18089
74 ... 18276
97 ... 18573

PROPOSED RULES:

78 ... 18706
145 ... 18445
146 ... 18445
147 ... 18445
301 ... 19251
317 ... 19197, 19251
328 ... 19251

10 CFR

2 ... 19163
20 ... 18926
50 ... 18610

12 CFR

556 ... 18229
650 ... 18613

PROPOSED RULES:

207 ... 18629
221 ... 18630
545 ... 18240
561 ... 18102
563 ... 18711, 19254

13 CFR

119 ... 18276

PROPOSED RULES:

121 ... 18393

14 CFR

39 ... 17895, 18134, 18259, 18367, 18433, 18695, 18927, 18928, 18981, 18982, 19164, 19897.
63 ... 18613
71 ... 18009, 18010, 18089, 18134, 18135, 18259, 18477, 18478, 18928–18930, 18982, 19077, 19164, 19899.
75 ... 18010, 18135, 18930, 19165

14 CFR—Continued

Page

77 ... 18614
91 ... 18433
93 ... 17896
95 ... 18229
97 ... 18136, 18260, 18983, 19778
103 ... 19777
151 ... 18434
159 ... 18367
201 ... 18434
202 ... 18010
241 ... 18695
298 ... 18231, 18234
302 ... 18011
401 ... 18435
1206 ... 19797
1240 ... 18574

PROPOSED RULES:

39 ... 19026
43 ... 19026
71 ... 18046, 18047, 18198, 18199, 18301, 18448, 18495, 18627–18629, 18938–18942, 19027, 19199, 19952, 19953.
73 ... 19027
75 ... 18047, 18199
121 ... 17923, 19026
123 ... 17923
127 ... 19026
183 ... 18200
298 ... 18589

15 CFR

369 ... 18278
370 ... 19942
371 ... 19943
372 ... 19944
373 ... 18278, 19944
374 ... 19944
376 ... 19945
385 ... 19945

PROPOSED RULES:

7 ... 17921
10 ... 19019
1000 ... 18041

16 CFR

13 ... 17899, 17900, 18151–18153, 18368–18371, 18575, 18614–18617, 19165, 19166, 19946, 19947.
15 ... 18990

17 CFR

1 ... 17900
231 ... 17900, 18576, 18617
239 ... 18991
240 ... 19167
249 ... 18995
259 ... 19001
269 ... 19002
271 ... 18576
274 ... 19003
279 ... 19005

PROPOSED RULES:

1 ... 18709
240 ... 18051, 19167, 19253
275 ... 18051

18 CFR

Page

1 ... 18435
14 ... 17901
154 ... 18624
300 ... 19168
620 ... 18012
704 ... 19170

PROPOSED RULES:

50 ... 18448
160 ... 18448

19 CFR

4 ... 18436
8 ... 18479
12 ... 18577
14 ... 19170
16 ... 18930
17 ... 18437
18 ... 18437
25 ... 18931
31 ... 18479

20 CFR

404 ... 17902, 18012
405 ... 18647, 19798

PROPOSED RULES:

405 ... 18587

21 CFR

1 ... 19006
2 ... 19800
3 ... 19007
8 ... 18577
17 ... 19171
27 ... 17902
37 ... 18486
51 ... 18089
120 ... 18090, 18372, 18578, 19068, 19171, 19800, 19801.
121 ... 17902, 18372, 18373, 18487, 18488, 19171, 19172, 19800, 19801.
130 ... 19172
138 ... 18090
141 ... 18091, 18488, 19249
141b ... 19802
146 ... 19172
146b ... 19802
146c ... 18373
148e ... 19803
148x ... 18488

PROPOSED RULES:

14 ... 19197
17 ... 18711
19 ... 19846
128 ... 19023

22 CFR

10 ... 18542
122 ... 18374
208 ... 18153
603 ... 19173

23 CFR

Ch. II ... 19899
209 ... 19249
216 ... 19249
217 ... 19249
255 ... 19249

PROPOSED RULES:

275 ... 18382

24 CFR

200 ... 19077
203 ... 19173

24 CFR—Continued

Page

Ch. IV ... 17903
1600 ... 18374

25 CFR

41 ... 18154, 19173
43f ... 18648
161 ... 19803

PROPOSED RULES:

151 ... 18582
221 ... 18377

26 CFR

1 ... 19174, 19810
31 ... 18013
178 ... 18555, 18699
301 ... 18013

PROPOSED RULES:

1 ... 18034, 18039, 18936
170 ... 19182
179 ... 19182
186 ... 19834
194 ... 19182, 19834
196 ... 19182
197 ... 19182
201 ... 19182, 19193, 19834
240 ... 19182, 19193
245 ... 19182
250 ... 19196
251 ... 19196, 19834
252 ... 19834
296 ... 19182
301 ... 19182

28 CFR

0 ... 18236, 18237

29 CFR

601 ... 18023
602 ... 18023
603 ... 18023
604 ... 18023
606 ... 18023
608 ... 18023
609 ... 18023
610 ... 18023
611 ... 18023
612 ... 18023
613 ... 18023
614 ... 18024
615 ... 18024
616 ... 18024
619 ... 18024
657 ... 18024
661 ... 18024
670 ... 18024
671 ... 18024
672 ... 18024
673 ... 18024
675 ... 18024
677 ... 18025
678 ... 18025
683 ... 18025
687 ... 18025
688 ... 18025
689 ... 18025
690 ... 18025
699 ... 18025
720 ... 18025
721 ... 18492
723 ... 18578
724 ... 18931
725 ... 18932
1604 ... 18259

PROPOSED RULES:

60 ... 19200

31 CFR

Page

316 ... 18917
330 ... 18334
332 ... 18917

32 CFR

1 ... 19900
2 ... 19902
3 ... 19902
4 ... 19910
5 ... 19911
6 ... 19912
7 ... 19912
8 ... 19921
9 ... 19922
10 ... 19922
12 ... 19923
13 ... 19923
14 ... 19924
15 ... 18492, 19925
16 ... 19926
17 ... 19928
18 ... 19928
22 ... 19929
23 ... 19930
25 ... 19930
30 ... 19932
174 ... 18237
289 ... 19815
807 ... 17906
824 ... 18699
825a ... 17907
888b ... 18093
902 ... 18624
1701 ... 18699

32A CFR

OEP (Ch. I):
DMO 8600.1A ... 19079
OIA (Ch. X):
Reg. 1 ... 18374, 19178

PROPOSED RULES:

OIA (Ch. X):
Reg. 1 ... 18377

33 CFR

13 ... 18932
66 ... 19815
110 ... 17914, 18237, 18279, 18437, 18438, 18669, 18934.
117 ... 18154–18156, 18439, 18579
140 ... 18625
144 ... 18625
204 ... 18155
206 ... 19009, 19817
207 ... 18155
208 ... 18440
209 ... 18670

35 CFR

253 ... 19820

36 CFR

7 ... 18156, 19009
221 ... 18026
231 ... 18440
500 ... 19249

PROPOSED RULES:

7 ... 18239, 18444

37 CFR

PROPOSED RULES:

1 ... 19949

38 CFR

Page

0 18375
1 ..... 18579, 19009
6 17914
8 17914
17 ..... 18376, 19009
36 18026

39 CFR

127 18440
135 18156
145 18157
152 18237
153 18157
154 18157
155 18157
166 18157
812 18027
821 18028
822 ..... 18028, 18702

PROPOSED RULES:

155 18704

41 CFR

1–12 19080
4–4 19777
4–50 17916
5A–1 18279
5A–16 18279
5A–72 18279
5A–73 18280
8–1 17948
8–74 17948
12B–1 17917
14–2 18579
14–7 18579
Ch. 18 17949
23–1 19226
23–3 19228
23–4 19230
23–7 19230
23–51 19234
23–52 19236
50–204 19947
101–11 18281
101–25 19012
101–26 ..... 18281, 19013
101–35 17917

42 CFR

22 18981
57 19820
81 ..... 18031, 18625

PROPOSED RULES:

73 ..... 17921, 18586
81 ..... 19084, 19198

43 CFR

2410 18493

PUBLIC LAND ORDERS:

1726 (see PLO 4542) 18493
4540 18237
4541 18493
4542 18493
4543 18580
4544 18669
4545 19948

43 CFR—Continued

Page

PUBLIC LAND ORDERS—Continued

4546 19948
4550 (corrected) 18157

PROPOSED RULES:

3125 19845

44 CFR

401 17918
708 18099

45 CFR

5 18030
125 18030
1005 19821
1009 19822
1010 19822
1015 19822
1030 19180
1068 19180
1070 19180

PROPOSED RULES:

300 18587
301 18587
307 18587
350 18587
407 18045

46 CFR

2 18804
26 19982
30 ..... 18804, 19983
31 18804
32 ..... 18805, 19983
33 19983
35 18805
37 18805
38 ..... 18806, 19985
39 18807
40 18807
50 18808
52 18815
53 18826
54 18828
55 18841
56 18843
57 18872
58 18878
59 18887
61 18890
63 18893
66 18898
67 18898
68 18898
69 18898
70 ..... 18898, 19985
71 18899
75 19985
78 ..... 18899, 19986
79 18899
90 18900
91 18901
94 19986
97 ..... 18901, 19987
98 ..... 18901, 19987
99 18902

46 CFR—Continued

Page

110 ..... 18904, 19987
111 ..... 18904, 19988
112 19991
113 19991
162 18904
167 18908
175 18909
176 18909
180 19992
181 19992
182 ..... 18909, 19992
188 18911
189 18911
192 19993
284 19013

PROPOSED RULES:

105 19847

47 CFR

0 19180
73 ..... 18032, 19014, 19015, 19104, 19821
74 ..... 18032, 19016, 19821
97 19017

PROPOSED RULES:

2 ..... 19084, 19253
21 ..... 18048, 19085, 19253
73 ..... 18048, 18050, 18448
74 ..... 19028, 19085
87 ..... 19084, 19253
91 ..... 19085, 19087

49 CFR

71 19602
79 19602
Ch. I 19606
171 17918
172 19822
173 ..... 17918, 19823
174 17918
175 17918
176 17918
177 ..... 17918, 19823
178 ..... 17918, 19823
179 17918
180 17918
Ch. II 19607
Ch. III 19700
1023 19250
1033 ..... 17919, 18649, 19017, 19018
1034 19018
1044 18626

PROPOSED RULES:

1048 18393
1056 18590
1203 18496

50 CFR

28 18934
32 ..... 18033, 18100, 18376, 18934
33 ..... 18033, 18100, 18442, 18443, 18626, 18703, 18935, 19180.

PROPOSED RULES:

240 18239
258 17920

FEDERAL REGISTER

VOLUME 33 • NUMBER 252

Saturday, December 28, 1968 • Washington, D.C.

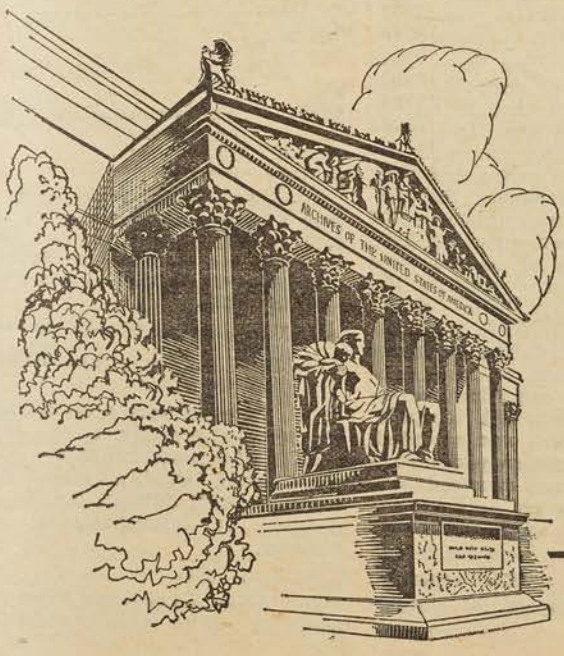
PART II

Department of Transportation

Coast Guard

○

Vessel Inspection and Certification



Title 46—SHIPPING

Chapter I—Coast Guard, Department of Transportation

[CGFR 68-65]

VESSEL INSPECTION AND CERTIFICATION

Miscellaneous Amendments

The purpose of this document is to effect various changes to the navigation and vessel inspection regulations contained in 46 CFR Chapter I with respect to discharging bulk hydrochloric acid, isolation of tank spaces containing liquefied flammable gases in tank vessels, and miscellaneous requirements regarding lifesaving equipment, fire protection, and electrical engineering.

Pursuant to the notice of proposed rule making published in the FEDERAL REGISTER of February 29, 1968 (33 F.R. 3564-3570), and the Merchant Marine Council Public Hearing Agenda dated March 25, 1968 (CG-249), the Merchant Marine Council held a public hearing on March 25, 1968, for the purpose of receiving comments, views, and data. The proposed changes covered by this document were identified as Items PH 2-68 (Dangerous Cargoes), PH 3-68 (Lifesaving Equipment), PH 4-68 (Fire Protection), and PH 6-68 (Electrical Engineering) in the Agenda (CG-249).

Interested persons have been afforded an opportunity to participate in the consideration of these proposals and certain changes were made in the proposals as a result thereof. Briefly, the actions taken are as follows:

2a—Hydrochloric acid; discharging in bulk: This proposal was accepted without change. The comment received was not accepted.

2b—Liquefied flammable gases; isolation of tank spaces: Three comments were received regarding 46 CFR 38.05-1 (d) about cargo tank spaces, and on the basis of two comments the text of the addition to § 38.05-1(d) was revised. The third comment was not accepted. The other proposals were accepted without change.

3a—Primary lifesaving equipment for small vessels: One written comment of an editorial nature to 46 CFR 94.10-55 (a)(2) was submitted and accepted. The other proposals were accepted without change.

3b—Paddles for liferafts: This proposal was accepted without change.

3c—Manning of lifeboats and liferafts: Two comments were received with respect to this proposal, one favorable and one of an editorial nature to 46 CFR Tables 78.14-10(a) and 97.14-10(a) which was accepted. The proposal as revised was accepted.

3d—Small tank and cargo vessels; ring lifebuoys and water lights for: One comment was received which would have limited the number of ring lifebuoys to eighteen (18) for vessels of 400 feet in length and over. The comment was not accepted. The proposal was accepted without change.

3e—Buoyant work vests; permissive use on uninspected vessels: This proposal was accepted without change.

3f—Rescue boats: The comment received with respect to this proposal recommended clarification of construction requirements for rescue boats in exposed waters. The comment was accepted. As revised, this proposal was accepted.

PH 4-68—Fire protection: This item was accepted as proposed. No comments were received.

6a—Electrical equipment in hazardous locations: The comment received with respect to this proposal proposed the prohibition against belt drives be broadened to prohibit the use of belt drives with any machinery in hazardous locations. The comment was accepted. The proposal, as revised, is accepted.

6b—Arrangement of generator cable runs: The comment was accepted with respect to 46 CFR 111.55-5(a)(1) which clarifies the intent of the regulation with respect to the location of the overcurrent protective device. The proposal, as revised, is accepted.

6c—Electrical cable: Twelve comments were received and the five changes recommended were accepted. The proposal, as revised, is accepted.

6d—Steering gear installations, electric: Five comments were received with respect to this proposal. Two comments recommended changes to § 111.65-55(e)(2) so this regulation would conform with IEEE Standard No. 45 and one recommended retention of § 111.45-10(b)(4). These comments were not accepted. The two other comments recommended an editorial change in 46 CFR 111.65-55(f)(4) and were accepted. The proposal, as revised, was accepted.

6e—Electrical installations on tank vessels: Twelve comments were received. Two comments supported the proposal to permit squirrel cage explosion proof motors in cargo compressor rooms by amendments to 46 CFR 32.45-1(f)(1) and 111.70-10(c)(1) while two comments were against the proposal. The latter comments were accepted and the proposal was not accepted. Two comments supporting the proposals with respect to lighting for cargo handling rooms were accepted. However, the proposed units were renumbered because of other changes which were accepted. Two comments of an editorial nature were accepted. The comment suggesting the permissive word "may" in lieu of "shall" in the proposed new 46 CFR 111.70(c)(1)(ii) was not accepted. The comment suggesting a prohibition against electrical through runs in cofferdams adjacent to cargo tanks was not accepted. The proposal, as revised, was accepted.

6f—Switchboards and propulsion controls: One comment was received pertaining to the explanatory note accompanying the proposal, and no action was necessary thereon. The proposal is applicable to inspected vessels generally rather than being limited to smaller vessels as interpreted by the comment. The proposal was accepted without change.

6g—Gas turbine for emergency generators: Four comments were received and two were accepted while portions of two others were accepted. Two of the comments were identical, and one part thereof was, in turn, closely similar to the third comment which was accepted. The proposal, as revised, was accepted.

6h—General alarm systems: This proposal was accepted without change. No comments were received.

6i—Communications and alarm systems and equipment: The comment was accepted which discussed the need for further consideration of the subject during the general study of automated ships and recommended final actions be postponed until after the results of that study are made available Therefore, the proposal was not accepted.

The actions and recommendations of the Merchant Marine Council with respect to the comments and views received and changes in the proposals in Items PH 2-68, 3-68, 4-68, and 6-68 (CG-249, Mar. 25, 1968, pages 121 to 123, 183 to 208, and 210 to 244, inclusive), are hereby adopted .

By virtue of the authority vested in me as Commandant, U.S. Coast Guard, by section 632 of title 14 United States Code, and 49 CFR 1.4(a)(2) to promulgate regulations in accordance with the laws cited with the regulations below, the following regulations and amendments in this document are prescribed and shall be effective on and after 30 days after publication in the FEDERAL REGISTER; however, the regulations in this document may be complied with in lieu of existing requirements prior to that date.

SUBCHAPTER C—UNINSPECTED VESSELS

PART 26—OPERATIONS

1. Part 26 is amended by adding a new Subpart 26.30, consisting of §§ 26.30-1, 26.30-5, and 26.30-10, inclusive, reading as follows:

Subpart 26.30—Work Vest

Sec.
26.30-1 Approved unicellular plastic foam work vests.
26.30-5 Use.
26.30-10 Stowage.

AUTHORITY: The provisions of this Subpart 26.30 issued under R.S. 4405, as amended, 4462, as amended, sec. 17, 54 Stat. 166, as amended, sec. 6(b)(1), 80 Stat. 938; 46 U.S.C. 375, 416, 526p, 49 U.S.C. 1655(b); 49 CFR 1.4(a)(2).

Subpart 26.30—Work Vest

§ 26.30-1 Approved unicellular plastic foam work vests.

(a) Buoyant work vests carried under the permissive authority of this subpart shall be of an approved type, and shall be constructed, listed, and labeled in accordance with Subpart 160.053 of Subchapter Q (Specifications) of this chapter.

§ 26.30-5 Use.

(a) Approved buoyant work vests are considered to be items of safety apparel

and may be carried aboard vessels to be worn by crew members when working near or over the water under favorable working conditions.

(b) When carried, approved buoyant work vests shall not be accepted in lieu of any portion of the required number of approved lifesaving appliances required by § 25.25–10 of this subchapter.

§ 26.30–10 Stowage.

(a) The approved buoyant work vests shall be stowed separately from the regular stowage of required lifesaving equipment.

SUBCHAPTER D—TANK VESSELS

PART 30—GENERAL PROVISIONS

Subpart 30.10—Definitions

1. Subpart 30.10 is amended by adding a new § 30.10–6, reading as follows:

§ 30.10–6 Cargo handling room—TB/ALL.

The term "cargo handling room" means any enclosed space where cargo is pumped, compressed, or processed. Examples of "cargo handling rooms" are pump rooms, compressor rooms, and cargo valve rooms

(R.S. 4405, as amended, 4417a, as amended, 4462, as amended, sec. 6(b)(1), 80 Stat. 938; 46 U.S.C. 375, 391a, 416, 49 U.S.C. 1655(b); 49 CFR 1.4(a)(2). Interpret or apply sec. 3, 68 Stat. 675; 50 U.S.C. 198; E.O. 11239, July 31, 1965, 30 F.R. 9671, 3 CFR, 1965 Supp.)

PART 32—SPECIAL EQUIPMENT, MACHINERY, AND HULL REQUIREMENTS

Subpart 32.45—Electrical Installations

1. In § 32.45–1 paragraphs (a) through (d), (f) and (g), are revised. As revised § 32.45–1 reads as follows:

§ 32.45–1 Requirements for tank vessels the construction or conversion of which is contracted for on or after November 19, 1955—TB/ALL.

(a) *Application.* The requirements of this section apply to all tank vessels contracted for on or after November 19, 1955.

(b) *Additional requirements.* Additional requirements are contained in Subchapter J (Electrical Engineering) of this chapter.

(c) *Cable location.* Where practicable, electric cable shall be located well inboard from the sides, preferably along or near the center line, to reduce the risk of injury in the event of collision, but it shall be kept clear of cargo tank openings. Specific additional cable location requirements for cargo handling rooms and enclosed spaces immediately above or adjacent to cargo tanks are contained in paragraph (f)(3) of this section.

(d) *Portable equipment.* Illumination may be obtained in any compartment by the use of approved explosion-proof, self-contained, battery-fed lamps. Otherwise, no portable electrical equipment of any type shall be used in bulk cargo tanks, fuel oil tanks, cargo handling rooms, or enclosed spaces immediately above or adjacent to bulk cargo tanks unless all the following conditions are met:

(1) The compartment itself is gasfree.

(2) The compartments adjacent and diagonally adjacent are either (i) gasfree, (ii) inerted, (iii) filled with water, (iv) contain Grade E liquid and are closed and secured, or (v) are spaces in which flammable vapors and gases normally are not expected to accumulate; and,

(3) All other compartments of the vessel in which flammable vapors and gases normally may be expected to accumulate are closed and secured.

(e) *Explosion - proof installations.* Where explosion-proof equipment is required, the equipment and installation thereof shall comply with § 111.60–40 of Subchapter J (Electrical Engineering) of this chapter.

(f) *Installation requirements on tank vessels handling Grade A, B, C, or D liquid cargo.* The requirements of this paragraph apply only to tank vessels handling Grade A, B, C, or D liquid cargo.

(1) *Equipment location.* Power devices, switchboards, distribution panels, switches, fuses, and other circuit interrupting devices shall not be installed in cargo handling rooms nor in enclosed spaces immediately above or adjacent to cargo tanks. Storage batteries shall not be located in cargo handling rooms.

(2) *Lighting.* Lighting in cargo handling rooms shall be accomplished either through permanently fixed glass lenses fitted in the bulkhead and/or overhead, or by the use of explosion-proof fixtures when specifically approved by the Commandant. For detailed requirements see § 111.70–10(c) of Subchapter J (Electrical Engineering) of this chapter.

(3) *Cable.* Through runs of electric cable, regardless of how they may be protected, are prohibited in cargo handling rooms, except where permitted by § 111.65–3 of Subchapter J (Electrical Engineering) of this chapter. In any enclosed space immediately above or adjacent to cargo tanks other than cargo handling rooms, through runs of electric cable are permitted.

(4) *Weather decks.* Motors, their control equipment, and other electrical equipment and installations located on or above the weather decks within 10 feet of the cargo tank openings, cargo handling room doors or cargo handling room ventilation outlets, or cargo tank vent terminations shall be explosion-proof. Explosion-proof equipment installed in locations exposed to the weather shall be watertight or shall be enclosed in watertight housings, or protected against the entrance of water by other approved means.

(5) *General cargo spaces.* General cargo spaces located beyond the segregation spaces of tank vessels carrying Grade A, B, C, or D liquid cargo shall have no special restrictions in regard to electrical installations.

(g) *Installation requirements on vessels handling Grade E liquid cargo.* The requirements of this paragraph apply only to vessels handling Grade E liquid cargo.

(1) *Electrical installations.* There are no restrictions in regard to the electrical installations in cargo handling rooms and enclosed spaces of tank vessels carrying only Grade E liquid cargo, except that storage batteries shall not be located in cargo handling rooms.

(h) *Cargo pumproom handling Grade A, B, C, or D liquid cargo.* (1) Lighting in cargo pumprooms handling Grade A, B, C, or D liquid cargo shall be accomplished either through permanently fixed glass lenses fitted in the bulkhead and/or overhead, or by the use of explosion-proof fixtures, except that explosion-proof fixtures may be installed only under certain conditions. For detail requirements see § 111.70–10(c) of Subchapter J (Electrical Engineering) of this chapter.

(2) Through runs of electric cable regardless of how they may be protected, are prohibited, except that cables which are a part of the intrinsically safe circuitry of an approved installation are specifically exempt from this restriction.

(i) *Weather decks of tank vessels handling Grade A, B, C, or D liquid cargo.* Motors, their control equipment, and other electrical equipment and installations located on or above the weather decks within 10 feet of the cargo tank openings, cargo pumproom doors or cargo pumproom ventilation outlets, or cargo tank vent terminations shall be explosion-proof. Explosion-proof equipment installed in locations exposed to the weather shall be watertight or shall be enclosed in watertight housings, or protected against the entrance of water by other approved means.

(R.S. 4405, as amended, 4417a, as amended, 4462, as amended, sec. 6(b)(1), 80 Stat. 938; 46 U.S.C. 375, 391a, 416, 49 U.S.C. 1655(b); 49 CFR 1.4(a)(2). Interpret or apply sec. 3, 68 Stat. 675; 50 U.S.C. 198; E.O. 11239, 3 CFR, 1965 Supp.)

PART 33—LIFESAVING APPLIANCES

Subpart 33.01—General Lifesaving Requirements

In § 33.01–30 paragraph (g) is amended by adding new requirements at the end thereof. As amended § 33.01–30(g) reads as follows:

§ 33.01–30 Approval of lifesaving appliances—TB/ALL.

* * * * *

(g) In general, a suitable rescue boat shall be a small lightweight boat of rigid construction, with built-in buoyancy and capable of being readily launched and easily maneuvered. Also it shall be of adequate proportion to permit taking an unconscious person on board without capsizing. A rescue boat and its installation shall be acceptable to the Officer in Charge, Marine Inspection, as suitable for the rescue of persons accidentally falling over the side or for similiar emergency purposes. The size, shape, installation, and other factors of suitability will be determined with due consideration of the size, arrangement, intended service, and crew requirements of the vessel on which it is to be installed. For protected

waters, a rescue boat, constructed in accordance with Subpart 160.056 of Subchapter Q (Specifications) of this chapter, is acceptable in meeting the intent of this paragraph. For exposed waters, a more seaworthy rescue boat may be required, but in no case shall more than one approved lifeboat suitable for rescue work be required.

Subpart 33.05—Lifeboats, Liferafts, and Buoyant Apparatus Required

2. In § 33.05–1 paragraph (a) is revised, a new paragraph (b) is added, and paragraphs (b), (c), (d), and (e) are redesignated as paragraphs (c), (d), (e), and (f), respectively. As amended, § 33.05–1 reads as follows:

§ 33.05–1 Lifeboats and liferafts for tankships; ocean and coastwise; construction or conversion of which was started prior to November 19, 1952—T/OC.

(a) All tankships 500 gross tons and over shall carry a sufficient number of lifeboats on each side to accommodate all persons on board: *Provided,* That such tankships of 350 feet in length or over, having superstructure amidships and propelling machinery aft shall be provided with at least four lifeboats, one on each side in way of the after accommodations, and one on each side in way of amidship accommodations.

(b) All tankships of less than 500 gross tons shall be provided with sufficient lifeboats to accommodate all persons on board.

(c) No lifeboat shall be of less than 180 cubic feet measurement, except, in the case of coastwise vessels, if specifically approved by the Commandant.

(d) All tankships of 1,600 gross tons and over on an international voyage shall carry at least one Class 1 motor lifeboat on each side. The requirement of this paragraph shall not apply except for replacements, and then only if it can be done without change to existing davits, winches, and arrangements.

(e) Inflatable liferafts may be substituted for lifeboats on certain vessels not on an international voyage in accordance with Subpart 33.07 of this part.

(f) All tankships in ocean service, and all tankships of less than 1,600 gross tons on an international voyage shall carry inflatable liferafts of sufficient capacity to accommodate at least 50 percent of the persons on board. Those tankships having widely separated accommodation and/or working spaces shall have at least one liferaft in each such location.

3. In § 33.05–2 paragraph (a) is revised, a new paragraph (b) is added, and paragraphs (b), (c), (d), and (e) are redesignated paragraphs (c), (d), (e), and (f), respectively. As amended § 33.05–2 reads as follows:

§ 33.05–2 Lifeboats and liferafts for tankships; ocean and coastwise; construction or conversion of which was started on or after November 19, 1952, and prior to May 26, 1965—T/OC.

(a) All tankships 500 gross tons and over shall carry a sufficient number of lifeboats on each side to accommodate all persons on board: *Provided,* That such tankships of 3,000 gross tons and over, having a superstructure amidships and propelling machinery aft shall be provided with at least four lifeboats, one on each side in way of the after accommodations, and one on each side in way of amidship accommodations.

(b) All tankships of less than 500 gross tons shall be provided with sufficient lifeboats to accommodate all persons on board.

(c) No lifeboat shall be less than 24 feet in length, except where owing to the size of the tankship, or for other reasons, the Commandant may permit smaller lifeboats, but in no case shall they be less than 16 feet in length.

(d) All tankships of 1,600 gross tons and over on an international voyage shall carry at least one Class 1 motor lifeboat on each side. The requirement of this paragraph shall not apply except for replacements, and then only if it can be done without change to existing davits, winches, and arrangements.

(e) Inflatable liferafts may be substituted for lifeboats on certain vessels not on an international voyage in accordance with Subpart 33.07 of this part.

(f) All tankships in ocean service, and all tankships of less than 1,600 gross tons on an international voyage shall carry inflatable liferafts of sufficient capacity to accommodate at least 50 percent of the persons on board. Those tankships having widely separated accommodation and/or working spaces shall have at least one liferaft in each such location.

4. In § 33.05–3 paragraph (a) is revised, a new paragraph (b) is added, and paragraphs (b), (c), (d), (e), and (f) are redesignated paragraphs (c), (d), (e), (f), and (g), respectively. As amended, § 33.05–3 reads as follows:

§ 33.05–3 Lifeboats and liferafts for tankships; ocean and coastwise; construction or conversion of which started on or after May 26, 1965—T/OC.

(a) All ocean and coastwise tankships 500 gross tons and over shall carry a sufficient number of lifeboats on each side to accommodate all persons on board.

(b) All tankships of less than 500 gross tons shall be provided with sufficient lifeboats to accommodate all persons on board.

(c) All tankships of 3,000 gross tons and over on an international voyage shall carry not less than four lifeboats. Two lifeboats shall be carried aft and two amidships except that in tankships which have no amidships superstructure all lifeboats shall be carried aft: *Provided,* That, if in the case of tankships with no amidships superstructure it is impracticable to carry four lifeboats aft, the Commandant may permit instead the carriage aft of one lifeboat on each side of the ship. In such cases:

(1) Each lifeboat shall not exceed 26 feet in length;

(2) Each lifeboat shall be stowed as far forward as practicable, but at least so far forward that the after end of the lifeboat is 1½ times the length of the lifeboat forward of the propeller; and

(3) Each lifeboat shall be stowed as near the sea level as is safe and practicable.

(d) No lifeboat shall be less than 24 feet in length, except where owing to the size of the tankship, or for other reasons, the Commandant may permit smaller lifeboats, but in no case shall they be less than 16 feet in length.

(e) All tankships 1,600 gross tons and over on an international voyage shall carry on each side at least one Class 1 motor lifeboat.

(f) All tankships certificated for ocean service, and all tankships of less than 1,600 gross tons on an international voyage shall carry inflatable liferafts of sufficient capacity to accommodate at least 50 percent of the persons on board. Those tankships having widely separated accommodation and/or working spaces shall have at least one liferaft in each such location.

(g) Inflatable liferafts may be substituted for lifeboats on certain vessels not on an international voyage in accordance with Subpart 33.07 of this part.

Subpart 33.07—Substitution of Inflatable Liferafts for Other Liferafts, Lifefloats, and Buoyant Apparatus on Certain Vessels not on an International Voyage

5. Section 33.07–5 (a) and (b) are revised. As amended § 33.07–5 reads as follows:

§ 33.07–5 Inflatable liferafts for other liferafts, lifefloats, and buoyant apparatus—T/ALL.

(a) On all tankships inflatable liferafts may be permitted as substitutes for other types of liferafts, lifefloats, and buoyant apparatus required by this part.

(b) The capacity of inflatable liferafts carried in place of other type liferafts, lifefloats, and buoyant apparatus shall be at least equivalent to that required of equipment for which substitution is made. This requirement is in addition to the inflatable liferafts required by Subpart 33.05 of this part.

(c) The substitution of inflatable liferafts shall not be made without prior approval of the Officer in Charge, Marine Inspection.

6. Section 33.07–10(b) is amended to read as follows:

§ 33.07–10 Inflatable liferafts for lifeboats on tankships under 500 gross tons—T/ALL.

* * * * *

(b) The total capacity of the inflatable liferafts shall be at least equal to the total number of persons that the lifeboats would have been required to accommodate. In the case of total substitution of inflatable liferafts for lifeboats,

at least two inflatable liferafts shall be carried. Partial substitution is permissible provided the aggregate lifeboat and inflatable liferaft capacity is sufficient to accommodate the required number of persons carried.

* * * * *

Subpart 33.40—Ring Life Buoys and Water Lights

7. Section 33.40–5(a) is amended by revising Table 33.40–5(a) to read as follows:

§ 33.40–5 Number required on tankships—T/ALL.

(a) * * *

TABLE 33.40–5(a)

Length of tankship (feet)	Ocean [1]		All services other than ocean [1]	
	Minimum number of ring life buoys	Minimum number of ring life buoys in column 2 which shall have water lights attached	Minimum number of ring life buoys	Minimum number of rings in column 4 which shall have water lights attached
Column 1	Column 2	Column 3	Column 4	Column 5
Under 100	3	2	2	1
100 and under 200	6	3	4	2
200 and under 300	8	6	6	2
300 and under 400	12	6	12	4
400 and under 600	18	9	18	9
600 and under 800	24	12	24	12
800 and over	30	15	30	15

[1] Vessels 500 gross tons and over on an international voyage, regardless of length, shall carry at least 8 lifebuoys; half of which shall have water lights attached.

* * * * *

(R.S. 4405, as amended, 4417a, as amended, 4462, as amended, sec. 6(b)(1), 80 Stat. 938; 46 U.S.C. 375, 391a, 416, 49 U.S.C. 1655(b); 49 CFR 1.4(a)(2). Interpret or apply R.S. 4488, as amended, sec. 3, 68 Stat. 481, 50 U.S.C. 198; E.O. 11239, 3 CFR, 1965 Supp.)

PART 38—LIQUEFIED FLAMMABLE GASES

Subpart 38.05—Design and Installation

1. Section 38.05–1(d) is amended to read as follows:

§ 38.05–1 Design and construction of vessels—general—TB/ALL.

* * * * *

(d) Cargo tank spaces are to be isolated from the remainder of the vessel by cofferdams in accordance with § 32.60–10 of this subchapter. In a nonpressure vessel configuration, the void between the primary and secondary barriers shall not be acceptable as the required cofferdam between the tank spaces and the main machinery spaces.

* * * * *

Subpart 38.15—Special Requirements

2. Section 38.15–10(a) is amended by revising subparagraphs (1) through (4) and by adding a new subparagraph (5). As amended, § 38.15–10(a) reads as follows:

§ 38.15–10 Leak detection systems—T/ALL.

(a) A detection system shall be permanently installed to sense cargo leaks. The detectors shall be located within the space so as to permit the sensing of an initial leak and prevent an undetected gas accumulation. The sensitivity shall be in accordance with paragraph (b) of this section. The detectors shall be fitted in the following compartments:

(1) Between the primary and secondary barriers for nonpressure vessel type tanks.

(2) Cargo handling rooms and spaces containing cargo piping or cargo handling systems.

(3) All enclosed spaces, except tanks and cofferdams, which are separated from the cargo tanks by only the secondary barrier.

(4) Other spaces where gas concentrations might be expected.

(5) Cargo holds, containing pressure vessel type tanks and no cargo piping, are exempt from the requirements of this paragraph.

* * * * *

Subpart 38.20—Venting and Ventilation

3. Section 38.20–10 is amended by adding a new paragraph (d) which reads as follows:

§ 38.20–10 Ventilation—T/ALL.

* * * * *

(d) Power ventilation shall be provided for each auxiliary machinery or working space located on and accessible from the cargo handling deck. Such ventilation systems shall be designed to preclude the entry of cargo vapors into the space via the open access or the ventilation system itself.

(R.S. 4405, as amended, 4417a, as amended, 4462, as amended, sec. 6(b)(1), 80 Stat. 938; 46 U.S.C. 375, 391a, 416, 49 U.S.C. 1655(b); 49 CFR 1.4(a)(2). Interpret or apply R.S. 4488, as amended, sec. 3, 68 Stat. 675; 46 U.S.C. 481, 50 U.S.C. 198; E.O. 11239, July 31, 1965, 30 F.R. 9671, 3 CFR, 1965 Supp.)

SUBCHAPTER H—PASSENGER VESSELS

PART 70—GENERAL PROVISIONS

Subpart 70.05—Application

1. Section 70.05–3 is amended by revising the introductory sentence of paragraph (a) and by adding a new paragraph (e), reading as follows:

§ 70.05–3 Foreign vessels subject to the requirements of this subchapter.

(a) Except as specifically noted in paragraphs (b) and (e) of this section, Parts 70 to 78, inclusive, of this subchapter, shall be applicable to the extent prescribed by law to all foreign vessels of the following classifications indicated in column 4 of Table 70.05–1(a) that are 100 gross tons or over:

* * * * *

(e) Notwithstanding the other provisions of this section, foreign passenger vessels of over 100 gross tons having berth or stateroom accommodations for more than 50 persons and departing a United States port with passengers who are United States nationals and who embarked at that port shall comply with the provisions of the International Convention for the Safety of Life at Sea, 1960, as modified by amendments proposed by the third extraordinary session of the General Assembly of the Inter-governmental Maritime Consultative Organization contained in Annexes I through IV of Resolution A.108 (ES.III) of the Organization, dated November 30, 1966.

(R.S. 4405, as amended, 4462, as amended, sec. 6(b)(1), 80 Stat. 938; 46 U.S.C. 375, 416, 49 U.S.C. 1655(b); 49 CFR 1.4(a)(2). Interpret or apply R.S. 4399, as amended, 4400, as amended, 4421, as amended, 4426, as amended, 4453, as amended, 4488, as amended, sec. 10, 35 Stat. 428, as amended, 41 Stat. 305, as amended, sec. 5, 49 Stat. 1384, as amended, secs. 1, 2, 49 Stat. 1544, 1545, as amended, sec. 17, 54 Stat. 166, as amended, sec. 3, 54 Stat. 347, as amended, sec. 3, 70 Stat. 152, sec. 3, 68 Stat. 675; 46 U.S.C. 361, 362, 404, 399, 435, 481, 366, 395, 363, 367, 526p, 1333, 390b, 50 U.S.C. 198, E.O. 11239, 3 CFR 1965 Supp.)

PART 75—LIFESAVING EQUIPMENT

Subpart 75.10—Lifeboats, Liferafts, Lifefloats and Buoyant Apparatus

1. Section 75.10–5(e) is amended by adding a subparagraph (2) reading as follows:

§ 75.10–5 Type of lifeboats, liferafts, lifefloats, and buoyant apparatus required.

* * * * *

(e) *Rescue boat.* * * *

(2) For protected waters, a rescue boat, constructed in accordance with Subpart 160.056 of Subchapter Q (Specifications) of this chapter, is acceptable in meeting the intent of this paragraph. For exposed waters, a more seaworthy rescue boat may be required, but in no case shall more than one approved lifeboat suitable for rescue work be required.

§ 75.10–10 [Amended]

2. Section 75.10–10 *Requirements for vessels in ocean service* is amended by changing at the end of the first sentence of paragraph (a)(7) the phrase from "if a suitable emergency boat is carried and is adequately installed" to "if a suitable

rescue boat is carried and is adequately installed."

(R.S. 4405, as amended, 4462, as amended, sec. 6(b)(1), 80 Stat. 938; 46 U.S.C. 375, 416, 49 U.S.C. 1655(b); 49 CFR 1.4(a)(2). Interpret or apply R.S. 4417, as amended, 4418, as amended, 4426, as amended, 4488, as amended, 4491, as amended, sec. 10, 35 Stat. 428, as amended, 41 Stat. 305, as amended, secs. 1, 2, 49 Stat. 1544, 1545, as amended, sec. 17, 54 Stat. 166, as amended, sec. 3, 54 Stat. 347, as amended, sec. 3, 70 Stat. 152, sec. 3, 68 Stat. 675; 46 U.S.C. 391, 392, 404, 481, 489, 395, 363, 367, 526p, 1333, 50 U.S.C. 198; E.O. 11239, 3 CFR, 1965 Supp.)

PART 78—OPERATIONS

Subpart 78.14—Manning of Lifeboats and Liferafts

1. Section 78.14–5(a) is amended to read as follows:

§ 78.14–5 Person in command of lifeboat or liferaft.

(a) For vessels in ocean service, a licensed deck officer, an able seaman, or a certificated lifeboatman shall be placed in command of each lifeboat or liferaft. When two or more certificated lifeboatmen are required by Table 78.14–10(a), a second in command shall also be appointed which person shall be either a licensed deck officer, an able seaman or a certificated lifeboatman.

* * * * *

2. Section 78.14–10(a) is amended by revising Table 78.14–10(a) to read as follows:

§ 78.14–10 Certificated lifeboatmen.

(a) * * *

TABLE 78.14–10(a)

Prescribed complement of lifeboat or liferaft		Minimum number of lifeboatmen [1]	
Over—	Not over—	Ocean service	All services other than ocean [2]
----------	25	2	1
25----------	40	2	2
40----------	60	3	3
60----------	85	4	4
85----------	110	5	5
110----------	----------	6	6

[1] Only one certificated lifeboatman required for each inflatable liferaft.

[2] Certificated lifeboatmen not required in river service.

* * * * *

(R.S. 4405, as amended, 4462, as amended, sec. 6(b)(1), 80 Stat. 938; 46 U.S.C. 375, 416, 49 U.S.C. 1655(b); 49 CFR 1.4(a)(2). Interpret or apply R.S. 4417, as amended, 4418, as amended, 4426, as amended, 4453, as amended, sec. 10, 35 Stat. 428, as amended, 41 Stat. 305, as amended, secs. 1, 2, 49 Stat. 1544, 1545, as amended, secs. 17, 3, 54 Stat. 166, 347, as amended, sec. 3, 70 Stat. 152, sec. 3, 68 Stat. 675; 46 U.S.C. 391, 392, 404, 481, 489, 395, 363, 367, 526p, 1333, 390b, 50 U.S.C. 198; E.O. 11239, 3 CFR, 1965 Supp.)

PART 94—LIFESAVING EQUIPMENT

Subpart 94.10—Lifeboats, Liferafts, Lifefloats, Buoyant Apparatus, and Rescue Boats

1. Section 94.10–5(e) is amended by adding a subparagraph (2) reading as follows:

§ 94.10–5 Type of lifeboats, liferafts, lifefloats, buoyant apparatus, and rescue boats required.

* * * * *

(e) *Rescue boat.* * * *

(2) For protected waters, a rescue boat constructed in accordance with Subpart 160.056 of Subchapter Q (Specifications) of this chapter is acceptable in meeting the intent of this paragraph. For exposed waters, a more seaworthy rescue boat may be required, but in no case shall more than one approved lifeboat suitable for rescue work be required.

2. In § 94.10–10, paragraph (a) is revised, a new paragraph (b) is added and paragraphs (b), (c), (d), and (e) are redesignated as (c), (d), (e), and (f), respectively. As revised § 94.10–10 reads as follows:

§ 94.10–10 Requirements for vessels in ocean or coastwise service other than barges; towing, fishing, and wrecking vessels; pilot boats; and yachts.

(a) All vessels 500 gross tons and over shall be provided with sufficient lifeboats on each side to accommodate all persons on board.

(b) All vessels of less than 500 gross tons shall be provided with sufficient lifeboats to accommodate all persons on board.

(c) Lifeboats shall be not less than 24 feet in length, except where owing to the size of the vessel, or for other reasons, the Commandant considers the carriage of such lifeboats to be unreasonable or impracticable. However, in no case shall lifeboats of less than 16 feet in length be used.

(d) All vessels of 1,600 gross tons and over on an international voyage shall carry at least one motor-propelled lifeboat of Class 1.

(e) In addition to the lifeboats required by paragraph (a) of this section, all vessels on an international voyage and all vessels in ocean service shall be provided with liferafts of such aggregate capacity to accommodate at least one-half the total number of persons on board. Those vessels having widely spaced accommodations and/or working spaces shall have at least one liferaft in each such location.

(f) Inflatable liferafts may be substituted for lifeboats on certain vessels not on an international voyage in accordance with § 94.10–55.

§ 94.10–20 [Amended]

3. Section 94.10–20 *Requirements for towing, fishing, and wrecking vessels, and pilot boats in ocean or coastwise service* is amended by changing at the end of the first sentence of paragraph (b)(5) the phrase from "if a suitable emergency boat is carried and is adequately installed" to "if a suitable rescue boat is carried and is adequately installed."

4. In § 94.10–55 paragraphs (a)(2) and (b)(1)(ii) are amended, reading as follows:

§ 94.10–55 Inflatable liferafts as an alternate for lifeboats, other liferafts, lifefloats, and buoyant apparatus on certain vessels not on an international voyage.

(a) * * *

(2) The capacity of inflatable liferafts carried in place of other liferafts, lifefloats, and buoyant apparatus shall be at least equivalent to that required of the equipment for which substitution is made. This requirement is in addition to the inflatable liferafts required by § 94.10–10(e).

* * * * *

(b) * * *

(1) * * *

(ii) The total capacity of the inflatable liferafts shall be at least equal to the total number of persons that the lifeboats would have been required to accommodate. In the case of total substitution of inflatable liferafts, at least two inflatable liferafts shall be carried. Partial substitution is permissible provided the aggregate lifeboat and inflatable liferaft capacity is sufficient to accommodate the required number of persons.

* * * * *

Subpart 94.20—Equipment for Lifeboats, Liferafts, Lifefloats, and Buoyant Apparatus

§ 94.20–30 [Amended]

5. Section 94.20–30 *Required equipment for lifefloats and buoyant apparatus* is amended by reducing the number of paddles from "4" to "2" in Table 94.20–30(a) in columns 3, 4, and 5 opposite letter identification "c".

Subpart 94.43—Ring Life Buoys and Water Lights

6. Section 94.43–10(a) is amended by revising Table 94.43–10(a) to read as follows:

§ 94.43–10 Number required.

(a) * * *

TABLE 94.43-10(a)

Length of vessel in feet	Ocean [1] [2]		All services other than ocean [2]	
	Minimum number of ring life buoys	Minimum number of ring life buoys in column 2 which shall have water lights attached	Minimum number of ring life buoys	Minimum number of ring life buoys in column 4 which shall have water lights attached
Column 1	Column 2	Column 3	Column 4	Column 5
Under 100	3	2	2	0
100 and under 200	6	3	4	2
200 and under 300	8	6	6	2
300 and under 400	12	6	12	4
400 and under 600	18	9	18	9
600 and under 800	24	12	24	12
800 and over	30	15	30	15

[1] Manned barges shall be equipped with 1 ring life buoy at each end of the vessel.
[2] Vessels 500 gross tons and over on an international voyage, regardless of length, shall carry at least 8 lifebuoys; half of which shall have water lights attached.

* * * * * * *

(R.S. 4405, as amended, 4462, as amended, sec. 6(b)(1), 80 Stat. 938; 46 U.S.C. 375, 416, 49 CFR 1.4(a)(2). Interpret or apply R.S. 4417, as amended, 4418, as amended, 4426, as amended, 4488, as amended, 4491, as amended, sec. 10, 35 Stat. 428, as amended, 41 Stat. 305, as amended, secs. 1, 2, 49 Stat. 1544, 1545, as amended, sec. 17, 54 Stat. 166, as amended, sec. 3, 68 Stat. 675; 46 U.S.C. 391, 392, 404, 481, 489, 395, 363, 367, 526p, 50 U.S.C. 198; E.O. 11239, 3 CFR, 1965 Supp.)

PART 97—OPERATIONS

Subpart 97.14—Manning of Lifeboats and Liferafts

1. Section 97.14–5(a) is amended to read as follows:

§ 97.14–5 Person in command of lifeboat or liferaft.

(a) For vessels in ocean service, a licensed deck officer, an able seaman, or a certificated lifeboatman shall be placed in command of each lifeboat or liferaft. When two or more certificated lifeboatmen are required by Table 97.14–10(a), a second in command shall also be appointed which person shall be either a licensed deck officer, an able seaman, or a certificated lifeboatman.

* * * * *

2. Section 97.14–10(a) is amended by revising Table 97.14–10(a) to read as follows:

§ 97.14–10 Certificated lifeboatmen.

(a) * * *

TABLE 97.14–10(a)

Prescribed complement of lifeboat or liferaft		Minimum number of lifeboatmen [1]	
Over—	Not over—	Ocean service	All services other than ocean [2]
	25	2	1
25	40	2	2
40	60	3	3
60	85	4	4
85	110	5	5
110		6	6

[1] Only one certificated lifeboatman required for each inflatable liferaft.
[2] Certificated lifeboatmen are not required on vessels in river service.

* * * * *

(R.S. 4405, as amended, 4462, as amended, sec. 6(b)(1), 80 Stat. 938; 46 U.S.C. 375; 416, 49 U.S.C. 1655(b); 49 CFR 1.4(a)(2), Interpret or apply R.S. 4417, as amended, 4418, as amended, 4426, as amended, 4453, as amended, sec. 10, 35 Stat. 428, as amended, 41 Stat. 305, as amended, secs. 1, 2, 49 Stat. 1544, 1545, as amended, sec. 3, 68 Stat. 675; 46 U.S.C. 391, 392, 404, 435, 395, 363, 367, 50 U.S.C. 198; E.O. 11239, 3 CFR 1965 Supp.)

PART 98—SPECIAL CONSTRUCTION, ARRANGEMENT, AND PROVISIONS FOR CERTAIN DANGEROUS CARGOES IN BULK

Subpart 98.15—Hydrochloric Acid in Bulk

1. Section 98.15–10(c) is amended to read as follows:

§ 98.15–10 Gravity type cargo tanks.

* * * * *

(c) Compressed air may be used to discharge cargo from gravity type cargo tanks only if the tanks are of cylindrical shape with dished heads, provided the air pressure does not exceed the design pressure of tank but in no case shall it exceed 10 p.s.i.g. Such tanks shall be fitted with pressure relief and vacuum relief devices and need not be vented to atmosphere as required by paragraph (b) of this section.

(R.S. 4405, as amended, 4462, as amended, 4472, as amended, sec. 6(b)(1), 80 Stat. 938; 46 U.S.C. 375, 416, 170, 49 U.S.C. 1655(b); 49 CFR 1.4(a)(2). Interpret or apply R.S. 4417a, as amended, 4488, as amended, sec. 3, 68 Stat. 675; 46 U.S.C. 391a, 481, 50 U.S.C. 198; E.O. 11239, July 31, 1965, 30 F.R. 9671, 3 CFR, 1965 Supp.)

SUBCHAPTER J—ELECTRICAL ENGINEERING

PART 110—GENERAL PROVISIONS

Subpart 110.15—Definition of Terms Used in This Subchapter

1. Section 110.15–15(b) is amended by revising subparagraph (1) and Table 110.15–15(b)(1) to read as follows:

§ 110.15–15 Cable terms.

* * * * *

(b) *Cable designations.* (1) Abbreviations given in Columns 1 to 5, inclusive, of Table 110.15–15(b)(1) may be employed in connection with lighting and power, communication, and telephone cable. Thus, in the abbreviation DRL–4, "D"=double conductor, light and power (column 1), "R"=rubber insulated (75C) (column 2), "L"=lead and steel armored (columns 3 and 4), and "–4"=No. 14 American wire gage, 4,110 circular mils (column 5). In the abbreviation CTIA–12, "C"=communication (column 1), "T"=thermoplastic (column 2), "I"=moisture resistant jacket (column 3), "A"=aluminum armored (column 4), and "–12"=12 conductor (column 5).

TABLE 110.15–15(b)(1)—LIGHTING AND POWER, COMMUNICATION, AND TELEPHONE CABLE SYMBOLS

Column 1	Column 2	Column 3	Column 4	Column 5
Symbol designating cable type	Symbol designating type of insulation	Symbol designating type of outer covering	Symbol designating type of armor	Symbol designating wire size for light and power cable or number of conductors for communication or number of pairs of conductors for telephone cable
S=Single conductor light and power. D=Double conductor light and power. T=Three conductor light and power. F=Four conductor light and power. M=Multiple conductor. C=Communications. TT=Telephone. TTC=Inter-cabin telephone. P=Portable. W=Switchboard. BW=Bell wire.	R=Rubber 75 C. B=Rubber 85 C. T=Thermoplastic. V=Varnished cloth. AV=Asbestos-varnished cloth. TA=Asbestos thermoplastic. M=Mineral. S=Silicone.	A=Braid and armor. L=Lead and armor. I=Moisture resistant jacket, Type T or N as designated, and armor. J=Moisture resistant jacket unarmored (for NEC portable cords and telephone cable only).	None=steel. A=aluminum. B=bronze.	Circular mil size in thousands, or number of conductors, or number of pairs of conductors.

* * * * *

(R.S. 4405, as amended, 4462, as amended, sec. 6(b)(1), 80 Stat. 938; 46 U.S.C. 375, 416, 49 U.S.C. 1655(b); 49 CFR 1.4(a)(2). Interpret or apply R.S. 4399, as amended, 4400, as amended, 4417, as amended, 4417a, as amended, 4418, as amended, 4421, as amended, 4426, as amended, 4427, as amended, 4433, as amended, 4453, as amended, 4488, as amended, 4491, as amended, sec. 14, 29 Stat. 690, as amended, sec. 10, 35 Stat. 428, as amended, 41 Stat. 305, as amended, sec. 5, 49 Stat. 1384, as amended, secs. 1, 2, 49 Stat. 1544, 1545, as amended, sec. 17, 54 Stat. 166, as amended, sec. 3, 54 Stat. 347, as amended, sec. 3, 70 Stat. 152, sec. 3, 68 Stat. 675; 46 U.S.C. 361, 362, 391, 391a, 392, 399, 404, 405, 411, 435, 481, 489, 366, 395, 363, 369, 367, 526p, 1333, 390b, 50 U.S.C. 198, E.O. 11239, 3 CFR 1965 Supp.)

PART 111—ELECTRICAL SYSTEM; GENERAL REQUIREMENTS

Subpart 111.35—Switchboards and Propulsion Controls

1. In § 111.35–1 the text of paragraph (b) is amended (Table 11.35–1(b) remains in effect without change) and a new subparagraph (2) is added to paragraph (i), reading as follows:

§ 111.35–1 General requirements.

* * * * *

(b) *Switchboard installation and location.* Switchboards shall be installed in as dry a place as possible. Switchboards shall be secured to a solid foundation, shall clear overhead deck beams by at least 4 inches and shall be either self-supporting or braced to the bulkhead or deck above. In case the latter method is used, means of bracing shall be flexible to allow deflection of the ship's structure without buckling the control cell or assembly structure. In a passenger ship where there is only one main generating station, the main switchboard shall be located in the same main fire zone. A clear working space of not less than 36 inches shall be provided in front of the switchboard. Working space in the rear of the switchboard shall not be less than the values shown in Table 111.35–1(b) unless specifically approved otherwise or construction is in accordance with subparagraph (1) of this paragraph.

(1) Where the size or design of a vessel precludes the use of switchboards with adequate clear working space in the rear of the switchboard, the switchboard may be constructed to be accessible from the front only. In addition to the construction requirements in this subpart, switchboard accessible from the front only shall be constructed to meet the following requirements unless specifically approved otherwise:

(i) Mounting panels for fuses, instrument transformers, transducers and the like shall be mounted within 20 inches of the front of the switchboard.

(ii) Horizontal pans of sheet metal, expanded metal, or substantial screens shall be placed at the bottom of cubicles containing fuses, instrument transformers, etc., to prevent dropping tools into live buses.

(iii) Bus bars where taps are taken off shall be located within 20 inches of the front of the switchboard. Where it is necessary to locate bus bars deeper than 20 inches in order to accommodate large circuit breakers, such circuit breakers shall be the draw-out type.

(iv) Primary bus bars shall be accessible through removable panels.

(v) There shall be at least 6 inches between adjacent rows of circuit breakers.

(vi) Deck mounted switchboards shall have the spaces between the switchboard enclosure and the vessel's structure covered over by sheet metal to prevent the accumulation of dirt in inaccessible places.

* * * * *

(i) * * *

(2) The secondary circuit of a current transformer shall not be fused. When a current transformer supplies electrical energy to a device located remote from the current transformer, the circuit extending from the current transformer shall be protected by a film cutout or high voltage protector which will short the transformer in case of an open circuit.

* * * * *

§ 111.35–15 [Amended]

2. Section 111.35–15 *Ship's service generator and distribution switchboards* is amended by adding at the end of paragraphs (b)(1) and (c)(1) the cross reference "(See § 111.55–5(a)(1).)"

Subpart 111.45—Motor Circuits and Controllers

§ 111.45–5 [Amended]

3. Section 111.45–5 *Motor overcurrent protection* is amended by deleting paragraph (p).

§ 111.45–10 [Amended]

4. Section 111.45–10 *Remote-control, electrical interlock, and indicator circuits* is amended by deleting paragraph (b)(4).

§ 111.45–20 [Amended]

5. Section 111.45–20 *Motor-branch-circuit overcurrent protection* is amended by deleting paragraph (h).

Subpart 111.50—Distribution and Circuit Loads

§ 111.50–5 [Amended]

6. Section 111.50–5 *Ship's service power circuits* is amended by deleting paragraph (d).

Subpart 111.55—Overcurrent Protection

§ 111.55–1 [Amended]

7. Section 111.55–1 *Installation of overcurrent devices* is amended by deleting paragraph (b)(10).

8. Section 111.55–5(a)(1) is amended to read as follows:

§ 111.55–5 Location of overcurrent protective devices.

(a) *Location in circuit.* * * *

(1) The generator overcurrent protective device shall be located on the ship's service generator switchboard when the generator and switchboard are located in the same space or when the generator and switchboard are located in different spaces but not separated by more than 25 feet. When the generator and switchboard are located in different spaces and separated by more than 25 feet, the generator overcurrent protective device shall be located in the same space as the generator.

* * * * *

Subpart 111.60—Wiring Methods and Materials

§ 111.60–1 [Amended]

9. Tables 111.60–1(e)(1)(i) and 111.60–1(e)(1)(ii) in § 111.60–1 are amended as follows: In Table 111.60–1(e)(1)(i) in the third line of horizontal headings the three headings "VC" and "AVC" are amended to read "V" and "AV", respectively. In footnote 2 to Tables 111.60–1(e)(1)(i) and 111.60–1(e)(1)(ii) the words "varnished-cambric (VC) and "asbestos-varnished-cambric (AVC)" are amended to read "varnished cloth (V)" and "asbestos-varnished cloth (AV)", respectively. In the table in footnote 3 to Tables 111.60–1(e)(1)(i) and 111.60–1(e)(1)(ii) the words "vanished-cambric and "asbestos-varnished-cambric" are amended to read "varnished cloth" and "asbestos-varnished cloth", respectively. In Table 111.60(e)(1)(ii) the two columns headed "varnished-cambric insulated" and the two columns headed "asbestos-varnished-cambric insulated" are amended to read "varnished cloth" and "asbestos-varnished cloth" respectively.

10. The text of § 111.60–1 is amended by revising paragraphs (b), (d), (g), and (h) to read as follows:

(b) *Construction.* Electric cables shall be constructed and tested by the manufacturer in accordance with the requirements of section 18, IEEE Standard No. 45.

(1) *Classes of cables.* The classes of cables covered by this standard are:

(i) Lighting and power cables.

(ii) Multiconductor cable.

(iii) Communication and telephone cable.

(iv) Intercabin telephone cable.

(v) Switchboard wire.

(vi) Bell wire.

(2) *Cable classes by type of insulation.* The above cables are classed in accordance with the type of conductor insulation as:

(i) Rubber insulated (75 C) and (85 C).

(ii) Varnished cloth.

(iii) Asbestos-varnished cloth.

(iv) Thermoplastic insulated.

(v) Mineral insulated.

(vi) Asbestos thermoplastic insulated.

(vii) Silicone insulated.

(3) *Cable classes by type of mechanical covering.* The above cables are classed in accordance with the type of mechanical covering as:

(i) Braid and armor.

(ii) Lead and armor.

(iii) Moisture resistant jacket, Type T or N as designated, and armor.

(iv) Moisture resistant jacket unarmored (for NEC portable cords and telephone cable only).

(v) Mineral insulated metal sheathed, Type MI.

* * * * *

(d) *Cable applications*—(1) *Damp or wet locations.* Electric cable for installation in damp or wet locations shall have an outer covering of lead and armor, moisture resistant jacket and armor or mineral insulated-metal sheathed. The cable insulation may be either rubber, thermoplastic, varnished cloth, asbestos-varnished cloth, asbestos thermoplastic, mineral, or silicone, except that rubber or thermoplastic insulated power and lighting cable shall not be used in locations where the ambient temperature exceed 50° C.

(2) *Corrosive locations.* The armor of cables in corrosive locations shall be either bronze or aluminum and the sheath on mineral insulated-metal sheathed cables shall be seamless annealed copper.

(3) *Dry locations.* Cables for installation in dry locations shall be any cable constructed and classed as to type of insulation and mechanical covering in accordance with paragraph (b) (2) and (3) of this section.

(4) *Power and lighting cable.* Cable for power and lighting applications shall be power and lighting cable of the types described in this subpart except that 600-volt communication cable may be used in control and indicating circuits of power and lighting equipment.

(5) *Interior communication and telephone cable.* Cable for interior communication apparatus operating on potentials not exceeding 300 volts shall be either communication cable, telephone cable, or power and lighting cable of the types described in this subpart.

(6) *Intercabin telephone cable.* Intercabin telephone cable may be used for telephone systems installed for the convenience of passengers or crew and not essential for the operation of the vessel.

(7) *Bell wire.* Bell wire may be used for call bell circuits of 25 volts or less installed for the convenience of passengers or crew if properly installed in protected raceways.

(8) *Switchboard wire.* Switchboard wire may be used only on switchboards, motor controllers and the like.

(9) *Multiconductor.* Multiconductor cable may be used for instrumentation circuits provided the cable contains seven or more conductors, the average current per conductor does not exceed 2 amperes, and the maximum current in any one conductor does not exceed 3 amperes.

* * * * *

(g) *Conductor size for varnished cloth insulated cables.* Varnished cloth insulated power and lighting cables in sizes smaller than No. 12 AWG shall not be used. Rubber thermoplastic, or asbestos-varnished cloth insulated power and lighting cables may be used in size No. 14 AWG and larger.

(h) *Substitute cable.* Electric cable constructed in accordance with Military Specifications MIL–C–915 or MIL–C–2194 may be substituted for the equivalent IEEE type cable specified in this section. Type MSCA cable (MIL–C–2194) may be used as a substitute for communication and telephone cable constructed in accordance with IEEE Standard No. 45. The maximum current for any conductor shall not exceed the current-carrying capacities specified in the publication "Cable Comparison Guide," Navships 250–660–23.

11. Section 111.60–10(b)(7) is amended to read as follows:

§ 111.60–10 Wire and cable installation.

* * * * *

(b) *Ships' service cables.* * * *

(7) *Generator cables.* Where the ships' service generators are located in separate spaces, the generator cables between the circuit breakers and the switchboard shall be separated throughout their length as widely as practicable. Generator cables are not to be installed in the bilges.

* * * * *

12. Section 111.60–40(b)(4) is amended to read as follows:

§ 111.60–40 Wiring methods and materials for hazardous locations.

* * * * *

(b) * * *

(4) *Motors and generators.* Motors, generators and other rotating electrical machinery shall be of an enclosed explosion proof type approved for Class I locations. Belt drives shall not be used in hazardous locations.

* * * * *

Subpart 111.65—Special Requirements for Certain Locations and Systems

13. Section 111.65–55 is revised to read as follows:

§ 111.65–55 Special requirements for electrical steering gears.

(a) *General.* This section contains requirements for steering gear installations where the main or both the main and auxiliary steering means is electric power driven and where the steering control means is electric powered. Where two steering gear power motors and two separate and independent means for controling the rudder from the pilothouse are provided, there will be two steering systems each consisting of a power motor, control system, and steering gear feeder. In general these two systems are to be separate on a port and starboard basis. For any different arrangement of the steering gear system, special consideration and approval will be required with the intent of obtaining a steering installation which will be equivalent to the one covered in this section.

(b) *Feeder circuits.* Electric and electro-hydraulic steering gear shall be served by two feeder circuits from the ship's service switchboard except in special cases where the length of circuit is very short. One of the circuits may be taken from the emergency switchboard if the rating of the emergency generator is sufficient to supply the steering gear in addition to the emergency loads. The circuits shall be separated throughout their length as widely as practicable. Each circuit shall have adequate current-carrying capacity for supplying all motors and control equipment normally connected to it and which operate simultaneously.

(c) *Overcurrent protection for steering systems*—(1) *Motor branch circuits.* Each steering gear branch circuit shall be protected only by a circuit breaker with instantaneous trip located on the switchboard from which it emanates.

(i) *Direct-current motors.* For direct-current steering gear motors, each circuit breaker shall be of the instantaneous trip type only, set to trip at a current of not less than 300 percent and not greater than 375 percent of the rated full-load current of one steering gear main motor.

(ii) *Alternating-current motors.* For alternating-current steering gear motors, each circuit breaker shall be of the instantaneous trip type only, set to trip at a current of approximately 175 percent of the locked rotor current of one steering gear main motor.

(iii) *Use of fuses.* On vessels of a size that may be steered by hand, fused switches may be substituted for the instantaneous trip circuit breakers required by this paragraph: *Provided,* That the arrangement of the steering gear is such that it is possible to shift to hand steering without delay.

(2) *Motors.* Main steering gear motors and motors associated with steering control systems shall not be provided with a motor-running protective device. In lieu of a motor-running overcurrent protection, the motor starter shall be fitted with a protective device responsive to motor current, motor temperature, or to both current and temperature which will operate an indicating light at the propulsion control station in case of overload which would cause overheating of the motor. This device shall follow as closely as practicable the temperature of the motor.

(3) *Control circuits.* Short circuit protection only shall be provided for the control circuits of controllers of steering gear power motors and motors used for control systems. This protection shall be instantaneous and rated at 400–500 percent of the current-carrying capacity of the conductors.

(4) *Control systems.* Pilothouse steering control systems and any other electric means for controlling the rudder remote from the steering gear room shall be provided with short circuit protection only. The protection shall be instantaneous and rated at 400–500 percent of the current-carrying capacity of the control system conductors. The protection means shall be located in the steering gear room just after the disconnecting means required by paragraph (d)(1) of this section.

(5) *Indicating and alarm circuits.* Indicating and alarm circuits shall be protected by overcurrent devices, in both sides of the line having a rating or setting of not more than 500 percent of the current-carrying capacity of the control, electrical interlock, or indicator circuit conductors, except that where under operating conditions there is no appreciable difference in potential between the external conductors, overcurrent protection need only be provided at the supply of that side of the line.

(d) *Control of motors and control systems.* (1) Means shall be provided in the steering gear room for starting and stopping the steering gear power motors and any motors that are part of the pilothouse control system.

(2) Where two separate and independent steering control systems are installed, the means of switching shall be provided in the pilothouse to select the steering control system which is to be used for steering. This selection shall be accomplished by one operating handle but the switches for each system shall be in separate enclosures or shall be separated by suitable fire-resistant barriers. The handle shall have positions for "port control", "off", and "starboard control" with such an arrangement to necessitate the passing through the "off" position when transferring from one steering system to the other.

(3) The selecting means in the pilothouse shall be so arranged that the steering gear power motor for the steering system selected will automatically be started if not already running. Any ancillary device necessary to activate the selected remote means for controlling the rudder shall be automatically operated upon starting the steering gear power motor.

(e) *Disconnecting and switching means.* (1) The steering gear power motors and control systems shall be connected to the respective steering gear feeder circuits in the steering gear room. Separate means shall be provided in the steering gear room for disconnecting the motor and control systems from the power source.

(2) If a means of transfer is provided in the steering gear room so arranged that either steering gear power motor and associated control system can be connected to either of the two steering gear feeder circuits, interlocks shall be provided to prevent both steering systems from being connected to the same feeder circuit simultaneously.

(f) *Indicating and alarm systems for steering installations.* (1) A pilot light for each steering gear power motor and each auxiliary motor vital to the control of the rudder shall be provided at the propulsion control station, and other locations if desired, to indicate when the motors are energized.

(2) The opening of a steering gear feeder circuit breaker shall automatically be indicated at the propulsion control station by the sounding of an audible alarm.

(3) The opening of a steering gear feeder circuit fuse shall automatically be indicated in the wheelhouse by the sounding of an audible alarm.

(4) For the requirements pertaining to overload indicating lights for steering gear motors, see paragraph (c) (2) of this section.

Subpart 111.70—Special Requirements for Tank Vessels

14. Section 111.70–5 is amended by adding a new paragraph (l) reading as follows:

§ 111.70–5 Definitions.

* * * * *

(l) *Cargo handling room.* A cargo handling room is any enclosed space where cargo is pumped, compressed, or processed. Examples of cargo handling rooms are pump rooms, compressor rooms, and cargo valve rooms.

15. Section 111.70–10 is revised to read as follows:

* * * * *

§ 111.70–10 Special requirements for tank vessels contracted for on or after November 19, 1955—TB/ALL.

(a) *Application.* The requirements of this section apply to all tank vessels contracted for on or after November 19, 1955.

(b) *General.* The special installation requirements are contained in §§ 32.45–1 and 38.15–15 of Subchapter D (Tank Vessels) of this chapter, and, in some instances and to some degree, are repeated in this section for completeness of this subchapter.

(1) *Cable location.* Where practicable, electric cable shall be located well inboard from the sides, preferably along or near the centerline, to reduce the risk of injury in the event of collision, but it shall be kept clear of cargo tank openings. Specific additional requirements for cargo pumprooms and enclosed spaces immediately above or adjacent to cargo tanks are covered in paragraph (c) of this section.

(2) *Electrical equipment in cargo tanks.* No electrical equipment shall be installed in cargo tanks except approved intrinsically safe equipment and approved submergible pumps. The installation of submergible pumps shall be restricted to closed tank systems such as refrigerated or compressed gas tanks and shall comply with the following:

(i) Provisions shall be made to exclude air from the tanks containing cargo in either vapor or liquid phase. The pump motor shall be deenergized when this condition is not met.

(ii) A liquid level sensing device shall be provided that will automatically shut down the motor and sound an alarm at a predetermined low liquid level. The alarm location may be the station from which cargo handling is controlled or such other location outside the cargo area which is acceptable to the Commandant.

(iii) Details of the power cable, tank penetrations, and cable connection to the pump motor shall be submitted.

(iv) Means for positively disconnecting the power supply between the switchboard and the pump motor panels shall be provided; i.e., disconnect links, lockable circuit breakers, etc.

(3) *Electrical equipment in secondary barrier spaces.* No electrical equipment shall be installed in secondary barrier spaces except for approved intrinsically safe equipment and approved submergible pumps when the space is properly inerted.

(4) *Explosion-proof installations.* Where explosion-proof equipment is required, the equipment and installation thereof shall comply with § 111.60–40.

(5) *Portable equipment.* Illumination may be obtained in any compartment by the use of approved explosion-proof, self-contained, battery-fed lamps. Otherwise, no portable electrical equipment of any type shall be used in bulk cargo tanks, fuel oil tanks, cargo handling rooms, or enclosed spaces immediately above or adjacent to bulk cargo tanks unless all the following conditions are met:

(i) The compartment itself is gas free.

(ii) The compartments adjacent and diagonally adjacent are either (*a*) gas free, (*b*) inerted, (*c*) filled with water, (*d*) contain Grade E liquid and are closed and secured, or (*e*) are spaces in which flammable vapors and gases normally are not expected to accumulate; and,

(iii) All other compartments of the vessel in which flammable vapors and gases normally may be expected to accumulate are closed and secured.

(c) *Installation requirements on tank vessels handling Grade A, B, C, or D liquid cargo.* The requirements of this paragraph apply only to tank vessels handling Grade A, B, C, or D liquid cargo.

(1) *Electrical devices.* Power devices, switchboards, distribution panels, switches, fuses, and other circuit interrupting devices shall not be installed in cargo handling rooms nor in enclosed spaces immediately above or adjacent to cargo tanks. Storage batteries shall not be located in cargo handling rooms.

(2) *Lighting of cargo handling rooms and certain enclosed spaces.* Lighting for cargo handling rooms and enclosed spaces immediately above or adjacent to cargo tanks shall comply with either of the subdivisions of this subparagraph.

(i) Cargo handling rooms shall be lighted through permanently fixed glass lenses fitted in the bulkhead and/or overhead. Each fixed glass lens shall be of rugged construction and arranged to maintain the watertight and gastight integrity of the structure. The fixed glass lens may form a part of a lighting fixture: *Provided,* That all of the following conditions are complied with: (*a*) No means of access to the interior of the fixture from the cargo handling room is provided; (*b*) the fixture is vented to the

engineroom or a similar nonhazardous area; (c) the fixture is wired from outside the cargo handling room; and (d) the maximum observable temperature on the cargo handling room surface of the glass lens based on an ambient temperature of 40° C. shall not exceed 180° C.

(ii) Where the location of a cargo handling room does not permit the lighting arrangement of subdivision (i) of this subparagraph, or where the lighting arrangement of subdivision (i) of this subparagraph, if used, would not provide the required illumination, approved explosion-proof lighting fixtures may be installed. Specific approval by the Commandant is required for the installation of approved explosion-proof lights, associated wiring and accessories.

(3) *Lighting of enclosed spaces.* Lighting of the enclosed space immediately above or adjacent to cargo tanks shall either comply with the requirements of subparagraph (1) of this paragraph applicable to cargo handling rooms, or may be effected or supplemented by means of explosion-proof fixtures located in these spaces.

(4) *Cable.* Through runs of electric cable, regardless of how they may be protected, are prohibited in cargo handling rooms except where permitted by § 111.-65-3. In any enclosed space immediately above or adjacent to cargo tanks other than cargo handling rooms, through runs of electric cable are permitted.

(5) *Weather decks.* Motors, their control equipment, and other electrical equipment and installations located on or above the weather decks within 10 feet of the cargo tank openings, cargo handling room doors or ventilation outlets, or cargo tank vent terminations shall be explosion proof. Explosion-proof equipment installed in locations exposed to the weather shall be waterproof or shall be enclosed in watertight housings, or protected against the entrance of water by other approved means.

(d) *Installation requirements on tank vessels handling Grade E liquid cargo.* The requirements of this paragraph apply to tank vessels handling Grade E liquid cargo only.

(1) *Electrical installations.* There are no restrictions in regard to the electrical installations in cargo handling rooms and enclosed spaces of tank vessels carrying only Grade E liquid cargo, except that storage batteries shall not be located in cargo handling rooms.

(R.S. 4405, as amended, 4462, as amended, sec. 6(b)(1), 80 Stat. 938; 46 U.S.C. 375, 416, 49 U.S.C. 1655(b); 49 CFR 1.4(a)(2). Interpret or apply R.S. 4399, as amended, 4400, as amended, 4417, as amended, 4417a, as amended, 4418, as amended, 4421, as amended, 4426, as amended, 4427, as amended, 4433 as amended, 4453, as amended, 4488, as amended, 4491, as amended, sec. 14, 29 Stat. 690, as amended, sec. 10, 35 Stat. 428, as amended, 41 Stat. 305, as amended, sec. 5, 49 Stat. 1384, as amended, secs. 1, 2, 49 Stat. 1544, 1545, as amended, sec. 17, 54 Stat. 166, as amended, sec. 3, 54 Stat. 347, as amended, sec. 3, 70 Stat. 152, sec. 3, 68 Stat. 675; 46 U.S.C. 361, 362, 391, 391a, 392, 399, 404, 405, 411, 435, 481, 489, 366, 395, 363, 369, 367, 526p, 1333, 390b, 50 U.S.C. 198; E.O. 11239, 3 CFR, 1965 Supp.)

PART 112—EMERGENCY LIGHTING AND POWER SYSTEM

Subpart 112.05—General Requirements

§ 112.05–5 [Amended]

1. Table 112.05–5(a) in § 112.05–5(a) is amended by inserting the words "or gas turbine" between the words "diesel" and "generator" in the third, fourth, fifth, and sixth types (lines 11, 13, 16, and 18) in the middle column of the table, headed "Type or types of emergency source of power."

Subpart 112.20—Operation of Emergency Systems Having Both a Temporary and a Final Source of Emergency Lighting and Power

2. Section 112.20–10 is amended by inserting the words "or gas turbine" between the words "Diesel" and "driven" in the heading of the section and between the words "diesel" and "engine" in line two of paragraph (a) of the section. As amended, § 112.20–10 reads as follows:

§ 112.20–10 Diesel or gas turbine driven emergency source of power.

(a) Simultaneous with the operation described in § 112.20–5, the diesel or gas turbine engine driving the final source (emergency generator) shall automatically be started with no load connected to the emergency generator.

Subpart 112.25—Operation of Emergency System Having an Automatic Starting Diesel-Engine or Gas Turbine Driven Emergency Generator as the Sole Source of Emergency Lighting and Power

3. The heading of Subpart 112.25 is amended by inserting the words "or gas turbine" between "diesel-engine" and "driven" as set forth above.

Subpart 112.35—Operation of a Manually Controlled Emergency System Having a Storage Battery or a Diesel-Engine or Gas Turbine Driven Generator as the Sole Source of Emergency Lighting and Power

4. The heading of Subpart 112.35 is amended by inserting the words "or gas turbine" between "diesel-engine" and "driven", as set forth above.

Subpart 112.45—Visible Indicators and Test Switch

§ 112.45–1 [Amended]

5. Section 112.45–1 *Visible indicators* is amended by inserting in the phrase in parentheses at end of paragraph (a) the words "or gas turbine" between the words "diesel" and "generator".

6. Part 112 is amended by adding a new Subpart 112.51, consisting of § 112.-51–1, reading as follows:

Subpart 112.51—Emergency Gas Turbine Driven Generator Sets

§ 112.51–1 General requirements.

(a) The gas turbine of the generator set shall be complete with all accessories necessary for operation and protection of the engine; shall have a self-contained cooling system of a size so as to assure continuous engine operation using 100° F. air; and the fuel used shall have a flashpoint of not less than 110° F. The room in which the set is located shall be provided with suitable intake and exhaust ducts to supply adequate cooling air. The gas turbine as installed shall be without starting aid. The gas turbine as installed shall be capable of carrying its full rated load within 20 seconds after cranking is initiated with the intake air, room ambient, and starting equipment all at a temperature of 32° F. The gas turbine shall be started by either hydraulic or electric means. The generator sets shall lubricate and operate satisfactorily when permanently inclined to an angle of 22½° athwartship and 10° fore and aft, and shall be arranged so that it will not spill oil under a vessel roll of 30° each side of the vertical. Units shall shutdown automatically upon loss of lubricating oil pressure, dangerous overspeeding, and release of carbon dioxide in the emergency generator room. Audible alarms shall be provided for high gas temperature, high oil temperature, overspeed, low oil pressure, and, if provided, high cooling water temperature. Details of the required shutdowns and alarms are contained in § 58.10–15(g) of Subchapter F (Marine Engineering) of this chapter.

(b) When hydraulic starting means are employed the requirements of § 112.50–1(b) shall be complied with. When electric starting means are employed the requirements of § 112.50–1(c) shall be complied with.

(R.S. 4405, as amended, 4462, as amended, sec. 6(b)(1), 80 Stat. 938; 46 U.S.C. 375, 416, 49 U.S.C. 1655(b); 49 CFR 1.4(a)(2). Interpret or apply R.S. 4399, as amended, 4400, as amended, 4417, as amended, 4417a, as amended, 4418, as amended, 4421, as amended, 4426, as amended, 4427, as amended, 4433, as amended, 4453, as amended, 4488, as amended, 4491, as amended, sec. 14, 29 Stat. 690, as amended, sec. 10, 35 Stat. 428, as amended, sec. 5, 49 Stat. 1384, as amended, secs. 1, 2, 49 Stat. 1544, 1545, as amended, sec. 17, 54 Stat. 166, as amended, sec. 3, 54 Stat. 347, as amended, sec. 3, 70 Stat. 152, sec. 3, 68 Stat. 675; 46 U.S.C. 361, 362, 391, 391a, 392, 399, 404, 405, 411, 435, 481, 489, 366, 395, 363, 369, 367, 526p, 1333, 390b, 50 U.S.C. 198; E.O. 11239, 3 CFR, 1965 Supp.)

PART 113—COMMUNICATION AND ALARM SYSTEMS AND EQUIPMENT

Subpart 113.25—General Alarm Systems

1. Section 113.25–5 is amended by adding requirements for flashing red lights in certain cases. As amended, § 113.25–5(a) reads as follows:

§ 113.25–5 Operation.

(a) The general alarm system shall consist of electric vibrating bells and in certain cases flashing red lights (see § 113.25–10(d) located throughout passengers' and crew's quarters, machinery spaces, and work spaces, and so located as to warn all occupants in an emergency. The general alarm system shall be operated by means of manually operated contact makers with one contact maker located in the wheelhouse. Except for the one located in the wheelhouse, all contact makers shall be protected against tampering by an enclosure provided with a breakable transparent window.

* * * * *

2. Section 113.25–10 is amended by adding a new paragraph (d) at the end thereof, reading as follows:

§ 113.25–10 General requirements.

* * * * *

(d) *Location of flashing lights.* (1) In spaces where the ambient noise level is so high that it is not practicable to comply with paragraph (c)(1) of this section, the vibrating bell or bells within the noisy spaces shall be augmented by flashing red lights.

(2) The flashing red lights shall be of sufficient intensity and number and so located as to warn occupants of the space of an emergency.

(3) The flashing red lights shall be energized whenever the general alarm bells with which they are associated are energized.

3. In § 113.25–15(c) the heading is amended and a new subparagraph (3) is added, reading as follows:

§ 113.25–15 Detail requirements.

* * * * *

(c) *Vibrating bells and flashing lights.* * * *

(3) Flashing red lights installed in conjunction with a general alarm system shall be of a type approved by the Commandant.

* * * * *

Subpart 113.35—Engine Order Telegraph Systems

4. Section 113.35–25(j) is amended to read as follows:

§ 113.35–25 Mechanical engine order telegraph systems, detail requirements.

* * * * *

(j) Indicator dials shall be arranged with the "Stop" order at either the bottom or top position of the reply handle to suit bulkhead or pedestal (console) mounting respectively.

* * * * *

5. Section 113.35–40(g) is amended to read as follows:

§ 113.35–40 Electric engine order telegraph systems, general requirements.

* * * * *

(g) Transmitter operating handles shall be of substantial size so that the engine order may be determined from a distance.

6. Section 113.35–45(c) is amended to read as follows:

§ 113.35–45 Electric engine order telegraph systems, detail requirements.

* * * * *

(c) Transmitter and indicator dials shall be in accordance with paragraphs (i) and (j), respectively, of § 113.35–25.

* * * * *

(R.S. 4405, as amended, 4462, as amended, sec. 6(b)(1), 80 Stat. 938; 46 U.S.C. 375, 416, 49 U.S.C. 1655(b); 49 CFR 1.4(a)(2). Interpret or apply R.S. 4399, as amended, 4400, as amended, 4417, as amended, 4417a, as amended, 4418, as amended, 4421, as amended, 4426, as amended, 4427, as amended, 4433, as amended, 4453, as amended, 4488, as amended, 4491, as amended, sec. 14, 29 Stat. 690, as amended, sec. 10, 35 Stat. 428, as amended, 41 Stat. 305, as amended, sec. 5, 49 Stat. 1384, as amended, secs. 1, 2, 49 Stat. 1544, 1545, as amended, sec. 17, 54 Stat. 166, as amended, sec. 3, 54 Stat. 347, as amended, sec. 3, 70 Stat. 152, sec. 3, 68 Stat. 675; 46 U.S.C. 361, 362, 391, 391a, 392, 399, 404, 405, 411, 435, 481, 489, 366, 395, 363, 369, 367, 526p, 1333, 390b, 50 U.S.C. 198; E.O. 11239, 3 CFR, 1965 Supp.)

SUBCHAPTER T—SMALL PASSENGER VESSELS (UNDER 100 GROSS TONS)

PART 180—LIFESAVING EQUIPMENT

Subpart 180.10—Primary Lifesaving Equipment Required

1. Section 180.10–35(a) is amended to read as follows:

§ 180.10–35 Rescue boat—L.

(a) A suitable rescue boat shall be required except when, in the opinion of the Officer in Charge, Marine Inspection, the vessel is of such design and operating characteristics that the vessel itself provides a fully satisfactory rescue platform. For protected waters, a rescue boat constructed in accordance with Subpart 160.056 of Subchapter Q (Specifications) of this chapter is acceptable in meeting the intent of this paragraph. For exposed waters, a more seaworthy rescue boat may be required but in no case shall more than one approved lifeboat suitable for rescue work be required.

(R.S. 4405, as amended, 4462, as amended, sec. 3, 70 Stat. 152, sec. 6(b)(1), 80 Stat. 938; 46 U.S.C. 375, 416, 390b, 49 U.S.C. 1655(b); 49 CFR 1.4(a)(2) and (f). Interpret or apply R.S. 4417, as amended, 4418, as amended, 4421, as amended, 4426, as amended, 4453, as amended, 4488, as amended; 46 U.S.C. 391, 392, 399, 404, 435, 481)

PART 181—FIRE PROTECTION EQUIPMENT

Subpart 181.30—Portable Fire Extinguishers

1. Table 181.30–1(a) in § 181.30–1(a) is amended to read as follows:

§ 181.30–1 Required number, type, and location.

(a) * * *

TABLE 181.30–1(a)

Space protected	Total number extinguishers required	Type extinguishers permitted		
		Medium	Minimum size	Coast Guard classification
Wheelhouse or steering station	1	Foam	1¼ gallons	B–I.
		Carbon dioxide	4 pounds	
		Dry chemical	2 pounds	
Propulsion machinery space (gasoline or other fuel having a flashpoint of 110° F. or lower) with fixed CO_2 system.	1	Foam	1¼ gallons	B–I.
		Carbon dioxide	4 pounds	
		Dry cheimcal	2 pounds	
Propulsion machinery space (gasoline or other fuel having a flashpoint of 110° F. or lower) without fixed CO_2 system.	2	Foam	2½ gallons	B–II.
		Carbon dioxide	15 pounds	
		Dry chemical	10 pounds	
Propulsion machinery space (diesel oil or other fuel having a flashpoint over 110° F.).	2 (none required if fixed CO_2 system is installed).	Foam	2½ gallons	B–II.
		Carbon dioxide	15 pounds	
		Dry chemical	10 pounds	
Vehicular spaces	1 for each 5 vehicles or fraction thereof.	Foam	2½ gallons	B–II.
		Carbon dioxide	15 pounds	
		Dry chemical	10 pounds	
Accommodations and galley	1	Foam	2½ gallons	B–II.
		Carbon dioxide	15 pounds	
		Dry chemical	10 pounds	

* * * * *

(R.S. 4405, as amended, 4462, as amended, sec. 3, 70 Stat. 152, sec. 6(b)(1), 80 Stat. 938; 46 U.S.C. 375, 416, 390b, 49 U.S.C. 1655(b); 49 CFR 1.4(a)(2) and (f). Interpret or apply R.S. 4417, as amended, 4418, as amended, 4421, as amended, 4426, as amended, 4453, as amended, 4488, as amended; 46 U.S.C. 391, 392, 404, 435, 481)

PART 182—MACHINERY INSTALLATION

Subpart 182.15—Machinery Using Gasoline as Fuel

1. The first sentence of § 182.15–45(d) is amended to require the blowers to start before the engine starter motor or the engine ignition is energized. As amended, § 182.15–45(d) reads as follows:

§ 182.15–45 Ventilation of compartments containing gasoline machinery or fuel tanks.

* * * * *

(d) Exhaust blower switches shall be located outside of any space required to be ventilated by this section, and shall be of the type interlocked with the starting switch and the ignition switch so that the blowers are started before the engine starter motor circuit or the engine ignition is energized. A red warning sign at the switch shall state that the

blowers shall be operated prior to starting the engines for a sufficient time to insure at least one complete change of air in the compartments.

* * * * *

(R.S. 4405, as amended, 4462, as amended, sec. 3, 70 Stat. 152, sec. 6(b)(1), 80 Stat. 938; 46 U.S.C. 375, 416, 390b, 49 U.S.C. 1655(b); 49 CFR 1.4 (a)(2) and (f). Interpret or apply R.S. 4417, as amended, 4418, as amended, 4426, as amended, 4433, as amended, 4453, as amended, 4488, as amended; 46 U.S.C. 391, 392, 404, 411, 435, 481)

SUBCHAPTER U—OCEANOGRAPHIC VESSELS

PART 192—LIFESAVING EQUIPMENT

Subpart 192.10—Lifeboats, Liferafts, Lifefloats, Buoyant Apparatus, and Rescue Boats

1. Section 192.10–5(e) is amended by adding two new sentences at the end thereof. As amended, § 192.10–5(e) reads as follows:

§ 192.10–5 Type of lifeboats, liferafts, lifefloats, buoyant apparatus, and rescue boat required.

* * * * *

(e) *Rescue boats.* In general, a suitable rescue boat shall be a small lightweight boat of rigid construction, with built-in buoyancy and capable of being readily launched and easily maneuvered. Also it shall be of adequate proportion to permit taking an unconscious person on board without capsizing. A rescue boat and its installation shall be acceptable to the Officer in Charge, Marine Inspection, as suitable for the rescue of persons accidentally falling over the side, or for similar emergency purposes. The size, shape, installation, and other factors of suitability will be determined with due consideration of the size, arrangement, intended service, and crew requirements of the vessel on which it is to be installed. For protected waters, a rescue boat constructed in accordance with Subpart 160.056 of Subchapter Q (Specifications) of this chapter is acceptable in meeting the intent of this paragraph. For exposed waters, a more seaworthy rescue boat may be required, but in no case shall more than one approved lifeboat suitable for rescue work be required.

Subpart 192.40—Life Preservers

2. Section 192.40–1(a) is amended to insert a phrase inadvertently omitted. As amended, § 192.40–1(a) reads as follows:

§ 192.40–1 Application.

(a) The provisions of this subpart, with the exception of § 192.40–90, apply to all vessels contracted for on and after March 1, 1968.

* * * * *

(R.S. 4405, as amended, 4462, as amended, sec. 5, 79 Stat. 424, sec. 6(b)(1), 80 Stat. 938; 46 U.S.C. 375, 416, 445, 49 U.S.C. 1655(b); 49 CFR 1.4 (a)(2) and (f). Interpret or apply R.S. 4417, as amended, 4418, as amended, 4453, as amended, 4488, as amended, sec. 10, 35 Stat. 428, as amended, 41 Stat. 305, as amended, secs. 1, 2, 49 Stat. 1544, 1545, as amended, sec. 17, 54 Stat. 166, as amended; 46 U.S.C. 391, 392, 435, 481, 395, 363, 367, 526p; E.O. 11239, 3 CFR, 1965 Supp.)

Dated: December 19, 1968.

W. J. SMITH,
Admiral, U.S. Coast Guard,
Commandant.

[F.R. Doc. 68–15307; Filed, Dec. 27, 1968; 8:45 a.m.]