

# FEDERAL REGISTER

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Pages 5701-5809

PART I  
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The President  
Agricultural Research Service  
Business and Defense Services Administration  
Civil Aeronautics Board  
Coast Guard  
Commerce Department  
Commodity Credit Corporation  
Consumer and Marketing Service  
Engineers Corps  
Federal Aviation Administration  
Federal Communications Commission  
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Interstate Land Sales Registration Office  
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Land Management Bureau  
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Securities and Exchange Commission  
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## CODE OF FEDERAL REGULATIONS

(As of January 1, 1969)

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Title 12—Banks and Banking (Part 300-End) (Revised) - 2.00

Title 41—Public Contracts and Property Management  
(Chapters 19-100) (Revised) ----- 1.00

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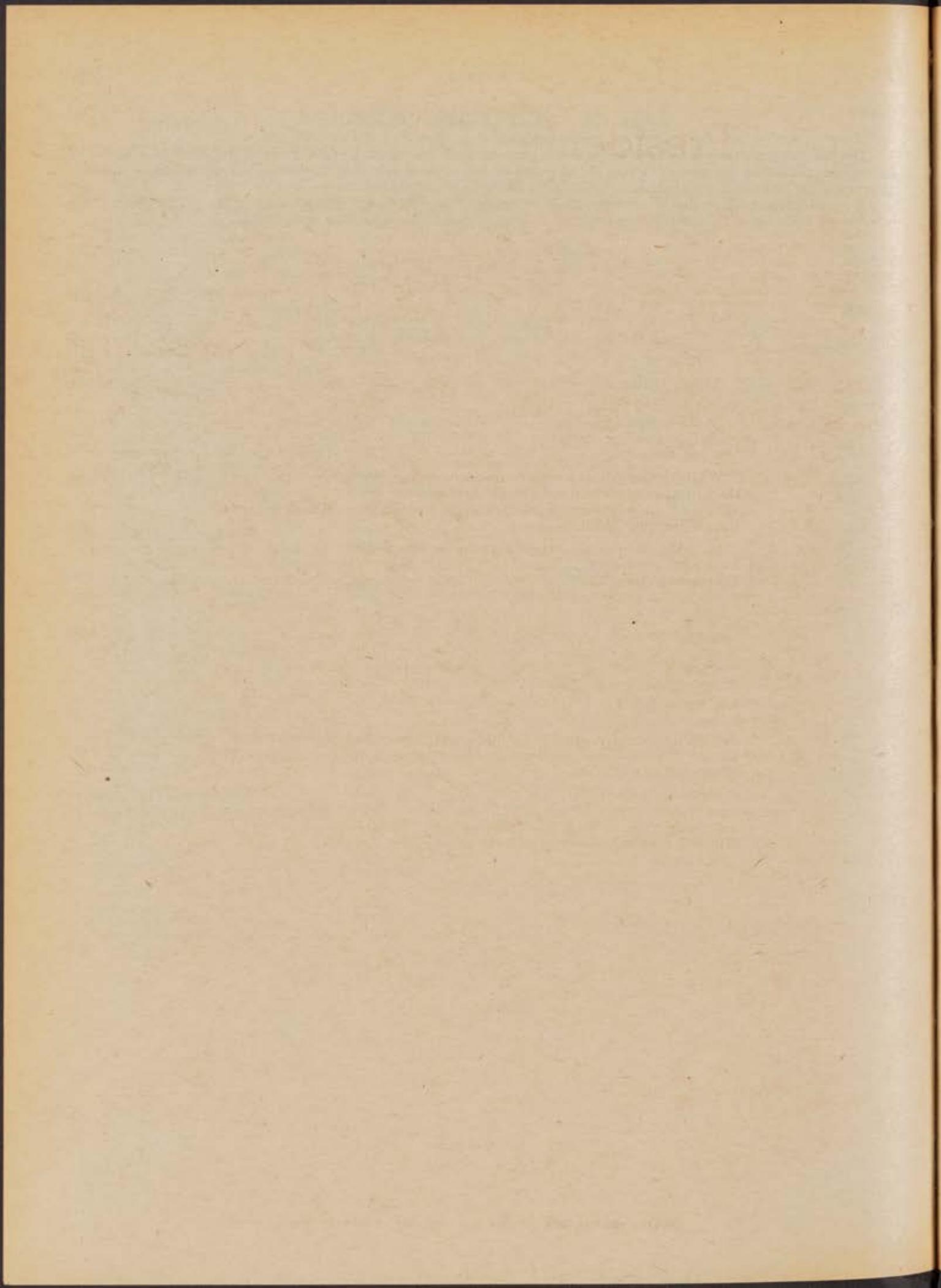
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## List of CFR Parts Affected

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# Presidential Documents

## Title 3—THE PRESIDENT

### Proclamation 3903

#### CANCER CONTROL MONTH, 1969

By the President of the United States of America

#### A Proclamation

Cancer is the second greatest cause of death in the United States. And the death rate from this terrible disease is still rising.

In the past 25 years we have made progress in early diagnosis of certain types of cancer. Greater drug treatment has increased a victim's chances of survival.

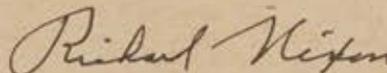
While these medical advances are encouraging, it is evident that only the full-hearted commitment by all Americans to support the splendid efforts of our scientists, physicians, health administrators and volunteers will arrest this disease.

In recognition of the urgency of the cancer problem, the Congress, by a joint resolution of March 28, 1938 (52 Stat. 148), requested the President to issue annually a proclamation setting aside the month of April as Cancer Control Month.

NOW, THEREFORE, I, RICHARD NIXON, President of the United States of America, do hereby proclaim the month of April 1969 as Cancer Control Month, and I invite the Governors of the States and the Commonwealth of Puerto Rico, and appropriate officials of all other areas under the United States flag to issue similar proclamations.

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

IN WITNESS WHEREOF, I have hereunto set my hand this twenty-fifth day of March, in the year of our Lord nineteen hundred and sixty-nine, and of the Independence of the United States of America the one hundred and ninety-third.



[F.R. Doc. 69-3736; Filed, Mar. 26, 1969; 10:45 a.m.]

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# Rules and Regulations

## Title 7—AGRICULTURE

### Chapter I—Consumer and Marketing Service (Standards, Inspections, Marketing Practices), Department of Agriculture

#### PART 68—REGULATIONS AND STANDARDS FOR INSPECTION AND CERTIFICATION OF CERTAIN AGRICULTURAL COMMODITIES AND PRODUCTS THEREOF

##### Miscellaneous Amendments

*Statement of considerations.* On December 11, 1968, notice of proposed rule making regarding revision of the Part 68 regulations (7 CFR Part 68) was published in the FEDERAL REGISTER (33 F.R. 18380).

Interested parties were given 30 days in which to submit written data, views, or arguments regarding the proposed revision of the regulations. Written comments were received from only two parties. After consideration of all relevant matters, the revision as proposed is hereby adopted with certain minor changes made in the interests of clarity, consistency with delegations of authority, and coordination with regulations under the revised U.S. Grain Standards Act.

Pursuant to sections 203 and 205 of the Agricultural Marketing Act of 1946, as amended (7 U.S.C. 1622 and 1624), the provisions of 7 CFR Part 68 are hereby amended as follows:

1. In § 68.2, paragraphs (k), (l), and (m) are amended to read:

##### § 68.2 Terms defined.

(k) Inspector: Any employee of the Department authorized by the Administrator, or any other person licensed by the Administrator, to inspect and certify the class, quality, quantity, or condition of specified commodities.

(l) Supervising inspector: Any employee of the Department authorized by the Administrator to inspect or certify the class, quality, quantity, or condition of specified commodities or designated by the Director to supervise the work of inspectors and official samplers.

(m) Official sampler: Any person licensed by the Administrator to draw samples of commodities for inspection or any employee of the Department authorized by the Director or by a supervising inspector to draw samples of commodities for inspection.

2. In § 68.4, paragraph (b) is amended to read:

##### § 68.4 Kind and availability of service.

(b) Inspection under the regulations may be provided for commodities shipped or received in interstate commerce and may also be provided for commodities at important central markets and other places designated by the Director when he determines that such inspection will facilitate the marketing distribution, processing, and utilization of agricultural products through commercial channels.

##### § 68.4a [Deleted]

3. Section 68.4a is deleted in its entirety.

##### § 68.4b [Deleted]

4. Section 68.4b is deleted in its entirety.

5. Section 68.6 is amended to read:

##### § 68.6 Who may inspect commodities.

The inspection of commodities shall be made by a person who has been authorized or licensed by the Administrator to perform such functions.

6. Section 68.15 is amended to read:

##### § 68.15 Inspection certificate, form.

Each inspection certificate shall be approved by the Director as to form, shall state the results of the inspection, and shall embody within its written or printed terms only such statements of fact as may be required or authorized by the Director. No correction, erasure, or other change shall be made in the quality or quantity information on a certificate by official inspection personnel or any other person before or after issuance.

7. A new § 68.16a is added to read:

##### § 68.16a Issuance of corrected certificate.

(a) If any error is made in an inspection certificate, a corrected inspection certificate may be issued in accordance with instructions issued by the Director. The term "error" shall be deemed to include any error of commission or error of omission.

(b) The original and copies of the corrected certificate shall be issued as promptly as possible to the same interested persons as received the incorrect certificate.

(c) The corrected certificate shall supersede the incorrect inspection certificate previously issued. The corrected certificate shall clearly identify by certificate number and date the incorrect certificate which it supersedes.

(d) The issuing inspector shall obtain the original and all copies of the superseded incorrect certificate if possible. If the inspector is unable to obtain the original and all copies of the superseded

certificate, he shall, to the extent possible, notify all parties to the transaction, to prevent misuse of the superseded certificate.

##### §§ 68.17-68.20 [Deleted]

8. Section 68.17 is deleted in its entirety.

9. Section 68.18 is deleted in its entirety.

10. Section 68.19 is deleted in its entirety.

11. Section 68.20 is deleted in its entirety.

12. Section 68.21 is amended to read:

##### § 68.21 How to obtain an appeal inspection.

An application for appeal inspection may be made by any interested party who is dissatisfied with the results of an inspection as stated in an inspection certificate. At the option of the appellant, an appeal inspection may be based on a new sample or an official file sample, but not both: *Provided*, That (a) if a new sample is requested, the lot can be positively identified by the Supervising Inspector as the lot which was previously inspected and the entire lot of the commodity is available and accessible for sampling and examination; and (b) the appeal inspection shall be limited to a review of the sampling procedure and analysis of the file sample when, as a result of the original inspection, the commodity was found to be contaminated with filth or to contain a deleterious substance. However, if it is determined that improper sampling procedures were followed in selecting the original sample, a new sample shall be selected and analyzed. The application for appeal inspection shall be made in writing or by telegraph and shall be filed in the office of a Supervising Inspector. The inspection certificate with respect to which the application for appeal inspection is made shall be submitted with the application or as soon thereafter as possible.

13. A new § 68.21a is added to read:

##### § 68.21a When appeal inspection may be refused.

An application for an appeal inspection may be refused if (a) the reasons for the appeal inspection are frivolous or not substantial; (b) the quality or condition of the product has undergone a material change since the inspection covering the product on which the appeal inspection is requested; (c) a new sample is requested and the lot in question is not, or cannot be, made accessible for the inspection; (d) a new sample is requested and the lot relative to which appeal inspection is requested cannot be identified positively by the inspector as the lot which was previously inspected;

or (e) there is noncompliance with the regulations in this part. In cases under this paragraph, the applicant shall be notified promptly of the reason for refusal.

14. A new § 68.28a is added to read.  
**§ 68.28a Appeal to board of appeals and review.**

Any party to an appeal of a grade of a graded commodity may make a further appeal to the board of appeals and review constituted for this purpose by the Director, except that if the initial appeal inspection is performed by the board of appeals and review, no further appeal may be made. If an appeal to the board is filed, a sample or samples of the commodity involved and all other evidence shall be immediately submitted to the board which shall make such examination and apply such tests as may be necessary to determine the grade of the commodity. Such board shall, if the regulations be complied with, issue or cause to be issued an appeal grade certificate showing the grade assigned by such board to the commodity, which appeal grade certificate shall supersede any grade certificate previously issued and shall be the final grade certificate.

15. Section 68.29 is amended to read:  
**§ 68.29 New inspection.**

The provisions of §§ 68.4 to 68.28 with respect to inspections and appeal inspections shall not be construed to prevent any interested party from obtaining a new inspection on any commodity when the circumstances are such as to preclude an appeal inspection under the regulations, except that a new inspection may not be performed on an identifiable commodity lot that has been previously inspected and found to be contaminated with filth or to contain a deleterious substance. A certificate issued as a result of a new inspection shall not supersede any inspection certificate previously issued. An application for a new inspection shall not be restricted to the scope of any previous inspection and the applicant may request any or all of the inspection services provided for by the regulations in this part with the privilege of appeal inspection.

16. Section 68.35 is amended to read:  
**§ 68.35 Denial or withdrawal of inspection service.**

(a) A denial or disciplinary withdrawal of inspection services may be made because of (1) any willful misrepresentation or deceptive or fraudulent practice made or committed by any person in connection with the making or filing of an application for inspection service; (2) any fraudulent or unauthorized use, alteration, or imitation of any certificate issued pursuant to the regulations; (3) any interference with or obstruction of any inspector or official sampler in the performance of his duties, by intimidation, threat, assault or any other improper means; or (4) any willful violation of the regulations.

(b) A conditional withdrawal of inspection services may be made for a cor-

rectable cause such as (1) failure to pay bills for inspection services, (2) insanitary plant conditions, or (3) plant conditions which would subject the inspector to unusual hazard or discomfort.

(c) The rules of practice governing denial or withdrawal of inspection and grading services (Part 50 of this chapter) shall be followed in the denial or withdrawal of service.

17. Section 68.36 is amended to read:  
**§ 68.36 Who may be authorized.**

Any employee of the Department who has demonstrated that he possesses a thorough knowledge of a commodity and the standards, instructions, and procedures under which it is inspected may be authorized by the Administrator to inspect such commodity.

**§ 68.42 [Amended]**

18. In § 68.42, the item for "Reinspection" and all references to U.S. grain in Canada, and the protein and sedimentation testing of wheat are deleted from the schedule of Fees and Charges for certain Federal inspection services.

**§§ 68.30-68.35 [Amended]**

19. The term "Reinspection," is deleted from the main heading for §§ 68.30 through 68.35.

**§§ 68.45, 68.46, 68.51 [Amended]**

20. The terms "reinspection," and "reinspections," are deleted from §§ 68.45, 68.46, and 68.51.

(Secs. 203, 205, 80 Stat. 1087, 1090, as amended, 7 U.S.C. 1622, 1624; 29 F.R. 16210, as amended; 33 F.R. 10750)

This document includes some changes not proposed in the notice of rule making. To conform the regulations with existing delegations of authority, the Administrator rather than the Secretary is designated as the official responsible for authorizing or licensing inspectors and samplers to perform services under these regulations. In addition, since the regulations under the United States Grain Standards Act now provide for the inspection of United States grain in Canada and the testing of wheat for sedimentation value or protein content, all references to these services have been deleted from the Part 68 regulations. Also, minor changes were made for clarity. None of these changes will adversely affect any person. Therefore, under the administrative procedure provisions in 5 U.S.C. 553, it is found upon good cause that further notice and public participation in the rulemaking procedure on the amendments are unnecessary.

**Effective date.** These amendments shall be effective 30 days after the date of publication in the FEDERAL REGISTER except for the deletion of all reference to the inspection of United States grain in Canada and the testing of wheat for protein content and sedimentation value. In order to allow time for the completion of outstanding contracts, these deletions shall be effective 180 days after the date of publication in the FEDERAL REGISTER.

**NOTE:** The reporting and/or recordkeeping requirements contained herein have been ap-

proved by the Bureau of the Budget in accordance with the Federal Reports Act of 1942.

Done at Washington, D.C., this 24th day of March 1969.

G. R. GRANGE,  
 Deputy Administrator,  
 Marketing Services.

[F.R. Doc. 69-3648; Filed, Mar. 26, 1969; 8:52 a.m.]

**Chapter III—Agricultural Research Service, Department of Agriculture**  
**PART 301—DOMESTIC QUARANTINE NOTICES**

**Subpart—Cereal Leaf Beetle**

On March 23, 1968, there was published in the FEDERAL REGISTER (33 F.R. 4926), a notice of hearing and proposed rule making concerning the issuance of a notice of quarantine relating to the cereal leaf beetle and regulations supplemental to said quarantine under the authority contained in sections 8 and 9 of the Plant Quarantine Act of 1912, as amended (7 U.S.C. 161, 162), and section 106 of the Federal Plant Pest Act (7 U.S.C. 150ee). It was proposed that the States of Illinois, Indiana, Michigan, Pennsylvania, and Ohio be quarantined. It was also proposed to regulate the movement therefrom of specified articles under certain conditions.

Interested persons were given an opportunity to submit written data, views, and arguments, and public hearing was held to consider the above proposals.

After due consideration of all relevant matters presented at the hearing or otherwise pursuant to the notice, and under the aforesaid authorities, Notice of Quarantine No. 84 relating to the cereal leaf beetle and regulations supplemental to said quarantine to appear in 7 CFR 301.84, 301.84-1 et seq. are hereby issued to read as follows:

**QUARANTINE AND REGULATIONS**

Sec.	
301.84	Quarantine; restriction on interstate movement of specified regulated articles.
301.84-1	Definitions.
301.84-2	Authorization to designate regulated areas and suppressive or generally infested areas; and articles which are exempt from certification, permit, or other requirements.
301.84-3	Conditions governing the interstate movement of regulated articles from quarantined States.
301.84-4	Issuance and cancellation of certificates and permits.
301.84-5	Compliance agreements; and cancellation thereof.
301.84-6	Assembly and inspection of regulated articles.
301.84-7	Attachment and disposition of certificates or permits.
301.84-8	Inspection and disposal of regulated articles and pests.
301.84-9	Movement of live cereal leaf beetles.
301.84-10	Nonliability of the Department.

**AUTHORITY:** The provisions of this subpart issued under secs. 8, 9, 37 Stat. 318, as amended, sec. 106, 71 Stat. 33; 7 U.S.C. 161, 162, 150ee; 29 F.R. 16210, as amended, 33 F.R. 15485.

**§ 301.84 Quarantine; restriction on interstate movement of specified regulated articles.**

(a) *Notice of quarantine.* Pursuant to the provisions of sections 8 and 9 of the Plant Quarantine Act of August 20, 1912, as amended, and section 106 of the Federal Plant Pest Act (7 U.S.C. 161, 162, 150ee), the Secretary of Agriculture has determined, after public hearing, that it is necessary to quarantine the States of Illinois, Indiana, Michigan, Ohio, and Pennsylvania in order to prevent the spread of the cereal leaf beetle (*Oulema melanopus* (L.)), a dangerous insect injurious to cereal crops, not heretofore widely prevalent or distributed within and throughout the United States. Under the authority of said provisions, the Secretary hereby quarantines the States of Illinois, Indiana, Michigan, Ohio, and Pennsylvania, with respect to the interstate movement from the quarantined States of the articles described in paragraph (b) of this section, issues the regulations in this subpart governing such movement, and gives notice of said quarantine and regulations.

(b) *Quarantine restrictions on interstate movement of specified regulated articles.* No common carrier or other person shall move interstate from any quarantined State any of the following articles (defined in § 301.84-1(m) as regulated articles), except in accordance with the conditions prescribed in this subpart:

- (1) Small grains such as barley, oats, and wheat, except grain sorghum.
- (2) Soybeans.
- (3) Ear corn (shelled corn is not regulated).
- (4) Straw and hay, including marsh hay, except pelleted hay.
- (5) Grass sod.
- (6) Grass and forage seed.
- (7) Fodder and plant litter.
- (8) Used harvesting machinery.
- (9) Any other products, articles, or means of conveyance, of any character whatsoever, not covered by subparagraphs (1) through (8) of this paragraph, when it is determined by an inspector that they present a hazard of spread of cereal leaf beetle, and the person in possession thereof has been so notified.

**§ 301.84-1 Definitions.**

Terms used in the singular form in this subpart shall be deemed to import the plural, and vice versa, as the case may demand. The following terms, when used in this subpart, shall be construed, respectively to mean:

(a) *Cereal leaf beetle.* The insect known as the cereal leaf beetle (*Oulema melanopus* (L.)), in any stage of development.

(b) *Certificate.* A document issued or authorized to be issued under this subpart by an inspector to allow the interstate movement of regulated articles to any destination.

(c) *Compliance agreement.* A written agreement between a person engaged in growing, handling, or moving regulated articles, and the Plant Pest Control Division, wherein the former agrees to comply

with the requirements of this subpart identified in the agreement by the inspector who executes the agreement on behalf of the Division as applicable to the operations of such person.

(d) *Director.* The Director of the Plant Pest Control Division, Agricultural Research Service, U.S. Department of Agriculture, or any other officer or employee of said Service to whom authority to act in his stead has been or may hereafter be delegated.

(e) *Generally infested area.* Any part of a regulated area not designated as a suppressive area in accordance with § 301.84-2.

(f) *Infestation.* The presence of the cereal leaf beetle or the existence of circumstances that make it reasonable to believe that cereal leaf beetle is present.

(g) *Inspector.* Any employee of the Plant Pest Control Division, Agricultural Research Service, U.S. Department of Agriculture, or other person authorized by the Director to enforce the provisions of the quarantine and regulations in this subpart.

(h) *Interstate.* From any State, Territory, or District into or through any other State, Territory, or District of the United States (including Puerto Rico).

(i) *Limited permit.* A document issued or authorized to be issued by an inspector to allow the interstate movement of non-certifiable regulated articles to a specified destination for limited handling, utilization, or processing or for treatment.

(j) *Moved (movement, move).* Shipped, offered for shipment to a common carrier, received for transportation or transported by a common carrier, or carried, transported, moved or allowed to be moved by any means. "Movement" and "move" shall be construed accordingly.

(k) *Person.* Any individual, corporation, company, society, or association or other organized group of any of the foregoing.

(l) *Regulated area.* Any quarantined State or any portion thereof listed as a regulated area in § 301.84-2a or otherwise designated by the Director in accordance with § 301.84-2(a).

(m) *Regulated articles.* Any articles described in § 301.84(b).

(n) *Restricted destination permit.* A document issued or authorized to be issued by an inspector to allow the interstate movement of regulated articles not certifiable under all applicable Federal domestic plant quarantines to a specified destination for other than scientific purposes.

(o) *Scientific permit.* A document issued by the Director to allow the interstate movement to a specified destination of regulated articles for scientific purposes.

(p) *Suppressive area.* That part of a regulated area where eradication of infestation is undertaken as an objective, as designated by the Director under § 301.84-2(a).

(q) *Treatment manual.* The provisions currently contained in the "Manual of Administratively Authorized Procedures To Be Used Under the Cereal Leaf Beetle Quarantine," the manual of "Procedures for Applying Soil, Surface, and Foliage

Treatments for Regulatory Purposes," and the "Fumigation Procedures Manual," and any amendments thereto.<sup>1</sup>

**§ 301.84-2 Authorization to designate regulated areas and suppressive or generally infested areas; and articles which are exempt from certification, permit, or other requirements.**

(a) *Regulated areas and suppressive or generally infested areas.* (1) The Director shall list as regulated areas in a supplemental regulation designated as § 301.84-2a, the quarantined States, or portions thereof in which cereal leaf beetle has been found or in which there is reason to believe that cereal leaf beetle is present, or which it is deemed necessary to regulate because of their proximity to infestation or their inseparability for quarantine enforcement purposes from infested localities. The Director, in the supplemental regulation, may divide any regulated area into a suppressive area and a generally infested area in accordance with the definitions thereof in § 301.84-1. Less than an entire quarantined State will be designated as a regulated area only if the Director is of the opinion that:

(1) The State has adopted and is enforcing a quarantine or regulation which imposes restrictions on the intrastate movement of the regulated articles which are substantially the same as those which are imposed with respect to the interstate movement of such articles under this subpart; and

(2) The designation of less than the entire State as a regulated area will otherwise be adequate to prevent the interstate spread of the cereal leaf beetle.

(2) The Director, or an authorized inspector, may temporarily designate any other premises in a quarantined State as a regulated area and a suppressive or generally infested area, in accordance with the criteria specified in subparagraph (1) of this paragraph for listing such areas, by serving written notice thereof on the owner or person in possession of such premises, and thereafter the interstate movement of regulated articles from such premises by any person having notice of this designation shall be subject to the applicable provisions of this subpart. As soon as practicable, such premises shall be added to the list in § 301.84-2a if a basis then exists for their designation.

(b) *Articles which are exempt from certification, permit, or other requirements.* The Director may, in a supplemental regulation designated as § 301.84-2b, list regulated articles which shall be exempt from the certification and permit or other requirements of this subpart under such conditions as he may prescribe, if he finds that facts exist as to the pest risk involved in the movement of such regulated articles which make it safe to so relieve such requirements.

<sup>1</sup> Pamphlets containing such provisions are available, upon request from the Director, Plant Pest Control Division, Agricultural Research Service, U.S. Department of Agriculture, Hyattsville, Md. 20782, or from an inspector.

**§ 301.84-3 Conditions governing the interstate movement of regulated articles from quarantined States.<sup>2</sup>**

Any regulated articles may be moved interstate from any quarantined State under the following conditions:

(a) From any regulated area, with certificate or permit issued and attached in accordance with §§ 301.84-4 and 301.84-7 if moved:

(1) From any regulated area into or through any point outside of the regulated areas; or

(2) From any generally infested area into or through any suppressive area; or

(3) Between any noncontiguous suppressive areas; or

(4) Between contiguous suppressive areas when it is determined by the inspector that the regulated articles present a hazard of the spread of the cereal leaf beetle and the person in possession thereof has been so notified; or

(b) From any regulated area, without certificate or permit if moved:

(1) Under the provisions of § 301.84-2b which exempts certain articles from certificate and permit requirements; or

(2) From a generally infested area to a contiguous generally infested area; or

(3) From a suppressive area to a contiguous generally infested area; or

(4) Between contiguous suppressive areas unless the person in possession of the articles has been notified by an inspector that a hazard of spread of the cereal leaf beetle exists; or

(5) Through or reshipped from any regulated area if the articles originated outside of any regulated area and if the point of origin of the articles is clearly indicated, their identity has been maintained and they have been safeguarded against infestation while in the regulated area in a manner satisfactory to the inspector; or

(c) From any area outside the regulated areas, without a certificate or permit if the regulated articles are exempt under the provisions of § 301.84-2b or if the point of origin of such movement is clearly indicated on the articles or shipping document which accompanies the articles, and if the movement is not made through any regulated area.

**§ 301.84-4 Issuance and cancellation of certificates and permits.**

(a) Certificates may be issued for any regulated articles by an inspector if he determines that they are eligible for certification for movement to any destination under all Federal domestic plant quarantines applicable to such articles and:

(1) Have originated in noninfested premises in a regulated area and have not been exposed to infestation while within the regulated areas; or

(2) Upon examination, have been found to be free of infestation; or

(3) Have been treated to destroy infestation in accordance with the treatment manual; or

<sup>2</sup> Requirements under all other applicable Federal domestic plant quarantines must also be met.

(4) Have been grown, produced, manufactured, stored, or handled in such a manner that no infestation would be transmitted thereby.

(b) Limited permits may be issued by an inspector to allow interstate movement of regulated articles, not eligible for certification under this subpart, to specified destinations for limited handling, utilization, or processing, or for treatment in accordance with the treatment manual, when upon evaluation of circumstances involved in each specific case he determines that such movement will not result in the spread of the cereal leaf beetle and requirements of other applicable Federal domestic plant quarantines have been met.

(c) Restricted destination permits may be issued by an inspector to allow the interstate movement (for other than scientific purposes) of regulated articles to any destination permitted under all applicable Federal domestic plant quarantines if such articles are not eligible for certification under all such quarantines but would otherwise qualify for certification under this subpart.

(d) Scientific permits may be issued by the Director to allow the interstate movement of regulated articles for scientific purposes under such conditions as may be prescribed in each specific case by the Director.

(e) Certificate, limited permit and restricted destination permit forms may be issued by an inspector to any person for use by the latter for subsequent shipments provided such person is operating under a compliance agreement; and any such person may be authorized by an inspector to reproduce such forms on shipping containers or otherwise. Any such person may use the certificate forms, or reproductions of such forms, for the interstate movement of regulated articles from the premises of such person identified in the compliance agreement if such person has made appropriate determinations as specified in paragraph (a) of this section with respect to such articles. Any such person may use the limited permit forms, or reproductions of such forms, for interstate movement of regulated articles to specified destinations authorized by the inspector in accordance with paragraph (b) of this section. Any such person may use the restricted destination permit forms, or reproductions of such forms, for the interstate movement of regulated articles not eligible for certification under all Federal domestic plant quarantines applicable to such articles, under the conditions specified in paragraph (c) of this section.

(f) Any certificate or permit which has been issued or authorized may be withdrawn by the inspector if he determines that the holder thereof has not complied with any condition for the use of such document imposed by this subpart.

**§ 301.84-5 Compliance agreements; and cancellation thereof.**

(a) Any person engaged in the business of growing, handling, or moving

regulated articles may enter into a compliance agreement to facilitate the movement of such articles under this subpart. Compliance agreement forms may be obtained from the Director or an inspector.

(b) Any compliance agreement may be canceled by the inspector who is supervising its enforcement whenever he finds, after notice and reasonable opportunity to present views has been accorded to the other party thereto, that such other party has failed to comply with the conditions of the agreement.

**§ 301.84-6 Assembly and inspection of regulated articles.**

Persons (other than those authorized to use certificates, limited permits, or restricted destination permits, or reproductions thereof, under § 301.84-4(e)) who desire to move interstate regulated articles which must be accompanied by a certificate or permit shall, as far in advance as possible, request an inspector to examine the articles prior to movement. Such articles shall be assembled at such points and in such a manner as the inspector designates to facilitate inspection.

**§ 301.84-7 Attachment and disposition of certificates or permits.**

(a) If a certificate or permit is required for the interstate movement of regulated articles, the certificate or permit shall be securely attached to the outside of the container in which such articles are moved, except that, where the certificate or permit is attached to the waybill or other shipping document, and the regulated articles are adequately described on the certificate, permit or shipping document, the attachment of the certificate or permit to each container of the articles is not required.

(b) In all cases, certificates or permits shall be furnished by the carrier to the consignee at the destination of the shipment.

**§ 301.84-8 Inspection and disposal of regulated articles and pests.**

Any properly identified inspector is authorized to stop and inspect, and to seize, destroy, or otherwise dispose of, or require disposal of regulated articles and cereal leaf beetles as provided in section 10 of the Plant Quarantine Act (7 U.S.C. 164a) and section 105 of the Plant Pest Act (7 U.S.C. 150dd), in accordance with instructions issued by the Director.

**§ 301.84-9 Movement of live cereal leaf beetles.**

Regulations requiring a permit for, and otherwise governing the movement of live cereal leaf beetles in interstate or foreign commerce are contained in the Federal Plant Pest Regulations in Part 330 of this chapter. Applications for permits for the movement of the pest may be made to the Director.

**§ 301.84-10 Nonliability of the Department.**

The U.S. Department of Agriculture disclaims liability for any costs incident to inspections or compliance with the

provisions of the quarantine and regulations in this subpart, other than for the services of the inspector.

This document shall become effective April 1, 1969. It imposes restrictions that are necessary in order to prevent the dissemination of the cereal leaf beetle. Therefore, it should be made effective at the earliest practicable date in order to accomplish its purpose in the public interest. Accordingly, it is found under the administrative procedure provisions of 5 U.S.C. 553, that further notice and other public procedure with respect to this document are unnecessary and impracticable, and good cause is found for making this document effective less than 30 days after its publication in the FEDERAL REGISTER.

Done at Washington, D.C., this 21st day of March 1969.

R. J. ANDERSON,  
Acting Administrator,  
Agricultural Research Service.

[F.R. Doc. 69-3618; Filed, Mar. 26, 1969;  
8:49 a.m.]

**PART 301—DOMESTIC QUARANTINE NOTICES**

**Subpart—Cereal Leaf Beetle**

**REGULATED AREAS**

Under the authority of § 301.84-2 of the Cereal Leaf Beetle Quarantine regulations (7 CFR 301.84-2, 34 F.R. 5711), a supplemental regulation designating regulated areas is hereby issued to appear in 7 CFR 301.84-2a, as follows:

**§ 301.84-2a Regulated areas.**

The civil divisions, and parts of civil divisions, described below, are designated as cereal leaf beetle regulated areas within the meaning of the provisions in this subpart:

**ILLINOIS**

- Champaign County. Secs. 13, 14, 15, 22, 23, 24, 25, 26, 27, 34, 35, and 36, T. 19 N., R. 9 E.; secs. 4, 5, 8, 9, 16, and 17, T. 20 N., R. 14 W.; and secs. 4 and 9, T. 22 N., R. 14 W.
- Clark County. Secs. 22, 23, and 24, T. 12 N., R. 13 W.; and sec. 19, T. 12 N., R. 12 W.
- Cook County. T. 35 N., R. 13 E.; T. 35 N., R. 14 E.; and secs. 5, 6, 7, 8, 17, 18, 19, 20, 29, 30, 31, and 32, T. 35 N., R. 15 E.
- Douglas County. Secs. 28 and 33, T. 16 N., R. 14 W.
- Ford County. Secs. 5, 7, 18, and 19, T. 27 N., R. 9 E.; and secs. 28 and 33, T. 23 N., R. 14 W.
- Grundy County. Secs. 22, 23, 24, 25, 26, 27, 34, 35, and 36, T. 34 N., R. 7 E.; and secs. 19, 30, and 31, T. 34 N., R. 8 E.
- Iroquois County. Secs. 30 and 31, T. 24 N., R. 12 W.; and secs. 25, 26, 27, 34, 35, and 36, T. 24 N., R. 13 W.
- Livingston County. Secs. 1, 2, 3, 10, 11, 12, 13, 14, 15, 22, 23, and 24, T. 27 N., R. 8 E.; and secs. 8, 9, 10, 11, 14, 15, 16, 17, 20, 21, 22, and 23, T. 28 N., R. 8 E.
- Moultrie County. Secs. 2, 3, and 4, T. 13 N., R. 4 E.; secs. 21, 22, 23, 26, 27, 28, 33, 34, and 35, T. 14 N., R. 4 E.; and sec. 11, T. 12 N., R. 5 E.
- Shelby County. Secs. 9, 10, 14, 15, 16, 21, 22, 23, 26, 27, and 28, T. 12 N., R. 5 E.
- Will County. T. 33 N., R. 12 E.; T. 34 N., R. 12 E.; T. 35 N., R. 12 E.; T. 33 N., R. 13 E.; T. 34 N., R. 13 E.; T. 33 N., R. 14 E.; T. 34 N.,

- R. 14 E.; and secs. 5, 6, 7, 8, 17, 18, 19, 20, 29, 30, 31, and 32, T. 33 N., R. 15 E.; and secs. 5, 6, 7, 8, 17, 18, 19, 20, 29, 30, 31, and 32, T. 34 N., R. 15 E.

**INDIANA**

- Adams County. The entire county.
- Allen County. The entire county.
- Bartholomew County. The entire county.
- Benton County. The entire county.
- Blackford County. The entire county.
- Boone County. The entire county.
- Brown County. The entire county.
- Carroll County. The entire county.
- Cass County. The entire county.
- Clay County. The entire county.
- Clinton County. The entire county.
- Dearborn County. The entire county.
- Decatur County. The entire county.
- De Kalb County. The entire county.
- Delaware County. The entire county.
- Elkhart County. The entire county.
- Fayette County. The entire county.
- Fountain County. The entire county.
- Franklin County. The entire county.
- Fulton County. The entire county.
- Grant County. The entire county.
- Hamilton County. The entire county.
- Hancock County. The entire county.
- Hendricks County. The entire county.
- Henry County. The entire county.
- Howard County. The entire county.
- Huntington County. The entire county.
- Jackson County. The entire county.
- Jasper County. The entire county.
- Jay County. The entire county.
- Jefferson County. The entire county.
- Jennings County. The entire county.
- Johnson 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.
- Madison County. The entire county.
- Marion County. The entire county.
- Marshall County. The entire county.
- Miami County. The entire county.
- Monroe County. The entire county.
- Montgomery County. The entire county.
- Morgan County. The entire county.
- Newton County. The entire county.
- Nobel County. The entire county.
- Ohio County. The entire county.
- Owen County. The entire county.
- Parke County. The entire county.
- Porter County. The entire county.
- Pulaski County. The entire county.
- Putnam County. The entire county.
- Randolph County. The entire county.
- Ripley County. The entire county.
- Rush County. The entire county.
- Shelby County. The entire county.
- Starke County. The entire county.
- Stauben County. The entire county.
- St. Joseph County. The entire county.
- Switzerland County. The entire county.
- Tippecanoe County. The entire county.
- Tipton County. The entire county.
- Union County. The entire county.
- Vermillion County. The entire county.
- Vigo County. The entire county.
- Wabash County. The entire county.
- Warren County. The entire county.
- Wayne County. The entire county.
- Wells County. The entire county.
- White County. The entire county.
- Whitley County. The entire county.

**MICHIGAN**

- Alcona County. The entire county.
- Allegan County. The entire county.
- Alpena County. The entire county.
- Antrim County. The entire county.
- Arenac County. The entire county.
- Barry County. The entire county.
- Bay County. The entire county.
- Benzie County. The entire county.
- Berrien County. That portion of the county lying outside the Benton Harbor Wholesale

Fruit Market in Benton Harbor. The market is bounded by Territorial Road, Red Arrow Highway, and Crystal Avenue.

- Branch County. The entire county.
- Calhoun County. The entire county.
- Cass County. The entire county.
- Charlevoix County. The entire county.
- Cheboygan County. The entire county.
- Clare County. The entire county.
- Clinton County. The entire county.
- Crawford County. The entire county.
- Eaton County. The entire county.
- Emmet County. The entire county.
- Genesee County. The entire county.
- Gladwin County. The entire county.
- Grand Traverse County. The entire county.
- Gratiot County. The entire county.
- Hillsdale County. The entire county.
- Huron County. The entire county.
- Ingham County. The entire county.
- Ionia County. The entire county.
- Iosco County. The entire county.
- Isabella County. The entire county.
- Jackson County. The entire county.
- Kalamazoo County. The entire county.
- Kalkaska County. The entire county.
- Kent County. The entire county.
- Lake County. The entire county.
- Lapeer County. The entire county.
- Leelanau County. The entire county.
- Lenawee County. The entire county.
- Livingston County. The entire county.
- Macomb County. The entire county.
- Manistee County. The entire county.
- Mason County. The entire county.
- Mecosta County. The entire county.
- Midland County. The entire county.
- Missaukee County. The entire county.
- Monroe County. The entire county.
- Montcalm County. The entire county.
- Montmorency County. The entire county.
- Muskegon County. The entire county.
- Newaygo County. The entire county.
- Oakland County. The entire county.
- Oceana County. The entire county.
- Ogemaw County. The entire county.
- Osceola County. The entire county.
- Oscoda County. The entire county.
- Otsego County. The entire county.
- Ottawa County. The entire county.
- Presque Isle County. The entire county.
- Roscommon County. The entire county.
- Saginaw County. The entire county.
- Sanilac County. The entire county.
- Shiawassee County. The entire county.
- St. Clair County. The entire county.
- St. Joseph County. The entire county.
- Tuscola County. The entire county.
- Van Buren County. The entire county.
- Washtenaw County. The entire county.
- Wayne County. The entire county.
- Wexford County. The entire county.

**OHIO**

All counties in the State.

**PENNSYLVANIA**

- Allegheny County. The entire county.
- Armstrong County. The entire county.
- Beaver County. The entire county.
- Butler County. The entire county.
- Clarion County. The entire county.
- Crawford County. The entire county.
- Erie County. The entire county.
- Fayette County. The entire county.
- Forest County. The entire county.
- Greene County. The entire county.
- Indiana County. The entire county.
- Lawrence County. The entire county.
- Mercer County. The entire county.
- Venango County. The entire county.
- Warren County. The entire county.
- Washington County. The entire county.
- Westmoreland County. The entire county.

(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 301.84-2)

This supplemental regulation shall become effective April 1, 1969.

The Director has 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 in each case designation of less than the entire State as a regulated area will otherwise be adequate to prevent the interstate spread of the cereal leaf beetle. This determination has not been made concerning Ohio. Further, the Director of the Plant Pest Control Division has determined that infestations of the cereal leaf beetle exist or are likely to exist in the civil divisions and parts of civil divisions, in Illinois, Indiana, Michigan, and Pennsylvania, listed above, or that it is necessary to regulate such localities because of their proximity to infestation or their inseparability for quarantine enforcement purposes from infested localities. Therefore, the State of Ohio and the civil divisions and parts of civil divisions in the other States, listed above, are designated as cereal leaf beetle regulated areas.

This document imposes restrictions that are necessary in order to prevent the spread of the cereal leaf beetle. Therefore, it should be made effective at the earliest practicable date in order to accomplish its purpose in the public interest. Accordingly, it is found under the administrative procedure provisions of 5 U.S.C. 553, that notice and other public procedure with respect to the foregoing regulation are unnecessary and impracticable, and good cause is found for making the regulation effective less than 30 days after publication in the FEDERAL REGISTER.

Done at Hyattsville, Md., this 21st day of March 1969.

D. R. SHEPHERD,  
Director,  
Plant Pest Control Division.

[F.R. Doc. 69-3620; Filed, Mar. 26, 1969;  
8:49 a.m.]

## PART 301—DOMESTIC QUARANTINE NOTICES

### Subpart—Cereal Leaf Beetle

#### EXEMPTIONS

Under authority of § 301.84-2 of the Cereal Leaf Beetle Quarantine regulations (7 CFR 301.84-2, 34 F.R. 5711), a supplemental regulation exempting certain articles from specified requirements of the regulations is hereby issued to appear in 7 CFR 301.84-2b as set forth below. The Director of the Plant Pest Control Division has found that facts exist as to the pest risk involved in the movement of such articles which make it safe to relieve the requirements as provided therein.

#### § 301.84-2b Exempted articles.

(a) The following articles are exempt<sup>1</sup> from the certification and permit requirements of this subpart if they meet the applicable conditions prescribed in subparagraphs (1) through (3) of this paragraph and have not been exposed to infestation after cleaning or other handling as prescribed in said subparagraphs:

(1) Small grains (except oats and barley), if cleaned to meet seed sales requirements of the State of origin.

(2) Grass and forage seed if cleaned to meet State seed sales requirements of the State of origin.

(3) Soybeans if transported in covered vehicles and moved to designated plants.<sup>2</sup>

(b) The following articles are exempt<sup>1</sup> from the certification, permit, and other requirements of this subpart under the applicable conditions prescribed in subparagraphs (1) through (5) of this paragraph:

(1) Small grains such as barley, oats, and wheat from December 1 of any year through the following May 31.

(2) Soybeans from March 16 of any year through the following August 31.

(3) Ear corn, other than sweet or fresh market corn, from April 1 of any year through the following July 31.

(4) Hay, except marsh hay, from January 16 of any year through the following May 31.

(5) Straw and marsh hay from March 1 of any year through the following June 30.

(Secs. 8 and 9, 37 Stat. 318, sec. 108, 71 Stat. 33, 7 U.S.C. 161, 162, 150ee; 29 F.R. 10210, as amended; 7 CFR 301.84-2)

This list of exempted articles shall become effective April 1, 1969.

This document relieves certain restrictions which are not deemed necessary in order to prevent the interstate spread of the cereal leaf beetle. It should be made effective at the earliest practicable date in order to be of maximum benefit to persons subject to the restrictions being relieved. Accordingly, it is found under the administrative procedure provisions in 5 U.S.C. 553, that notice and other public procedure with respect to this document are unnecessary and impracticable and good cause is found for making this document effective less than 30 days after publication in the FEDERAL REGISTER.

Done at Hyattsville, Md., this 21st day of March 1969.

D. R. SHEPHERD,  
Director,  
Plant Pest Control Division.

[F.R. Doc. 69-3619; Filed, Mar. 26, 1969;  
8:49 a.m.]

<sup>1</sup> The articles hereby exempted remain subject to applicable restrictions under other quarantines.

<sup>2</sup> Any plant is eligible for designation under this subpart if the operator thereof applies approved pesticides as outlined by an inspector, and enters a compliance agreement (as defined in § 301.84-1(c)). Information as to designated plants may be obtained from the inspector.

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

[Navel Orange Reg. 175]

### PART 907—NAVEL ORANGES GROWN IN ARIZONA AND DESIGNATED PART OF CALIFORNIA

#### Limitation of Handling

##### § 907.475 Navel Orange Regulation 175.

(a) *Findings.* (1) Pursuant to the marketing agreement, as amended, and Order No. 907, as amended (7 CFR Part 907, 33 F.R. 15471), regulating the handling of Navel oranges grown in Arizona and designated part of California, effective under the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601-674), and upon the basis of the recommendations and information submitted by the Navel Orange Administrative Committee, established under the said amended marketing agreement and order, and upon other available information, it is hereby found that the limitation of handling of such Navel oranges, as hereinafter provided, will tend to effectuate the declared policy of the act.

(2) It is hereby further found that it is impracticable and contrary to the public interest to give preliminary notice, engage in public rule-making procedure, and postpone the effective date of this section until 30 days after publication hereof in the FEDERAL REGISTER (5 U.S.C. 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 Navel oranges and the need for regulation; interested persons were afforded an opportunity to submit information and views at this meeting; the recommendation and supporting information for regulation during the period specified herein were promptly submitted to the Department after such meeting was held; the provisions of this section, including its effective time, are identical with the aforesaid recommendation of the committee, and information concerning such provisions and effective time has been disseminated among handlers of such Navel oranges; it is necessary, in order to effectuate the declared policy of the act, to make this section effective during the period herein specified; and compliance with this section will not require any special preparation on the part of persons subject hereto which cannot be

completed on or before the effective date hereof. Such committee meeting was held on March 25, 1969.

(b) *Order.* (1) The respective quantities of Navel oranges grown in Arizona and designated part of California which may be handled during the period March 28, 1969, through April 3, 1969, are hereby fixed as follows:

- (i) District 1: 888,000 cartons;
  - (ii) District 2: 312,000 cartons;
  - (iii) District 3: Unlimited movement.
- (2) As used in this section, "handled," "District 1," "District 2," "District 3," and "carton" have the same meaning as when used in said amended marketing agreement and order.

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

Dated: March 26, 1969.

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

[F.R. Doc. 69-3737; Filed, Mar. 26, 1969;  
11:28 a.m.]

[Valencia Orange Reg. 268]

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

**Limitation of Handling**

§ 908.568 Valencia Orange Regulation  
268.

(a) *Findings.* (1) Pursuant to the marketing agreement, as amended, and Order No. 908, as amended (7 CFR Part 908, 33 F.R. 19829), regulating the handling of Valencia oranges grown in Arizona and designated part of California, effective under the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601-674), and upon the basis of the recommendations and information submitted by the Valencia Orange Administrative Committee, established under the said amended marketing agreement and order, and upon other available information, it is hereby found that the limitation of handling of such Valencia oranges, as hereinafter provided, will tend to effectuate the declared policy of the act.

(2) It is hereby further found that it is impracticable and contrary to the public interest to give preliminary notice, engage in public rule-making procedure, and postpone the effective date of this section until 30 days after publication hereof in the FEDERAL REGISTER (5 U.S.C. 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 Valencia oranges and the need for regulation; interested persons were afforded an opportunity to submit information and views at this meeting; the recommendation and supporting information for regulation during the period specified herein were promptly submitted to the Department after such meeting was held; the provisions of this section, including its effective time, are identical with the aforesaid recommendation of the committee, and information concerning such provisions and effective time has been disseminated among handlers of such Valencia oranges; it is necessary, in order to effectuate the declared policy of the act, to make this section effective during the period herein specified; and compliance with this section will not require any special preparation on the part of persons subject hereto which cannot be completed on or before the effective date hereof. Such committee meeting was held on March 25, 1969.

(b) *Order.* (1) The respective quantities of Valencia oranges grown in Arizona and designated part of California which may be handled during the period March 28, 1969, through April 3, 1969, are hereby fixed as follows:

- (i) District 1: 29,163 cartons;
  - (ii) District 2: 10,050 cartons;
  - (iii) District 3: 250,000 cartons.
- (2) As used in this section, "handler," "District 1," "District 2," "District 3," and "carton" have the same meaning as when used in said amended marketing agreement and order.

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

Dated: March 26, 1969.

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

[F.R. Doc. 69-3738; Filed, Mar. 26, 1969;  
11:28 a.m.]

**Chapter XIV—Commodity Credit Corporation, Department of Agriculture**

**SUBCHAPTER B—LOANS, PURCHASES, AND OTHER OPERATIONS**

[CCC Grain Price Support Regs., 1968-Crop Dry Edible Bean Supp., Amdt. 1]

**PART 1421—GRAINS AND SIMILARLY HANDLED COMMODITIES**

**Subpart—1968-Crop Dry Edible Bean Loan and Purchase Program**

**MATURITY OF LOANS**

The regulations issued by the Commodity Credit Corporation published in 33 F.R. 8649 and containing specific requirements of the 1968-crop dry edible bean price support program are hereby amended as follows:

Section 1421.2482 is amended to extend the maturity date from April 30, 1969, to June 30, 1969, at the option of the producer and reads as follows:

**§ 1421.2482 Maturity of loans.**

Unless demand is made earlier, loans on dry edible beans will mature on April 30, 1969, except that loans will mature, subject to earlier demand, on June 30, 1969, in cases where the producer requests such later maturity date no later than April 30, 1969.

(Sec. 4, 62 Stat. 1070, as amended; 15 U.S.C. 714b. Interpret or apply sec. 5, 62 Stat. 1072, secs. 301, 401, 63 Stat. 1053, 15 U.S.C. 714c, 7 U.S.C. 1421, 1441)

Effective upon publication in the FEDERAL REGISTER.

Signed at Washington, D.C., on March 20, 1969.

CARROLL G. BRUNTHAVER,  
Acting Executive Vice President,  
Commodity Credit Corporation.

[F.R. Doc. 69-3647; Filed, Mar. 26, 1969;  
8:52 a.m.]

**Title 12—BANKS AND BANKING**

**Chapter V—Federal Home Loan Bank Board**

**SUBCHAPTER C—FEDERAL SAVINGS AND LOAN SYSTEM**

[No. 22,878]

**PART 545—OPERATIONS**

**Notice Accounts and Deposits**

MARCH 24, 1969.

Resolved that the Federal Home Loan Bank Board, upon the basis of consideration by it of the advisability of amending Part 545 of the rules and regulations for the Federal Savings and Loan System (12 CFR Part 545) to authorize certain Federal savings and loan associations to issue accounts and deposits evidenced by notice books, and for the purpose of effecting such amendment, hereby amends said Part 545 as follows:

1. Subparagraph (2) of paragraph (b) of § 545.1-2 of the rules and regulations for the Federal Savings and Loan System is hereby amended to read as follows, effective June 1, 1969:

**§ 545.1-2 Savings deposits.**

(b) *Savings deposits.* \* \* \*  
(2) *Terms of savings deposits; membership and voting rights.* Except as provided in subparagraph (3) of this paragraph (b), savings deposits authorized by this section shall be upon the same terms and conditions and have the same characteristics as if they were savings accounts authorized by and subject to the provisions of the association's charter other than the charter provision aforesaid and the provisions of this subchapter other than this section, but, in the case of a deposit association whose charter does not include the provision set forth

in paragraph (b) of § 544.8 of this subchapter, such charter shall, for the purposes of this sentence, be deemed to include said provision. Holders of such savings deposits shall, to the same extent as if their holdings of such savings deposits were holdings of such savings accounts, be members of the association and have voting rights.

2. Paragraph (b) of § 545.3-1 of the rules and regulations for the Federal Savings and Loan System is hereby amended to read as follows, effective April 1, 1969:

§ 545.3-1 Distribution of earnings at variable rates.

(b) *Eligibility requirements.* The board of directors may, by resolution, provide for the distribution of earnings at a rate or rates higher than the regular rate only on savings accounts which meet the minimum requirements fixed by the board of directors pursuant to subparagraphs (1), (2), and (3) of this paragraph and such additional requirements as the board of directors may impose, except that the board of directors shall not authorize the issuance of accounts evidenced by notice-account books pursuant to subparagraph (2) of this paragraph unless the association's charter contains the sentence specified in paragraph (b) of § 544.8 of Part 544 of this Chapter V or the charter provision set forth in paragraph (a) of § 545.1-3 of Part 545 of this Chapter V.

(Sec. 5, 48 Stat. 132, as amended; 12 U.S.C. 1464, Recog. Plan No. 3 of 1947, 12 F.R. 4981, 3 CFR, 1943-1948 Comp., p. 1071)

Resolved further that, since affording notice and public procedure on the above amendments would delay the amendments from becoming effective for a period of time and since it is in the public interest for the additional authority granted in the amendments to become effective without delay, the Board hereby finds that notice and public procedure on said amendments are contrary to the public interest under the provisions of § 508.11 of the general regulations of the Federal Home Loan Bank Board and 5 U.S.C. 553(b); and publication of said amendments for the period specified in § 508.14 of the general regulations of the Federal Home Loan Bank Board and 5 U.S.C. 553(d) prior to the effective date of said amendments would in the opinion of the Board likewise be contrary to the public interest for the same reason, and the Board hereby so finds; and the Board hereby provides that said amendments shall become effective as hereinbefore set forth.

By the Federal Home Loan Bank Board.

[SEAL]

JACK CARTER,  
Secretary.

[F.R. Doc. 69-3650; Filed, Mar. 26, 1969; 8:52 a.m.]

## Title 14—AERONAUTICS AND SPACE

### Chapter I—Federal Aviation Administration, Department of Transportation

#### SUBCHAPTER E—AIRSPACE

[Airspace Docket No. 68-EA-143]

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

#### Alteration of Transition Area

On page 1564 of the FEDERAL REGISTER for January 31, 1969, the Federal Aviation Administration published proposed regulations which would alter the Jefferson, Ohio, transition area.

Interested parties were given 30 days after publication in which to submit written data or views. No objections to the proposed regulations have been received.

In view of the foregoing, the proposed regulations are hereby adopted effective 0901 G.m.t., May 29, 1969.

(Sec. 307(a), Federal Aviation Act of 1958 (72 Stat. 749; 49 U.S.C. 1348); sec. 6(c), DOT Act (49 U.S.C. 1655(c)))

Issued in Jamaica, N.Y., on March 13, 1969.

R. M. BROWN,  
Acting Director, Eastern Region.

Amend § 71.181 of Part 71 of the Federal Aviation Regulations by deleting in the description of the Jefferson, Ohio, transition area the phrase "VOR 061" radial extending from the 5-mile radius area to 8 miles northeast of the VOR." and insert the following in lieu thereof:

VORTAC 061° radial extending from the Ashtabula-Jefferson Airport 5-mile radius area to 8 miles northeast of the VORTAC; within a 5-mile radius of the center 41°46'40" N., 80°41'50" W., of Ashtabula County Airport, Ashtabula, Ohio, and within 2 miles each side of the Jefferson, Ohio, VORTAC 243° radial, extending from the VORTAC to 8 miles southwest of the VORTAC.

[F.R. Doc. 69-3611; Filed, Mar. 26, 1969; 8:49 a.m.]

[Airspace Docket No. 69-EA-1]

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

#### Designation of Transition Area

On page 1566 of the FEDERAL REGISTER for January 31, 1969, the Federal Aviation Administration published proposed regulations which would designate a Bennington, Vt., transition area over Bennington Municipal Airport.

Interested parties were given 30 days after publication in which to submit written data or views. No objections to the proposed regulations have been received. A recent action by the State of

Vermont requires changing the name of the Bennington Municipal Airport to Bennington State Airport.

In view of the foregoing, the proposed regulations are hereby adopted effective 0901 G.m.t., May 29, 1969.

(Sec. 307(a), Federal Aviation Act of 1958 (72 Stat. 749; 49 U.S.C. 1348); sec. 6(c), Department of Transportation Act (49 U.S.C. 1655(c)))

Issued in Jamaica, N.Y., on March 13, 1969.

R. M. BROWN,  
Acting Director, Eastern Region.

Amend § 71.181 of Part 71 of the Federal Aviation Regulations so as to designate a Bennington, Vt., transition area described as follows:

BENNINGTON, VT.

That airspace extending upward from 700 feet above the surface within a 5-mile radius of the center 42°53'30" N., 73°14'50" W. of Bennington State Airport, Bennington, Vt., and within 2 miles each side of the Cambridge, N.Y., VOR 145° radial, extending from the 5-mile radius area to the VOR. This transition area is effective from sunrise to sunset, daily.

[F.R. Doc. 69-3612; Filed, Mar. 26, 1969; 8:49 a.m.]

[Airspace Docket No. 69-SO-7]

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

#### Designation of Control Zone and Alteration of Transition Area

##### Correction

In F.R. Doc. 69-3347 appearing at page 5431 in the issue of Thursday, March 20, 1969, the docket number should read as set forth above.

#### SUBCHAPTER F—AIR TRAFFIC AND GENERAL OPERATING RULES

[Reg. Docket No. 9492; Amdt. 95-173]

### PART 95—IFR ALTITUDES

#### Miscellaneous Amendments

The purpose of this amendment to Part 95 of the Federal Aviation Regulations is to make changes in the IFR altitudes at which all aircraft shall be flown over a specified route or portion thereof. These altitudes, when used in conjunction with the current change-over points for the routes or portions thereof, also assure navigational coverage that is adequate and free of frequency interference for that route or portion thereof.

As a situation exists which demands immediate action in the interest of safety, I find that compliance with the notice and procedure provisions of the Administrative Procedure Act is impracticable and that good cause exists for making this amendment effective within less than 30 days from publication.

In consideration of the foregoing and pursuant to the authority delegated to me by the Administrator (24 F.R. 5662), Part 95 of the Federal Aviation Regulations is amended, effective May 1, 1969, as follows:

1. By amending Subpart C as follows:

*From, To, and MEA*

Section 95.1001 *Direct routes—United States* is amended to delete:

- Crab INT, Fla.; Neptune INT, Fla.; \*\*2,000. \*5,000—MRA. \*\*1,300—MOCA.
- Cutler INT, Fla.; Biscayne, Fla., VOR; \*1,500. \*1,100—MOCA.
- Egmont Keys, Fla., NDB; Crab INT, Fla.; \*2,000. \*1,200—MOCA.
- Golden Beach INT, Fla.; Miami, Fla., VOR; 2,000.
- Goshen INT, Ala.; Montgomery, Ala., VOR; 3,500.
- Int. 296° M rad, BSY and 147° M rad., MIA; Miami, Fla., MFA ILS localizer; crs; \*1,500. \*1,300—MOCA.
- Jacksonville, Fla., VOR; Gainesville, Fla., VOR; 18,000, MAA—4,500.
- Key West, Fla., LFR; Sea Lion INT, Fla.; \*2,000. \*1,300—MOCA.
- Marathon, Fla., LP/RBN; Balboa INT, Fla.; \*2,000. \*1,200—MOCA.
- Neptune, INT, Fla.; Grand Isle, La., NDB; \*2,000. \*1,300—MOCA.
- Nimrod INT, Fla.; Hallbut INT, Fla.; 5,000.
- Panama City, Fla., VOR, North Gate INT, Fla.; \*1,800. \*1,500—MOCA.

*Panama Routes*

- V-2: Juliette—2; France, Field, Canal Zone, VOR; \*10,000. \*1,300—MOCA.
- V-3: Quebec—3; France Field, Canal Zone, VOR; \*10,500. \*1,300—MOCA.
- V-4: Zulu—3; France Field, Canal Zone, VOR; \*12,500. \*1,300—MOCA.

Section 95.1001 *Direct routes—United States* is amended by adding:

- Crab INT, Fla.; Egmont Key, Fla., NDB; \*2,000. \*1,200—MOCA.
- Florence, S.C., VOR; via FLO 148°/CRE 277°; Myrtle Beach, S.C., VOR; \*2,500. \*1,600—MOCA.
- Gossett INT, Ala.; La Grange, Ga., VOR; \*4,000. \*2,600—MOCA.
- Grand Isle, La., NDB; \*Neptune INT, Fla.; \*\*2,000. \*5,000—MRA. \*\*1,300—MOCA.
- Neptune INT, Fla.; Crab INT, Fla.; \*\*2,000. \*5,000—MRA. \*\*1,300—MOCA.
- Panama City, Fla., VOR; Greenhead INT, Fla.; \*1,800. \*1,500—MOCA.
- \*Redding, Calif., VOR; Tomhead INT, Calif., northeastbound 6,000; southwestbound 9,000. \*5,000—MCA Redding VOR, southwestbound.

Section 95.1001 *Direct routes—United States* is amended to read in part:

- Florence, S.C., VOR; Myrtle Beach, S.C., VOR; \*2,000. \*1,600—MOCA.
- Gainesville, Fla., VOR; Jacksonville, Fla., VOR; 2,000, 45,000—MAA.
- Greenhead INT, Fla.; Marianna, Fla., VOR; 1,500.
- Panama City, Fla., VOR; Greenhead INT, Fla.; \*1,800. \*1,500—MOCA.

*Puerto Rico Routes*

- Route 7: Georgia INT, P.R.; Point Tuna INT, P.R.; \*6,000. \*2,700—MOCA.

*From, To, and MEA*

Section 95.6003 *VOR Federal airway 3* is amended to read in part:

- Raleigh, Durham, N.C., VOR; Harvey INT, Va.; \*3,000. \*1,700—MOCA.
- Harvey INT, Va.; Nutbush INT, Va.; 2,500.

Section 95.6006 *VOR Federal airway 6* is amended to read in part:

- Cordova, Ill., VOR; Allen INT, Ill.; \*2,400. \*2,100—MOCA.
- Allen INT, Ill.; Shabbona INT, Ill.; \*2,500. \*2,100—MOCA.

Section 95.6008 *VOR Federal airway 8* is amended to delete:

- Omaha, Nebr., VOR via S alter.; Elliott INT, Iowa, via S alter.; \*3,000. \*2,400—MOCA.
- Elliott INT, Iowa, via S alter.; Winterset INT, Iowa, via S alter.; \*3,600. \*2,600—MOCA.
- Winterset INT, Iowa, via S alter.; Des Moines, Iowa, VOR via S alter.; \*2,700. \*2,300—MOCA.
- Des Moines, Iowa, VOR via S alter.; Beech INT, Iowa, via S alter.; \*2,500. \*2,200—MOCA.
- Beech INT, Iowa, via S alter.; Knoxville INT, Iowa, via S alter.; \*2,700. \*2,200—MOCA.
- Knoxville INT, Iowa, via S alter.; Bussey INT, Iowa, via S alter.; \*2,700. \*2,200—MOCA.
- Bussey INT, Iowa, via S alter.; Iowa City, Iowa, VOR via S alter.; \*2,700. \*2,200—MOCA.

Section 95.6008 *VOR Federal airway 8* is amended to read in part:

- Cordova, Ill., VOR; Allen INT, Ill.; \*2,400. \*2,100—MOCA.
- Allen INT, Ill.; Shabbona INT, Ill.; \*2,500. \*2,100—MOCA.

Section 95.6014 *VOR Federal airway 14* is amended to read in part:

- Shawnee INT, Okla., via S alter.; Sapulpa INT, Okla., via S alter.; \*5,500. \*2,400—MOCA.
- Tulsa, Okla., VOR; Adair INT, Okla.; \*2,500. \*2,200—MOCA.
- Tulsa, Okla., VOR; via N alter.; Vinita INT, Okla., via N alter.; \*2,600. \*2,200—MOCA.

Section 95.6017 *VOR Federal airway 17* is amended to read in part:

- Gage, Okla., VOR; Meade INT, Kans.; \*4,400. \*3,800—MOCA.

Section 95.6019 *VOR Federal airway 19* is amended to read in part:

- Newman, Tex., VOR; \*Morgan INT, N. Mex.; 9,000. \*10,000—MRA.
- Morgan INT, N. Mex.; Truth or Consequences, N. Mex., VOR; 10,000.

Section 95.6038 *VOR Federal airway 38* is amended to read in part:

- Moline, Ill., VOR; Geneseo INT, Ill., 2,800.
- Geneseo INT, Ill.; Wyanet INT, Ill.; \*2,500. \*2,100—MOCA.
- Wyanet INT, Ill.; \*Triumph INT, Ill.; \*\*3,800. \*3,800—MCA Triumph INT, westbound. \*\*2,000—MOCA.

Section 95.6040 *VOR Federal airway 40* is amended to read in part:

- Briggs, Ohio, VOR; Chester INT, W. Va.; 4,000.
- Chester INT, W. Va.; Imperial, Pa., VOR; 3,000.

Section 95.6042 *VOR Federal airway 42* is amended to read in part:

- Bloomer INT, Mich., via E alter.; Dyke INT, Mich., via E alter.; \*2,700. \*2,300—MOCA.

*From, To, and MEA*

Section 95.6043 *VOR Federal airway 43* is amended by adding:

- Tiverton, via W alter., Ohio, VOR; Dalton INT, Ohio, via W alter.; 2,900.
- Dalton INT, Ohio, via W alter.; Akron, Ohio, VOR via W alter.; 2,800.
- Akron, Ohio, VOR via W alter.; Youngstown, Ohio, VOR via W alter.; 2,900.

Section 95.6064 *VOR Federal airway 64* is amended to read in part:

- \*Perris INT, Calif.; Coral INT, Calif.; \*\*12,000. \*11,000—MCA Perris INT, eastbound. \*\*10,200—MOCA.
- Coral INT, Calif.; \*Thermal, Calif., VOR, eastbound \*\*8,000, westbound \*\*12,000. \*12,000—MCA Thermal VOR, westbound. \*\*7,500—MOCA.

Section 95.6082 *VOR Federal airway 82* is amended to read in part:

- Randolph INT, Wis.; Timmerman, Wis., VOR; \*3,100. \*2,600—MOCA.

Section 95.6084 *VOR Federal airway 84* is amended to delete:

- Malta INT, Ill.; Chicago O'Hare, Ill., VOR; \*4,000. \*2,500—MOCA.

Section 95.6084 *VOR Federal airway 84* is amended by adding:

- Malta INT, Ill.; Northbrook, Ill., VOR; \*3,000. \*2,200—MOCA.

Section 95.6084 *VOR Federal airway 84* is amended to read in part:

- Northbrook, Ill., VOR; Papi INT, Ill.; \*2,500. \*2,000—MOCA.
- Papi INT, Ill.; \*Sturgeon INT, Ill.; \*\*2,500. \*3,000—MRA. \*\*1,800—MOCA.
- Sturgeon INT, Ill.; \*Tadpole INT, Mich.; \*\*2,500. \*3,200—MRA. \*\*1,600—MOCA.
- Tadpole INT, Mich.; Pullman, Mich., VOR; \*2,500. \*1,900—MOCA.
- Pullman, Mich., VOR; Orangeville INT, Mich.; 2,900.
- Orangeville INT, Mich.; Lansing, Mich., VOR; \*2,900. \*2,300—MOCA.
- Peck, Mich., VOR; United States-Canadian border; \*2,600. \*1,900—MOCA.

Section 95.6088 *VOR Federal airway 88* is amended to read in part:

- Tulsa, Okla., VOR; Vinita INT, Okla.; \*2,600. \*2,200—MOCA.

Section 95.6097 *VOR Federal airway 97* is amended by adding:

- Chicago Heights, Ill., VOR; Joliet, Ill., VOR; \*2,600. \*2,300—MOCA.
- Joliet, Ill., VOR; Lakewood INT, Ill.; \*2,500. \*2,200—MOCA.

Section 95.6100 *VOR Federal airway 100* is amended to read in part:

- Fort Dodge, Iowa, VOR; New Hartford INT, Iowa; \*2,900. \*2,700—MOCA.
- Deming, N. Mex., VOR; \*Morgan INT, N. Mex.; 9,000. \*10,000—MRA.
- Morgan INT, N. Mex.; Newman, Tex., VOR; 9,000.

Dubuque, Iowa, VOR; Lena INT, Ill.; \*2,800. \*2,600—MOCA.

Lena INT, Ill.; Rockford, Ill., VOR; \*2,800. \*2,500—MOCA.

Section 95.6102 *VOR Federal airway 102* is amended to read in part:

- Guthrie, Tex., VOR via S alter.; Int. 093° M rad, Guthrie VOR and 237° M rad, Wichita Falls VOR via S alter.; \*5,000. \*3,000—MOCA.

## From, To, and MEA

Int, 093° M rad, Guthrie VOR and 237° M rad, Wichita Falls VOR via S alter.; \*Wichita Falls, Tex., VOR via S alter.; \*\*3,000. \*3,000—MOCA Wichita Falls VOR, southwestbound. \*\*2,800—MOCA.

Section 95.6114 VOR Federal airway 114 is amended to read in part:

Fruitvale INT, Tex.; Gregg County, Tex., VOR; \*2,500. \*2,000—MOCA.

Section 95.6127 VOR Federal airway 127 is amended to read in part:

Bradford, Ill., VOR; Wyandot INT, Ill.; \*2,700. \*2,100—MOCA.  
Wyandot INT, Ill.; Polo, Ill., VOR; \*2,600. \*2,000—MOCA.

Section 95.6129 VOR Federal airway 129 is amended to read in part:

Peoria, Ill., VOR; Geneseo INT, Ill.; \*2,500. \*1,900—MOCA.

Geneseo INT, Ill.; Cordova, Ill., VOR; 2,600. Cordova, Ill., VOR; Charlotte INT, Iowa; \*2,600. \*2,000—MOCA.

Section 95.6140 VOR Federal airway 140 is amended to read in part:

Herndon, Va., VOR; Dayton INT, Md.; 4,500. Dayton INT, Md.; Towson INT, Md.; 7,000. Towson INT, Md.; Bel Air INT, Md.; 4,500.

Section 95.6157 VOR Federal airway 157 is amended to read in part:

Kinston, N.C., VOR; Rocky Mount, N.C., VOR; 2,200.

Dalton INT, Va.; Appomattox, INT, Va.; 1,800.

Appomattox, INT, Va.; Richmond, Va., VOR; 1,700.

Section 95.6176 VOR Federal airway 176 is added to read:

Pontiac, Mich., VOR; United States-Canadian border; \*3,000. \*2,300—MOCA.

Section 95.6216 VOR Federal airway 216 is amended to read in part:

Charlotte INT, Iowa; Lena INT, Ill.; \*4,000. \*2,200—MOCA.

Lena INT, Ill.; Janesville, Wis., VOR; \*2,700. \*2,100—MOCA.

Section 95.6223 VOR Federal airway 223 is amended to read in part:

Herndon, Va., VOR; Mount Pleasant INT, Md.; 3,000.

Mount Pleasant INT, Md.; Keymar INT, Md.; \*5,000. \*2,700—MOCA.

Keymar INT, Md.; Harney INT, Md.; \*5,000. \*2,800—MOCA.

Harney INT, Md.; Harrisburg, Pa., VOR; 3,100.

Section 95.6224 VOR Federal airway 224 is deleted:

Section 95.6278 VOR Federal airway 278 is amended to read in part:

Guthrie, Tex., VOR; \*Westover INT, Tex.; \*\*5,000. \*5,000—MRA. \*\*3,000—MOCA.

Westover INT, Tex.; \*Archer INT, Tex.; \*\*5,000. \*4,000—MRA. \*\*3,000—MOCA.

Section 95.6285 VOR Federal airway 285 is amended by adding:

Goshen, Ind., VOR; South Bend, Ind., VOR; 2,900.

Section 95.6294 VOR Federal airway 294 is amended to read in part:

Cedar Rapids, Iowa, VOR; Solon INT, Iowa; \*2,400. \*2,000—MOCA.

## From, To, and MEA

Section 95.6297 VOR Federal airway 297 is amended to read in part:

Carleton, Mich., VOR; Livingston INT, Mich.; \*3,000. \*2,300—MOCA.

Livingston INT, Mich.; Owosso INT, Mich.; \*4,000. \*2,100—MOCA.

Section 95.6337 VOR Federal airway 337 is amended by adding:

United States-Canadian border; Dyke INT, Mich.; \*2,300. \*2,000—MOCA.

Dyke INT, Mich.; Bloomer INT, Mich.; \*2,700. \*2,300—MOCA.

Bloomer INT, Mich.; Saginaw, Mich., VOR; \*3,000. \*2,600—MOCA.

Section 95.6341 VOR Federal airway 341 is amended by adding:

Cedar Rapids, Iowa, VOR; Dubuque, Iowa, VOR; 2,800.

Section 95.6402 Hawaii VOR Federal airway 2 is amended to read in part:

Honolulu, Hawaii, VOR; Palmtree INT, Hawaii; 4,000.

Palmtree INT, Hawaii; Penguin INT, Hawaii; 2,000.

Section 95.6450 VOR Federal airway 450 is amended by adding:

Pompeii INT, Mich.; Muskegon, Mich., VOR; \*4,000. \*2,100—MOCA.

Section 95.6493 VOR Federal airway 493 is amended to read in part:

Carleton, Mich., VOR; Livingston INT, Mich.; \*3,000. \*2,300—MOCA.

Livingston INT, Mich.; Flint, Mich., VOR; \*2,800. \*2,300—MOCA.

Section 95.6455 VOR Federal airway 455 is amended to read in part:

Hattiesburg, Miss., VOR via W alter.; \*Rose Hill INT, Miss., via W alter.; \*\*3,000. \*3,000—MRA. \*\*2,000—MOCA.

Section 95.6475 VOR Federal airway 475 is amended to read in part:

Deer Park, N.Y., VOR; Madison, Conn., VOR; 2,000.

Section 95.7010 Jet Route No. 10 is amended to delete:

## From, To, MEA, and MAA

Denver, Colo., VORTAC; Sidney, Nebr., VOR; 18,000; 45,000.

Sidney, Nebr., VOR; O'Neill, Nebr., VORTAC; 18,000; 45,000.

Section 95.7030 Jet Route No. 30 is amended to delete:

Salt Lake City, Utah, VORTAC; Provo, Utah, VOR; 18,000; 45,000.

Provo, Utah, VOR; Meeker, Colo., VORTAC; 18,000; 45,000.

Meeker, Colo., VORTAC; Denver, Colo., VORTAC; 18,000; 45,000.

Denver, Colo., VORTAC; O'Neill, Nebr., VORTAC; #23,000; 45,000. #MEA is established with a gap in navigation signal coverage.

O'Neill, Nebr., VORTAC; Sioux Falls, S. Dak., VORTAC; 18,000; 45,000.

Sioux Falls, S. Dak., VORTAC; Minneapolis, Minn., VORTAC; 18,000; 45,000.

Section 95.7064 Jet Route No. 64 is amended to read in part:

Bradford, Ill., VOR; Fort Wayne, Ind., VORTAC; 18,000; 45,000.

## From, To, MEA, and MAA

Section 95.7080 Jet Route No. 80 is amended to read in part:

Denver, Colo., VORTAC; Goodland, Kans., VORTAC; 18,000; 45,000.

Goodland, Kans., VORTAC; Hill City, Kans., VORTAC; 18,000; 45,000.

Section 95.7084 Jet Route No. 84 is amended to read in part:

Current, Nev., VOR; Delta, Utah, VORTAC; 18,000; 45,000.

Section 95.7114 Jet Route No. 114 is added to read:

Salt Lake City, Utah, VORTAC; Provo, Utah, VORTAC; 18,000; 45,000.

Provo, Utah, VORTAC; Meeker, Colo., VORTAC; 18,000; 45,000.

Meeker, Colo., VORTAC; Denver, Colo., VORTAC; 18,000; 45,000.

Denver, Colo., VORTAC; O'Neill, Nebr., VORTAC; #23,000; 45,000. #MEA is established with a gap in navigation signal coverage.

O'Neill, Nebr., VORTAC; Sioux Falls, S. Dak., VORTAC; 18,000; 45,000.

Sioux Falls, S. Dak., VORTAC; Minneapolis, Minn., VORTAC; 18,000; 45,000.

Section 95.7118 Jet Route No. 118 is amended to read in part:

Memphis, Tenn., VORTAC; Chattanooga, Tenn., VORTAC; 18,000; 45,000.

Chattanooga, Tenn., VORTAC; Spartanburg, S.C., VORTAC; 18,000; 45,000.

(Secs. 307, 1110, Federal Aviation Act of 1958 (49 U.S.C. 1348, 1510))

Issued in Washington, D.C., on March 18, 1969.

R. S. SLIFF,  
Acting Director,  
Flight Standards Service.

[F.R. Doc. 69-3512; Filed, Mar. 26, 1969; 8:45 a.m.]

## SUBCHAPTER I—AIRPORTS

[Docket No. 9256]

## PART 169—EXPENDITURE OF FEDERAL FUNDS FOR NONMILITARY AIRPORTS OR AIR NAVIGATION FACILITIES THEREON

The purpose of this part is to implement the first two sentences of section 308(a) of the Federal Aviation Act of 1958 (49 U.S.C. 1349(a)) with respect to the written recommendation and certification by the Administrator, required by those provisions, that a proposed project is reasonably necessary for use in air commerce or in the interests of national defense. Section 308(a) requires such a recommendation and certification where Federal funds are to be expended for nonmilitary purposes for airports or air navigation facilities thereon. The new part does not change the established practice for issuing grants under the Federal Airport Act (49 U.S.C. 1101 through 1120).

The adoption of this part was proposed in Notice 68-30 and published in the FEDERAL REGISTER on November 22, 1968 (33 F.R. 17315). The two public comments received on the notice concurred in the proposal.

This part is now issued to facilitate the performance of the Administrator's

functions under the first two sentences of section 308(a) of the Federal Aviation Act of 1958, as proposed but with one additional situation where application for recommendation and certification is unnecessary. Section 169.3(b) provides that, like approval of a project under section 9 of the Federal Airport Act, inclusion of an airport in the National Airport Plan also has the effect of a recommendation and certification. However, for this purpose, notice of construction or alteration required by Part 157 of the Federal Aviation Regulations must have been given, and the Administrator must have determined that there is no objection to the proposed construction or alteration.

Interested persons have been afforded an opportunity to participate in the rule making, and due consideration has been given to all matters presented.

In consideration of the foregoing, Title 14, Chapter I, of the Code of Federal Regulations is amended, effective April 26, 1969, by adding the following new Part 169 to Subchapter I.

Issued in Washington, D.C., on March 20, 1969.

D. D. THOMAS,  
Acting Administrator.

Sec.  
169.1 Applicability.  
169.3 Application for recommendation and certification.  
169.5 FAA determination.

**AUTHORITY:** The provisions of this Part 169 issued under secs. 308(a), 313(a), Federal Aviation Act of 1958, as amended (49 U.S.C. 1349(a), 1354(a)), and sec. 6(c), Department of Transportation Act (49 U.S.C. 1655 (c)).

#### § 169.1 Applicability.

(a) This part prescribes the requirements for issuing a written recommendation and certification that a proposed project is reasonably necessary for use in air commerce or in the interests of national defense. The first two sentences of section 308(a) of the Federal Aviation Act of 1958 (49 U.S.C. 1349(a)): (1) Require such a recommendation and certification where Federal funds are to be expended for nonmilitary purposes for airports or air navigation facilities thereon; and (2) provide that any interested person may apply to the Administrator, under regulations prescribed by him, for a recommendation and certification.

(b) This part does not apply to projects for the expenditure of Federal funds for military purposes or for airports, or air navigation facilities thereon, operated by the Federal Aviation Administration.

#### § 169.3 Application for recommendation and certification.

(a) Any interested person may apply to the Administrator for a recommendation and certification with respect to a

proposed project for the acquisition, establishment, construction, alteration, repair, maintenance, or operation of an airport or an air navigation facility thereon by or in his interests, on which Federal funds are proposed to be expended for nonmilitary purposes. The application shall be filed with the Area Office in whose area the airport is located. The application must state—

(1) The name and address of the applicant, the owner of the airport, and the individual responsible for its operation and maintenance, and the interest of the applicant in the matter;

(2) The location of the airport, and of any air navigation facilities thereon;

(3) A technical description of the project;

(4) The information contained in the notice required by § 157.3 of this chapter; and

(5) All available pertinent data relating to the necessity of the airport or air navigation facility for use in air commerce including where applicable—

(i) The number and type of aircraft that use or would use the airport or facility;

(ii) The present and expected level of activity;

(iii) Any special use of the airport or facility such as its providing access to places of recreation as national forests or parks or to isolated communities where access by other means is not available or is curtailed by climatic condition; and

(iv) In the case of an airport or air navigation facility owned, operated, or maintained by a Federal agency other than the FAA, the relationship of the airport or facility to the performance of that agency's functions.

(b) Each of the following has the effect of a recommendation and certification, and a separate application under this part with respect thereto is not required:

(1) Approval of a project under section 9 of the Federal Airport Act (49 U.S.C. 1108).

(2) Inclusion of an airport in the National Airport Plan, if—

(i) Notice of construction or alteration required by § 157.3 of this chapter has been given; and

(ii) The Administrator has determined that there is no objection to the proposed construction or alteration.

#### § 169.5 FAA determination.

(a) The Administrator issues a recommendation and certification if he finds that the airport or facility is reasonably necessary for use in air commerce or in the interests of national defense; that it conforms to all applicable plans and policies for, and allocations of, airspace; and that it otherwise complies with requirements of Federal law properly considered by the Administrator. The Administrator may grant the recommendation and certification subject to conditions that ensure conformity of the airport or facility with these standards.

(b) A recommendation and certification under this part, express or implied, does not extend to a modified version of an airport or facility to which it applies, or to an additional area or facility at the same airport.

(c) If the application is denied the Administrator notifies the applicant of the grounds for the denial. The Administrator may revoke a recommendation and certification for proper cause.

(d) The authority of the Administrator under this part is exercised by Area Managers as to airports or facilities located within their respective areas.

[F.R. Doc. 69-3613; Filed, Mar. 26, 1969; 8:49 a.m.]

## Title 21—FOOD AND DRUGS

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

#### SUBCHAPTER B—FOOD AND FOOD PRODUCTS

#### PART 17—BAKERY PRODUCTS

#### Bread, Identity Standard; Order Listing Polysorbate 60 as Optional Ingredient

In the matter of amending the definition and standard of identity for bread (21 CFR 17.1) to permit the use of polysorbate 60 as an optional ingredient:

Two comments, one favorable and one adverse, were received in response to the notice of proposed rule making in the above-identified matter that was published in the FEDERAL REGISTER of October 23, 1968 (33 F.R. 15662), and set forth a proposal by Atlas Chemical Industries, Inc., Wilmington, Del. 19899.

In the adverse comment the writer, recognizing that this compound is already authorized for use in a number of other foods, questioned whether published scientific data about the compound justify the proposed extended use. He has been informed of the scientific data available, and a copy of the letter to him is on file with the Department's Hearing Clerk.

An order amending the food additive regulation (21 CFR 121.1030) to provide for the safe use of polysorbate 60 as a dough conditioner in yeast-leavened bakery products is also published in this issue of the FEDERAL REGISTER.

Having considered the information submitted in the petition, the comments received, and other relevant material, the Commissioner of Food and Drugs concludes that it will promote honesty and fair dealing in the interest of consumers to adopt the proposed amendment.

Therefore, pursuant to the provisions of the Federal Food, Drug, and Cosmetic Act (secs. 401, 701, 52 Stat. 1046, 1055, as amended 70 Stat. 919, 72 Stat. 948; 21 U.S.C. 341, 371) and under authority delegated to the Commissioner (21 CFR 2.120): *It is ordered*, That § 17.1(a)(15) be revised to read as follows:

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

(a) \* \* \*

(15) Polysorbate 60, calcium stearoyl-2-lactylate, lactic stearate, sodium stearyl fumarate, succinylated monoglycerides, ethoxylated mono- and diglycerides, alone or in combination, complying with the provisions of §§ 121.1030, 121.1047, 121.1048, 121.1183, 121.1195, and 121.1221, respectively, of this chapter; but the total quantity of such ingredient or combination is not more than 0.5 part for each 100 parts by weight of flour used.

Due to cross-references, this amendment to the standard for bread (§ 17.1) upon becoming effective will make polysorbate 60 a permitted ingredient of enriched bread, milk bread, rye bread, and whole wheat bread (§§ 17.2 through 17.5).

Any person who will be adversely affected by the foregoing order may at any time within 30 days from the date of its publication in the FEDERAL REGISTER file with the Hearing Clerk, Department of Health, Education, and Welfare, Room 5440, 330 Independence Avenue SW., Washington, D.C. 20201, written objections thereto. Objections shall show wherein the person filing will be adversely affected by the order and specify with particularity the provisions of the order deemed objectionable and the grounds for the objections. If a hearing is requested, the objections must state the issues for the hearing, and such objections must be supported by grounds legally sufficient to justify the relief sought. Objections may be accompanied by a memorandum or brief in support thereof. All documents shall be filed in six copies.

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

(Secs. 401, 701, 52 Stat. 1046, 1055, as amended 70 Stat. 919, 72 Stat. 948; 21 U.S.C. 341, 371)

Dated: March 20, 1969.

J. K. KIRK,  
Associate Commissioner  
for Compliance.

[F.R. Doc. 69-3590; Filed, Mar. 26, 1969;  
8:47 a.m.]

## PART 121—FOOD ADDITIVES

### Subpart C—Food Additives Permitted in the Feed and Drinking Water of Animals or for the Treatment of Food-Producing Animals

#### VERXITE

The Commissioner of Food and Drugs, having evaluated the data submitted in a petition filed by Zonolite Division,

W. R. Grace & Co., Merchandise Mart Plaza, Chicago, Ill. 60654, and other relevant material, concludes that the food additive regulations should be amended to provide for the safe use of verxite grits in ruminant feeds as a partial roughage replacement. Therefore, pursuant to the provisions of the Federal Food, Drug, and Cosmetic Act (sec. 409(c)(1), 72 Stat. 1786; 21 U.S.C. 348(c)(1)) and under authority delegated to the Commissioner (21 CFR 2.120), § 121.222 is amended:

1. In paragraph (a) by revising the first sentence and subparagraphs (1)(i) and (2)(i) and by adding subparagraph (3).

2. By revising paragraph (b).

The affected portions read as follows:

§ 121.222 Verxite.

(a) The additive is a magnesium-aluminum-iron silicate conforming to one of the following:

(1) (i) Verxite granules: The additive contains a minimum of 98 percent of hydrobiotite; it is thermally expanded and has a bulk density of from 5 to 9 pounds per cubic foot.

(2) (i) Verxite flakes: The additive contains a minimum of 98 percent of hydrobiotite; it has a bulk density of from 20 to 30 pounds per cubic foot.

(3) (i) Verxite grits: The additive contains a minimum of 80 percent of hydrobiotite; it has a bulk density of from 40 to 50 pounds per cubic foot.

(ii) It is used or intended for use as a partial roughage replacement in ruminant feeds in an amount not to exceed that necessary to accomplish its intended effect and in no case to exceed one percent by weight of the final feed.

(b) To assure safe use of the additive, the label of any feed additive supplement, feed additive concentrate, feed additive premix, or complete feed prepared therefrom shall bear, in addition to the other information required by the act, the name of the additive (verxite granules, verxite flakes, or verxite grits), adequate directions for use, and, when the additive is present in excess of 1 percent, a statement of the quantity of the additive contained therein and the term "nonnutritive" in juxtaposition therewith.

Any person who will be adversely affected by the foregoing order may at any time within 30 days from the date of its publication in the FEDERAL REGISTER file with the Hearing Clerk, Department of Health, Education, and Welfare, Room 5440, 330 Independence Avenue SW., Washington, D.C. 20201, written objections thereto, preferably in quintuplicate. Objections shall show wherein the person filing will be adversely affected by the order and specify with particularity the provisions of the order deemed objectionable and the grounds for the objections. If a hearing is requested, the objections must state the issues for the hearing. A hearing will be granted if the objections are supported by grounds

legally sufficient to justify the relief sought. Objections may be accompanied by a memorandum or brief in support thereof.

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

(Sec. 409(c)(1), 72 Stat. 1786; 21 U.S.C. 348(c)(1))

Dated: March 21, 1969.

J. K. KIRK,  
Associate Commissioner  
for Compliance.

[F.R. Doc. 69-3593; Filed, Mar. 26, 1969;  
8:47 a.m.]

## PART 121—FOOD ADDITIVES

### Subpart D—Food Additives Permitted in Food for Human Consumption

#### SORBITAN MONOSTEARATE AND POLYSORBATE 60

The Commissioner of Food and Drugs, having evaluated the data in a petition (FAP 9A2362) filed by Atlas Chemical Industries, Inc., Wilmington, Del. 19899, and other relevant material, has concluded that the food additive regulations should be amended to provide for the safe use of sorbitan monostearate and polysorbate 60 as emulsifiers in formulations that contain white mineral oil and/or petroleum wax and are for use as protective coatings on raw fruits and vegetables. Therefore, pursuant to the provisions of the Federal Food, Drug, and Cosmetic Act (sec. 409(c)(1), 72 Stat. 1786; 21 U.S.C. 348(c)(1)) and under authority delegated to the Commissioner (21 CFR 2.120), Part 121 is amended:

1. By adding to § 121.1029(c) a new subparagraph, as follows:

§ 121.1029 Sorbitan monostearate.

(c) \* \* \*

(7) As an emulsifier, alone or in combination with polysorbate 60, in the minimum quantity required to accomplish the intended effect, in formulations of white mineral oil conforming with § 121.1146 and/or petroleum wax conforming with § 121.1156 for use as protective coatings on raw fruits and vegetables.

2. By adding to § 121.1030(c) a new subparagraph as follows:

§ 121.1030 Polysorbate 60.

(c) \* \* \*

(12) As an emulsifier, alone or in combination with sorbitan monostearate, in the minimum quantity required to accomplish the intended effect, in formulations of white mineral oil conforming with § 121.1146 and/or petroleum wax conforming with § 121.1156 for use as protective coatings on raw fruits and vegetables.

Any person who will be adversely affected by the foregoing order may at any time within 30 days from the date of its publication in the FEDERAL REGISTER file

with the Hearing Clerk, Department of Health, Education, and Welfare, Room 5440, 330 Independence Avenue SW., Washington, D.C. 20201, written objections thereto, preferably in quintuplicate. Objections shall show wherein the person filing will be adversely affected by the order and specify with particularity the provisions of the order deemed objectionable and the grounds for the objections. If a hearing is requested, the objections must state the issues for the hearing. A hearing will be granted if the objections are supported by grounds legally sufficient to justify the relief sought. Objections may be accompanied by a memorandum or brief in support thereof.

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

(Sec. 409(c)(1), 72 Stat. 1786; 21 U.S.C. 348(c)(1))

Dated: March 20, 1969.

J. K. KIRK,  
Associate Commissioner  
for Compliance.

[F.R. Doc. 69-3592; Filed, Mar. 26, 1969; 8:47 a.m.]

**PART 121—FOOD ADDITIVES**

**Subpart D—Food Additives Permitted in Food for Human Consumption**

**POLYSORBATE 60**

The Commissioner of Food and Drugs, having evaluated the data in a petition (FAP 8J2240) filed by Atlas Chemical Industries, Inc., Wilmington, Del. 19899, and other relevant material, concludes that the food additive regulations should be amended to provide for the safe use of polysorbate 60 as a dough conditioner in yeast-leavened bakery products. Therefore, pursuant to the provision of the Federal Food, Drug, and Cosmetic Act (sec. 409(c)(1), 72 Stat. 1786; 21 U.S.C. 348(c)(1)) and under authority delegated to the Commissioner (21 CFR 2.120), § 121.1030(c) is amended by adding thereto a new subparagraph, as follows:

§ 121.1030 Polysorbate 60.

.....

(c) \* \* \* \* \*

(11) As a dough conditioner in yeast-leavened bakery products in an amount not to exceed 0.5 percent by weight of the flour used.

.....

Any person who will be adversely affected by the foregoing order may at any time within 30 days from the date of its publication in the FEDERAL REGISTER file with the Hearing Clerk, Department of Health, Education, and Welfare, Room 5440, 330 Independence Avenue SW., Washington, D.C. 20201, written objections thereto, preferably in quintuplicate.

Objections shall show wherein the person filing will be adversely affected by the order and specify with particularity the provisions of the order deemed objectionable and the grounds for the objections. If a hearing is requested, the objections must state the issues for the hearing. A hearing will be granted if the objections are supported by grounds legally sufficient to justify the relief sought. Objections may be accompanied by a memorandum or brief in support thereof.

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

(Sec. 409(c)(1), 72 Stat. 1786; 21 U.S.C. 348(c)(1))

Dated: March 20, 1969.

J. K. KIRK,  
Associate Commissioner  
for Compliance.

[F.R. Doc. 69-3591; Filed, Mar. 26, 1969; 8:47 a.m.]

**SUBCHAPTER D—HAZARDOUS SUBSTANCES**

**PART 191—HAZARDOUS SUBSTANCES: DEFINITIONS AND PROCEDURAL AND INTERPRETATIVE REGULATIONS**

**Carbon Tetrachloride; Scheduling of Hearing and Prehearing Conference Regarding Classifying as Banned Hazardous Substance**

In the matter of classifying carbon tetrachloride and mixtures containing it (including that used in fire extinguishers) as "banned hazardous substances" (21 CFR 191.9) within the meaning of section 2(q)(1)(B) of the Federal Hazardous Substances Act:

A notice of proposed rule making in the above-identified matter was published in the FEDERAL REGISTER of February 16, 1968 (33 F.R. 3076). Based on consideration given the comments received in response thereto, and other relevant information, the Commissioner of Food and Drugs published an order May 24, 1968 (33 F.R. 7685), adopting the proposal.

Thereafter, an objection to that order and request for public hearing was filed. Consequently, an order was published July 27, 1968 (33 F.R. 10715), staying the effective date of the order of May 24, 1968, pending resolution of the issues at a public hearing.

The Commissioner concludes that the objection states reasonable grounds for a hearing on the following issues:

1. Does carbon tetrachloride and mixtures containing it, when intended or packaged in a form suitable for use in the household, involve a hazard of such a degree or nature that notwithstanding cautionary labeling the protection of the public health and safety can be assured

only by keeping such articles out of interstate commerce?

2. Do fire extinguishers containing carbon tetrachloride, when intended or packaged in a form suitable for use in the household, involve a hazard of such a degree or nature that notwithstanding cautionary labeling the protection of the public health and safety can be assured only by keeping such articles out of interstate commerce?

Therefore, pursuant to the provisions of said act (sec. 2(q)(1)(B), (2), 74 Stat. 372, 80 Stat. 1304; 15 U.S.C. 1261) and of the Federal Food, Drug, and Cosmetic Act (sec. 701(e), 52 Stat. 1055, as amended; 21 U.S.C. 371(e)), and under authority delegated to the Commissioner (21 CFR 2.120), notice is hereby given that the public hearing provided for by the order of July 27, 1968 (33 F.R. 10715), will begin at 10 a.m. on Monday, April 28, 1969, in Room 5169, Health, Education, and Welfare Building North, 330 Independence Avenue SW., Washington, D.C. The hearing will continue thereafter at such times and places as directed by the hearing examiner.

A prehearing conference for the simplification of issues, exchange of documentary evidence, scheduling of witnesses, and such other matters as may aid in the disposition of the proceeding will be held in Room 5169, Health, Education, and Welfare Building North, 330 Independence Avenue SW., Washington, D.C., beginning at 10 a.m. on Monday, April 14, 1969.

Any person desiring to appear at the hearing or the prehearing conference should file with the Hearing Clerk, Department of Health, Education, and Welfare, Room 5440, 330 Independence Avenue SW., Washington, D.C. 20201, a written notice of appearance (as specified in §§ 2.60 and 2.64 (21 CFR 2.60, 2.64)) setting forth his name, address, and employment. These written notices of appearance should be filed on or before April 14, 1969.

Any interested person intending to introduce documentary evidence at the hearing shall bring five copies thereof to the prehearing conference.

Mr. William E. Brennan, Food and Drug Administration, Room 3013, 200 C Street SW., Washington, D.C. 20204, is hereby designated to be the hearing examiner for this proceeding. He is authorized to conduct the hearing with full authority to administer oaths and affirmations and do all other things appropriate to the conduct of the hearing. At the conclusion of the hearing, the hearing examiner shall certify the record together with his report to the Commissioner for action.

Dated: March 21, 1969.

HERBERT L. LEY, JR.,  
Commissioner of Food and Drugs.

[F.R. Doc. 69-3627; Filed, Mar. 26, 1969; 8:50 a.m.]

## Title 24—HOUSING AND HOUSING CREDIT

### Chapter V—Office of Interstate Land Sales Registration, Department of Housing and Urban Development PART 1700—INTRODUCTION

In Title 24 a new Chapter V and Part 1700 are added as follows:

#### Subpart A—Authority and Organization

Sec.	
1700.1	Scope of authority and purpose.
1700.5	Authority of Secretary.
1700.10	Delegation of authority.
1700.15	Establishment of office.
1700.20	Administrator.
1700.25	Principal divisions.
1700.30	Public information.

#### Subpart B—Delegations of Basic Authority and Functions

Sec.	
1700.75	Administrator of the Office of Interstate Land Sales Registration and Deputy.
1700.80	Director of the Examination Division, Office of Interstate Land Sales Registration and Deputy.
1700.85	Director of the Administrative Proceedings Division, Office of Interstate Land Sales Registration and Deputy.

**AUTHORITY:** The provisions of this Part 1700 issued under sec. 1419, 82 Stat. 598, 12 U.S.C. 1718.

#### Subpart A—Authority and Organization

##### § 1700.1 Scope of authority and purpose.

A land developer is required by the Interstate Land Sales Full Disclosure Act, Title XIV of Public Law 90-448, 82 Stat. 590, enacted on August 1, 1968 (hereafter in this part referred to as the Act) to make full disclosure in the sale or lease of certain undeveloped, subdivided land. The Act makes it unlawful (except with respect to certain exempted transactions) for any developer to sell or lease, by use of the mail or by any means in interstate commerce, any such land offered as part of a common promotional plan unless the land is registered with the Secretary of Housing and Urban Development and a printed property report is furnished to the purchaser or lessee in advance of the signing of an agreement for sale or lease.

##### § 1700.5 Authority of Secretary.

Section 1416(a) of the Act vests authority and responsibility for its administration in the Secretary of Housing and Urban Development (hereafter in this part referred to as the Secretary), and authorizes the Secretary to delegate any of his functions, duties and powers thereunder to employees of the Department of Housing and Urban Development.

##### § 1700.10 Delegation of authority.

(a) The Secretary has delegated to the Assistant Secretary for Mortgage Credit and Federal Housing Commissioner (hereafter in this part referred to as the Assistant Secretary) all of the authority to exercise the power and authority

vested in him under the Act with the exception of the following matters which the Secretary has retained and not redelegated:

(1) The authority to conduct hearings in accordance with 5 U.S.C. 556.

(2) The authority to issue orders or determinations after such hearings.

(3) The authority to sue and be sued.

(b) The Secretary has further authorized the Assistant Secretary to redelegate any of the delegated authority to each of the following:

(1) To employees under his jurisdictions, and to authorize successive redelegations thereof to subordinate employees.

(2) To Regional Administrators and to Deputy Regional Administrators, and to authorize successive redelegations thereof to Regional employees.

##### § 1700.15 Establishment of office.

The Assistant Secretary has established, as an organizational unit of the Department of Housing and Urban Development, the Office of Interstate Land Sales Registration to administer the Act.

##### § 1700.20 Administrator.

The Office of Interstate Land Sales Registration is headed by an Administrator designated by the Assistant Secretary.

##### § 1700.25 Principal divisions.

The following Divisions have been established within the Office of Interstate Land Sales Registration:

(a) Examination Division.

(b) Administrative Proceedings Division.

##### § 1700.30 Public information.

(a) *In general.* The identifiable records of the Office of Interstate Land Sales Registration are subject to the provisions of 5 U.S.C. 552, as implemented by Part 15—Public Information, Subtitle A, of this title.

(b) *Availability of information and records.* Information concerning land sales registrations and copies of statements of record may be obtained from the following address:

Office of Interstate Land Sales Registration,  
Department of Housing and Urban Development,  
451 Seventh Street SW., Wash-  
ington, D.C. 20410.

In addition, statements of record may be reviewed at such address on any business day from 8:45 a.m. to 5:15 p.m.

(c) *Nonapplicability of exemptions authorized by 5 U.S.C. 552.* Section 1405(d) of the Act specifically provides that information contained in or filed with any statement of record shall be made available to the public. The exemptions from public disclosure authorized by 5 U.S.C. 552, as set forth in § 15.21 of this title, are not applicable to information contained in or filed with a statement of record.

#### Subpart B—Delegations of Basic Authority and Functions

##### § 1700.75 Administrator of the Office of Interstate Land Sales Registration and Deputy.

To the position of Administrator of the Office of Interstate Land Sales Registra-

tion and under his supervision to the position of Deputy Administrator, there are delegated and assigned the following authorities and responsibilities.

(a) To exercise all powers vested in the Secretary of Housing and Urban Development by the Interstate Land Sales Full Disclosure Act and delegated to the Assistant Secretary for Mortgage Credit and Federal Housing Commissioner, except the power of the Assistant Secretary to issue regulations under the act.

(b) To direct the operations of the Examination Division and the Administrative Proceedings Division.

(c) To accept and utilize on a reimbursable basis administrative, fiscal, technical, and other services of the Federal Housing Administration and of the Office of General Counsel, HUD, and the Inspection Division, HUD, as may be necessary to carry out the purposes of the Interstate Land Sales Full Disclosure Act.

##### § 1700.80 Director of the Examination Division, Office of Interstate Land Sales Registration and Deputy.

To the position of Director of the Examination Division, Office of Interstate Land Sales Registration, and under his supervision to the position of Deputy Director there are delegated and assigned the following authorities and responsibilities:

(a) To receive and examine all statements of record and property reports filed under the provisions of the Interstate Land Sales Full Disclosure Act and all amendments and corrections to such statements.

(b) To determine the adequacy of disclosure of statements of record and property reports and amendments thereto and to effect corrections, additions, and deletions in such statements and reports deemed necessary to achieve the purposes of the Interstate Land Sales Full Disclosure Act.

(c) To find effective or to recommend to the Administrator that he declare not effective statements of record filed under the Interstate Land Sales Full Disclosure Act and to prepare and present evidence in connection with hearings and other administrative proceedings relative to statements of record declared not effective.

##### § 1700.85 Director of the Administrative Proceedings Division, Office of Interstate Land Sales Registration and Deputy.

To the position of Director of the Administrative Proceedings Division, Office of Interstate Land Sales Registration, and under his supervision to the position of Deputy Director, there are delegated and assigned the following authorities and responsibilities:

(a) To receive, examine, and make determinations with respect to complaints arising from the alleged failure

of a developer subject to the Interstate Land Sales Full Disclosure Act to comply with the requirements of such Act and regulations issued thereunder and to negotiate resolution of such complaints and compliance by such developers.

(b) To recommend action by the Administrator to achieve compliance by developers deemed subject to the Act who have not complied with any or all of the requirements of the Act and regulations issued thereunder.

(c) To conduct, on his own initiative or in response to information received, reviews to determine the existence of such noncompliance and secure compliance with the requirements of the Interstate Land Sales Full Disclosure Act and regulations thereunder.

(d) To recommend suspension by the Administrator of statements of record on a determination of noncompliance with the requirements of the Interstate Land Sales Full Disclosure Act and regulations thereunder.

(e) To recommend action to secure permanent or temporary injunctions or restraining orders to prevent acts or practices in violation of the provisions of the Interstate Land Sales Full Disclosure Act and regulations thereunder and to require compliance therewith.

(f) To prepare and present evidence in connection with hearings or other administrative proceedings or injunctions or restraining orders in connection with suspensions of statements of record or other action in connection with non-compliance under the Interstate Land Sales Full Disclosure Act and regulations thereunder.

Issued at Washington, D.C., March 21, 1969.

WILLIAM B. ROSS,  
Acting Federal  
Housing Commissioner.

[F.R. Doc. 69-3629; Filed, Mar. 26, 1969; 8:50 a.m.]

## Title 33—NAVIGATION AND NAVIGABLE WATERS

### Chapter II—Corps of Engineers, Department of the Army

#### PART 204—DANGER ZONE REGULATIONS

##### San Pablo Bay, Calif.

Section 204.216 is amended by revising the caption and by revising paragraph (b) to read as follows:

§ 204.216 San Pablo Bay, Calif.; gunnery range, Naval Inshore Operations Training Center, Mare Island, Vallejo.

(b) *The regulations.* The Commanding Officer, Naval Inshore Operations Training Center, Mare Island, Vallejo, will conduct gunnery practice in the area on Tuesday and Thursday of each week between 10 a.m., and 3 p.m. No vessels shall enter or remain in the danger zone during the above stated periods except those vessels connected with the gunnery practice operations. All firing will be from the southerly portion of the danger zone

in a northerly direction, and only during good visibility. The area will be patrolled by boat and searched by radar to insure a clear range. A safety officer will always be aboard the firing boat to guarantee that all safety precautions are observed. The regulations in this section will be enforced by the Commandant, 12th Naval District and such agencies as he may designate.

[Regs., March 10, 1969, ENGOW-ON] (Sec. 4, 28 Stat. 362, 40 Stat. 892; 33 U.S.C. 1, 3)

For the Adjutant General.

HAROLD SHARON,  
Chief, Legislative and Precedent  
Branch, Office of the Comptroller, TAGO.

[F.R. Doc. 69-3563; Filed, Mar. 26, 1969; 8:45 a.m.]

## Title 46—SHIPPING

### Chapter I—Coast Guard, Department of Transportation

#### SUBCHAPTER C—UNINSPECTED VESSELS

[CGFR 69-18]

#### PART 24—GENERAL PROVISIONS

#### PART 25—REQUIREMENTS

#### Motorboat Definition; Rules of the Road Authority; and Fire Extinguishing Equipment

The Commandant, U.S. Coast Guard has ruled that any vessel of not more than 65 feet in length, permanently or temporarily equipped with propelling machinery, is a vessel "propelled by machinery" within the meaning of the Act of April 25, 1940, as amended (46 U.S.C. 526-526u). This document clarifies the definition of "Motorboat" contained in 46 CFR 24.10-17(a) to assure an interpretation consistent with the foregoing ruling.

The authority for 46 CFR 25.05-10 *Vessels operating on waters governed by the Inland, Great Lakes, or Western Rivers Rules of the Road* is primarily based upon the Inland, Great Lakes, and Western Rivers Rules of the Road provisions contained in title 33, United States Code. Accordingly, this document effects a change in the authority note to include the appropriate authority from title 33, United States Code.

Effective January 1, 1965, 46 CFR 162.028-3 was amended to require that all dry chemical stored pressure type portable fire extinguishers manufactured after that date be fitted with a pressure gauge or device to provide visual indication of the range of pressure in the chamber (29 F.R. 12725-12726). Although not included in the codified language, a waiver of this new requirement was granted to extinguishers manufactured prior to January 1, 1965, provided certain maintenance and inspection requirements were met. To end confusion resulting from noncodification of the foregoing waiver, this document restates and amplifies the waiver conditions in the form of an amendment to Subchapter C of Title 46 of the Code of Federal Regulations.

Since the amendments effected by this document are interpretative rules or

rules of agency procedure or practice, public rule making proceedings thereon are unnecessary. The specific amendments are as follows:

#### Subpart 24.10—Definition of Terms Used in This Subchapter

1. The first three sentences of § 24.10-17(a) are amended to read as follows: § 24.10-17 Motorboat.

(a) This term means any vessel indicated in column 6 of Table 24.05-1(a), 65 feet in length or less which is equipped with propulsion machinery (including steam). The length shall be measured from end to end over the deck excluding sheer. This term includes a boat temporarily or permanently equipped with a detachable motor, since such a boat is also subject to the Act of April 25, 1940, as amended (46 U.S.C. 526-526u), and the regulations promulgated thereunder. \* \* \*

(Sec. 17, 54 Stat. 166, as amended; 46 U.S.C. 526p)

2. The authority note following the table of contents in Part 25 is amended to read as follows:

*Authority:* The provisions of this Part 25 issued under sec. 2, 30 Stat. 102, as amended, sec. 3, 28 Stat. 649, as amended, R.S. 4233A, as amended, R.S. 4405, as amended, R.S. 4462, as amended, sec. 17, 54 Stat. 166, as amended, sec. 6(b) (1), 80 Stat. 937; 33 U.S.C. 157, 243, 353, 46 U.S.C. 375, 416, 526p, 49 U.S.C. 1655(b); 49 CFR 1.4 (a) and (g), except as otherwise noted.

#### Subpart 25.30—Fire Extinguishing Equipment

3. Section 25.30-10 is amended by adding the following new paragraphs:

§ 25.30-10 Hand portable fire extinguishers and semiportable fire extinguishing systems.

(g) The use of dry chemical, stored pressure, fire extinguishers not fitted with pressure gauges or indicating devices, manufactured prior to January 1, 1965, may be permitted on motorboats and other vessels so long as such extinguishers are maintained in good and serviceable condition. The following maintenance and inspections are required for such extinguishers:

(1) When the date on the inspection record tag on the extinguisher shows that 6 months have elapsed since last weight check ashore, then such extinguisher is no longer accepted as meeting required maintenance conditions until reweighed ashore and found to be in a serviceable condition and within required weight conditions.

(2) If the weight of the container is ¼ ounce less than that stamped on container, it shall be serviced.

(3) If the outer seal or seals (which indicate tampering or use when broken) are not intact, the boarding officer or marine inspector will inspect such extinguisher to see that the frangible disc in neck of the container is intact; and if such disc is not intact, the container shall be serviced.

(4) If there is evidence of damage, use, or leakage, such as dry chemical powder observed in the nozzle or elsewhere on the extinguisher, the container

**RULES AND REGULATIONS**

shall be replaced with a new one and the extinguisher properly serviced or the extinguisher replaced with another approved extinguisher.

(h) The dry chemical, stored pressure, fire extinguishers without pressure gauges or indicating devices manufactured after January 1, 1965, shall not be labeled with the marine type label described in § 162.028-4 of this title nor shall such extinguishers manufactured after January 1, 1965, be carried on board motorboats or other vessels as required equipment.

4. *Effective date.* These amendments shall become effective on the date of their publication in the FEDERAL REGISTER.

Dated: March 24, 1969.

P. E. TRIMBLE,  
Vice Admiral, U.S. Coast Guard,  
Acting Commandant.

[F.R. Doc. 69-3641; Filed, Mar. 26, 1969; 8:51 a.m.]

**Title 47—TELECOMMUNICATION**

**Chapter I—Federal Communications Commission**

[Docket No. 18218; 29090]

**PART 2—FREQUENCY ALLOCATIONS AND RADIO TREATY MATTERS; GENERAL RULES AND REGULATIONS**

**PART 83—STATIONS ON SHIPBOARD IN MARITIME SERVICES**

**Transition of Ship and Coast Radiotelegraph Stations to New Frequency Assignments; Correction**

In the matter of amendment of parts 2, 81, and 83 to establish a schedule of dates, revised technical standards, frequencies and other requirements for the orderly transition of ship and coast radiotelegraph stations from present frequency assignments in the low, medium, and high frequency bands to new assignments within allotments and/or frequency usage as adopted by the ITU World Administrative Radio Conference on marine matters, Geneva, 1967; Docket No. 18218.

1. In the report and order in the above entitled matter, released January 28, 1969, FCC 69-61 (34 F.R. 1538-1551), several corrections are necessary in order that the Table of Frequency Allocations, Part 2, and the tables which appear in §§ 83.317(b), 83.318(b), and 83.319(b) set forth common band limits. Corrections are also made to § 83.316, to change the date to conform to the date appearing in § 81.207; and to § 83.319(b), in regard to frequencies set forth therein.

2. In view of the foregoing, Parts 2 and 83 are amended as set forth below.

Released: March 21, 1969.

FEDERAL COMMUNICATIONS  
COMMISSION,  
[SEAL] BEN F. WAPLE,  
Secretary.

A. Part 2, Frequency Allocations and Radio Treaty Matters; General Rules and Regulations, is amended as follows:

1. In § 2.106, the entries in Column 12689, 16660.5-16917.5, and 22184.5-7-11 for the 2065-2092.5, 4172.25-4231, 22374 kc/s bands are amended to read as follows:

Band (Kc/s) 7	Service 8	Class of station 9	Frequency (Kc/s) 10	Nature (OF SERVICES OF STATIONS) 11
...	...	...	...	...
2065-2068.5 (200)	MARITIME MOBILE.	Coast Ship.		MARITIME MOBILE (telephony).
2068.5-2078.5	MARITIME MOBILE.	Ship.		Ship (wideband telegraphy, facsimile, and special transmission systems).
2078.5-2089.5 (200)	MARITIME MOBILE.	Coast Ship.		MARITIME MOBILE (telephony).
2089.5-2092.5	MARITIME MOBILE.	Ship.		Ship (calling, telegraphy).
...	...	...	...	...
4172.25-4178	MARITIME MOBILE.	Ship.		Ship (high traffic, telegraphy).
4178-4187	MARITIME MOBILE.	Ship.		Ship (calling, telegraphy).
4187-4231	MARITIME MOBILE.	Ship.		Ship (low traffic, telegraphy).
...	...	...	...	...
6268.25-6267	MARITIME MOBILE.	Ship.		Ship (high traffic, telegraphy).
6267-6280.5	MARITIME MOBILE.	Ship.		Ship (calling, telegraphy).
6280.5-6345.5	MARITIME MOBILE.	Ship.		Ship (low traffic, telegraphy).
...	...	...	...	...
8341.75-8336	MARITIME MOBILE.	Ship.		Ship (high traffic, telegraphy).
8336-8374	MARITIME MOBILE.	Ship.		Ship (calling, telegraphy).
8374-8429.5	MARITIME MOBILE.	Ship.		Ship (low traffic, telegraphy).
...	...	...	...	...
12503.25-12534	MARITIME MOBILE.	Ship.		Ship (high traffic, telegraphy).
12534-12561	MARITIME MOBILE.	Ship.		Ship (calling, telegraphy).
12561-12689	MARITIME MOBILE.	Ship.		Ship (low traffic, telegraphy).
...	...	...	...	...
16660.5-16712	MARITIME MOBILE.	Ship.		Ship (high traffic, telegraphy).
16712-16748	MARITIME MOBILE.	Ship.		Ship (calling, telegraphy).
16748-16917.5	MARITIME MOBILE.	Ship.		Ship (low traffic, telegraphy).
...	...	...	...	...
22184.5-22222.5	MARITIME MOBILE.	Ship.		Ship (high traffic, telegraphy).
22222.5-22267.5	MARITIME MOBILE.	Ship.		Ship (calling, telegraphy).
22267.5-22374	MARITIME MOBILE.	Ship.		Ship (low traffic, telegraphy).

B. Part 83, Stations on Shipboard in the Maritime Services, is amended as follows:

1. In § 83.316, the date "March 7, 1969" in the second sentence of paragraph (c) (4) is corrected to read "April 1, 1969".

2. In § 83.319, the table of paragraph (b) is amended as follows:

(a) Opposite Symbol "L16", under the column headed: 6 Mc/s, Group "A", after March 7, 1969: the frequency 6293.75 kc/s is changed to 6293.25 kc/s.

(b) Opposite Symbols "L12" through "L17", under the columns headed: 12

Mc/s, Group "B", until 2-1-70, and after 3-7-69: the frequencies are changed to read as follows:

Symbol	Until 2-1-70	After 3-7-69
L12	12654	12654
L13	12655.5	12655.5
L14	12657	12657
L15	12658.5	12658.5
L16	12660	12660
L17	12661.5	12661.5

[F.R. Doc. 69-3536; Filed, Mar. 26, 1969; 8:45 a.m.]

**Title 49—TRANSPORTATION**

**Subtitle A—Office of the Secretary of Transportation**

[OST Docket No. 21; Amdt. 9]

**PART 71—STANDARD TIME ZONE BOUNDARIES**

**Relocation of Standard Time Zone Boundary in State of Michigan**

The purpose of this amendment to Part 71 of Title 49 of the Code of Federal Regulations is to change the existing boundary line between the eastern time zone and the central time zone as it applies to the State of Michigan.

On February 6, 1969, the Department of Transportation published in the FEDERAL REGISTER a notice of proposed rule making (34 F.R. 1958) requesting comments on a proposal based on petitions received from the Boards of Supervisors of a majority of the counties in the Upper Peninsula of Michigan, and from certain chambers of commerce, labor unions, and individual citizens of the Upper Peninsula. The petitions requested that the boundary line between the eastern standard and central standard time zones be relocated so as to place the entire Upper Peninsula in the eastern standard time zone, instead of the central standard time zone in which it is currently placed. The Lower Peninsula of the State is currently in the eastern time zone, so that the net effect of the proposal would be to place the entire State in the eastern standard time zone.

The petitions requested the change for the following reasons:

- (1) It would provide uniform time throughout the State.
- (2) Differences in time zones cause intrastate communications problems.
- (3) The citizens of the area had informally indicated a preference for eastern standard time in straw ballots and polls.
- (4) Historically a large portion of the Upper Peninsula had observed eastern standard time.

Interested persons were given a 40-day period within which to comment on the proposal. Comments were received from county and municipal governments, chambers of commerce, local businesses, labor unions, civic groups, and individuals. With the exception of one county (Gogebic) the comments received heavily favored the proposed change. Of the 15 counties in the Upper Peninsula, the boards of supervisors of 11 counties favored the change and three did not respond. The board of supervisors of Gogebic County indicated that it favored central time with advanced (daylight) time in the summer. Five municipal governments favored the proposal and none opposed it. Three chambers of commerce and six business firms favored the proposal and one chamber of commerce and one business firm indicated that they favored central time with advanced (daylight) time in the summer. All civic

groups and labor unions responding favored the proposal. Of the responses from individual citizens 3,056 favored the proposal, 66 did not, and 50 expressed preference for central time with advanced (daylight) time in the summer. Thus, more than 96 percent of the individual comments favored the change.

Under the Uniform Time Act of 1966, each time zone in the United States is required to advance the clock 1 hour beginning at 2 a.m. on the last Sunday in April and ending at 2 a.m. on the last Sunday in October. However, the Act provides that any State may, by law, exempt itself from the requirement on a statewide basis. The Department of Transportation has been informed that the State of Michigan has, by referendum vote, so exempted itself from the advanced (daylight) requirements of the Uniform Time Act. Under this circumstance, the State of Michigan will be on nonadvanced time the year around and will not observe advanced (daylight) time in any area. The Department of Transportation has no administrative authority to change or except any part of the State from this statewide exemption. It therefore cannot act on the requests to have advanced (daylight) time in those areas indicating a preference therefor.

As a result of its evaluation of the comments, with proper weight being assigned to those who did not comment squarely on the actual issues involved in the proposal, the Department is of the opinion that the overwhelming preference in the Upper Peninsula is for eastern standard time, in accordance with the proposal.

In consideration of the foregoing and in order to permit the change to be made on the date set by law (Apr. 27, 1969) for the changeover to advanced time in other States, § 71.4(a) of Title 49 of the Code of Federal Regulations is amended, effective at 2 a.m. on April 27, 1969, to read as follows:

**§ 71.4 Boundary line between eastern and central zones.**

(a) *Michigan.* Beginning at a point where the western boundary of the State of Michigan intersects the boundary between the United States and Canada; thence southerly and easterly along the western boundary of the State of Michigan to a point in the middle of Lake Michigan opposite the main channel of Green Bay; thence southerly along the western boundary of the State of Michigan to its junction with the southern boundary thereof and the northern boundary of the State of Indiana.

(Act of Mar. 19, 1918, as amended by the Uniform Time Act of 1966 (15 U.S.C. 260-267); sec. 6(e) (5), Department of Transportation Act (49 U.S.C. 1655(e) (5)))

Issued in Washington, D.C., on March 24, 1969.

**JOHN A. VOLPE,**  
*Secretary of Transportation.*

[F.R. Doc. 69-3653; Filed, Mar. 26, 1969; 8:52 a.m.]

[OST Docket No. 20; Amdt. 8]

**PART 71—STANDARD TIME ZONE BOUNDARIES**

**Relocation of Standard Time Zone Boundary in State of Utah**

The purpose of this amendment to Part 71 of Title 49 of the Code of Federal Regulations is to change the existing boundary line between the mountain time zone and the Pacific time zone as it applies to the State of Utah.

On February 4, 1969, the Department of Transportation published in the FEDERAL REGISTER a notice of proposed rule making (34 F.R. 1656) requesting comments on a proposal, contained in a petition submitted by the Governor of Utah, to move the boundary to include the entire State of Utah in the mountain standard time zone. The present boundary line generally follows railroad lines of the Union Pacific System from a point on the Idaho-Utah border, through Brigham to Ogden, then west of Salt Lake, and then southwesterly to the Nevada border near UVADA.

The petition requested the change on the grounds that the existing boundary bisects the most thickly populated area of Utah, that the flow of commerce justifies moving the boundary to coincide with the western border of Utah, and that the proposed line would be more in conformity with the pattern of time observance actually followed in the area.

Interested persons were given a 43-day period within which to comment on the proposal. No adverse comment was received on the proposal and the Governor, on behalf of the State, has indicated that the State continues to favor the proposal. The Department therefore is adopting the proposal submitted by the Governor of Utah for the reasons stated in his petition and for the further reason that it will provide a more easily recognizable boundary line that coincides with the State boundary.

In consideration of the foregoing and in order to permit the change to be made on the date set by law (Apr. 27, 1969) for the changeover to advanced time, § 71.8(b) of Title 49 of the Code of Federal Regulations is amended, effective at 2 a.m. on April 27, 1969, to read as follows:

**§ 71.8 Boundary line between mountain and Pacific zones.**

(b) *Utah.* Beginning at the intersection of the western boundary of the State of Utah with the southern boundary of the State of Idaho, thence southerly along the western boundary of the State of Utah to the southwest corner of the State of Utah.

This amendment does not concern adherence to or exemption from advanced (daylight saving) time. The Uniform Time Act of 1966 requires observance of advanced time within each established time zone from the last Sunday in April to the last Sunday in October, but per-

mits any State to exempt itself, by law, from observing advanced time within that State. The Department has no administrative authority with respect to this requirement.

(Act of Mar. 19, 1918, as amended by the Uniform Time Act of 1966 (15 U.S.C. 260-267); sec. 6(e)(5), Department of Transportation Act (49 U.S.C. 1655 (e)(5)).

Issued in Washington, D.C., on March 24, 1969.

JOHN A. VOLPE,  
*Secretary of Transportation.*

[F.R. Doc. 69-3652; Filed, Mar. 26, 1969;  
8:52 a.m.]

## Title 28—JUDICIAL ADMINISTRATION

### Chapter I—Department of Justice

[Order No. 412-69]

#### PART 0—ORGANIZATION OF THE DEPARTMENT OF JUSTICE

##### PART 45—STANDARDS OF CONDUCT

#### Transferring Executive Office for U.S. Marshals to Office of the Deputy Attorney General

By virtue of the authority vested in me by sections 509 and 510 of title 28 and section 301 of title 5 of the United States Code, Chapter I of Title 28 of the Code of Federal Regulations is amended as follows:

1. A new § 0.17 is added to Subpart C of Part 0, to read as follows:

§ 0.17 Executive Office for U.S. Marshals.

The Executive Office for U.S. Marshals, established in the Office of the Deputy Attorney General by Order No. 137-56 of November 23, 1956, shall be under the supervision of the Deputy Attorney General, and shall provide general executive assistance and supervision to the offices of the U.S. Marshals, coordinate and direct the relationship of agencies of the Department with such offices, and approve the staffing requirements of the offices of the U.S. Marshals.

§ 0.75 [Amended]

2. Paragraph (d) in § 0.75 of Subpart O of Part 0 is revoked.

§ 45.735-22 [Amended]

3. Section 45.735-22 of Part 45 is amended—

a. By revising the introductory text of paragraph (a) to read:

(a) Each employee occupying a position designated in paragraph (c) of this section shall submit to the head of his division a statement on a form made available through the appropriate division administrative officer, setting forth the following information:

b. By deleting "Head, Executive Office for U.S. Marshals" and "U.S. Marshals"

from the list in subdivision (i) of paragraph (c).

c. By inserting "Head, Executive Office for U.S. Marshals" immediately after "Head, Executive Office for U.S. Attorneys" in subdivision (xv) of paragraph (c) and by adding "U.S. Marshals" at the end of the list in subdivision (xv).

All records, property, personnel, and funds available to the Administrative Division for these functions are hereby transferred or allocated to the Office of the Deputy Attorney General.

Order No. 386-67 of November 28, 1967, and Order No. 399-68 of July 20, 1968, are hereby superseded.

Dated: March 21, 1969.

JOHN N. MITCHELL,  
*Attorney General.*

[F.R. Doc. 69-3644; Filed, Mar. 26, 1969;  
8:51 a.m.]

## Title 50—WILDLIFE AND FISHERIES

### Chapter I—Bureau of Sport Fisheries and Wildlife, Fish and Wildlife Service, Department of the Interior

#### PART 28—PUBLIC ACCESS, USE AND RECREATION

##### Erie National Wildlife Refuge, Pa.

The following special regulation is issued and is effective on date of publication in the FEDERAL REGISTER.

§ 28.28 Special regulations: recreation; for individual wildlife refuge areas.

##### PENNSYLVANIA

##### ERIE NATIONAL WILDLIFE REFUGE

Entry on foot or by motor vehicle is permitted on designated travel routes for the purpose of nature study, photography and sightseeing, during daylight hours. Pets are allowed if on a leash not over 10 feet in length. Use of the picnic area is permitted from 6 a.m. to 9:30 p.m. May 30 to October 15. Fishing and hunting under special regulations may be permitted on parts of the refuge.

The refuge area, comprising 4,961 acres, is delineated on maps available at refuge headquarters and from the office of the Regional Director, Bureau of Sport Fisheries and Wildlife, U.S. Post Office and Courthouse, Boston, Mass. 02109.

The provisions of this special regulation supplement the regulations which govern recreation on wildlife refuge areas generally, which are set forth in Title 50, Code of Federal Regulations, Part 28, and are effective through December 31, 1969.

RICHARD E. GRIFFITH,  
*Regional Director, Bureau of  
Sport Fisheries and Wildlife.*

MARCH 20, 1969.

[F.R. Doc. 69-3604; Filed, Mar. 26, 1969;  
8:48 a.m.]

## PART 33—SPORT FISHING

### Havasu National Wildlife Refuge, Ariz. and Calif.

The following special regulation is issued and is effective on date of publication in the FEDERAL REGISTER.

§ 33.5 Special regulations: sport fishing; for individual wildlife refuge areas.

##### ARIZONA AND CALIFORNIA

##### HAVASU NATIONAL WILDLIFE REFUGE

Sport fishing on the Havasu National Wildlife Refuge, Ariz. and Calif., is permitted on waters designated as open to fishing. These waters, comprising 6,674 acres, are delineated on a map available at the refuge headquarters, Needles, Calif., and from the office of the Regional Director, Bureau of Sport Fisheries and Wildlife, Post Office Box 1306, Albuquerque, N. Mex. 87103. Sport fishing shall be in accordance with all applicable State regulations subject to the following special conditions:

(1) The open season for sport fishing on the refuge extends from January 1 through December 31, 1969, inclusive, except that the closed area in Topock Marsh is closed to fishing during the waterfowl hunting season.

(2) The taking of fish with such devices as bow and arrow, spear gun, or other mechanical devices capable of propelling pellets or shafts is prohibited.

The provisions of this special regulation supplement the regulations which govern fishing on wildlife refuge areas generally which are set forth in Title 50, Part 33, and are effective through December 31, 1969.

BLAYNE D. GRAVES,  
*Refuge Manager, Havasu National  
Wildlife Refuge, Needles,  
Calif.*

MARCH 17, 1969.

[F.R. Doc. 69-3602; Filed, Mar. 26, 1969;  
8:48 a.m.]

## PART 33—SPORT FISHING

### Iroquois National Wildlife Refuge, N.Y.

The following special regulation is issued and is effective on date of publication in the FEDERAL REGISTER.

§ 33.5 Special regulations: sport fishing; for individual wildlife refuge areas.

##### NEW YORK

##### IROQUOIS NATIONAL WILDLIFE REFUGE

Sport fishing on the Iroquois National Wildlife Refuge, Basom, N.Y., is permitted on the areas designated by signs as open to fishing. These open areas, comprising 26 acres, are delineated on maps available at refuge headquarters and from the office of the Regional Director, Bureau of Sport Fisheries and

Wildlife, U.S. Post Office and Courthouse, Boston, Mass. 02109. Sport fishing shall be in accordance with all applicable State regulations subject to the following special conditions.

(1) The use of boats with motors is not permitted.

(2) The use of boats after October 15th is not permitted.

The provisions of this special regulation supplement the regulations governing fishing on wildlife refuge areas generally which are set forth in Title 50, Code of Federal Regulations, Part 33, and are effective through December 31, 1969.

RICHARD E. GRIFFITH,  
*Regional Director, Bureau of  
Sport Fisheries and Wildlife.*

MARCH 20, 1969.

[F.R. Doc. 69-3603; Filed, Mar. 26, 1969;  
8:48 a.m.]

**PART 33—SPORT FISHING**  
**Erie National Wildlife Refuge, Pa.**

The following special regulation is issued and is effective on date of publication in the FEDERAL REGISTER.

§ 33.5 Special regulations; sport fishing;  
for individual wildlife refuge areas.

PENNSYLVANIA

ERIE NATIONAL WILDLIFE REFUGE

Sport fishing on the Erie National Wildlife Refuge, Pa., is permitted on areas designated by signs as open to fishing. These open areas are delineated on maps available at refuge headquarters and from the office of the Regional Director, Bureau of Sport Fisheries and

Wildlife, U.S. Post Office and Courthouse, Boston, Mass. 02109. Fishing shall be in accordance with all applicable State regulations.

The provisions of this special regulation supplement the regulations which govern fishing on wildlife refuge areas generally, which are set forth in Title 50, Code of Federal Regulations, Part 33, and are effective through December 31, 1969.

RICHARD E. GRIFFITH,  
*Regional Director, Bureau of  
Sport Fisheries and Wildlife.*

MARCH 20, 1969.

[F.R. Doc. 69-3605; Filed, Mar 26, 1969;  
8:48 a.m.]

# Proposed Rule Making

## DEPARTMENT OF THE TREASURY

Internal Revenue Service

[ 26 CFR Part 1 ]

### INCOME TAX

#### Percentage Depletion; Notice of Publication of Discussion Draft

On July 26, 1968, proposed amendments to the regulations under sections 482 (relating to allocation of income and deductions among taxpayers) and 613 (relating to percentage depletion) were proposed in the FEDERAL REGISTER (33 F.R. 10700). On October 2, 1968, certain portions of these proposed amendments were withdrawn and revisions thereunder proposed (33 F.R. 14707).

As a result of consideration of all the comments that were based on the July and October 1968 publications, a tentative draft of a revised notice of proposed rule making was prepared in January by the prior Administration and it would make significant changes in the previous proposed amendments to the regulations. The present Administration has not yet had time to evaluate the proposals contained in the January 1969 draft. In order to assist officials of the new Administration in their evaluation and review of the proposed regulations, the January 1969 draft is attached to this notice as an appendix for the purpose of obtaining further public comments with respect to the tentative revisions it contains.

Certain portions of the proposed regulations which were not revised significantly are not republished here. The comments previously received with respect to such provisions will be evaluated as a part of the future review of this proposed change in the regulations.

Therefore, consideration will be given to any comments or suggestions with respect to the provisions contained in the attached discussion draft. Such comments or suggestions should be submitted in writing, preferably in quintuplicate, to the Commissioner of Internal Revenue, Attention: CC:LR:T, Washington, D.C. 20224, within the period of 30 days from the date of publication of this notice in the FEDERAL REGISTER. Any written comments or suggestions not specifically designated as confidential in accordance with 26 CFR 601.601(b) may be inspected by any person upon written request.

[SEAL]

WILLIAM H. SMITH,  
Acting Commissioner  
of Internal Revenue.

The following is a discussion draft of proposed amendments to the sections indicated herein of the Income Tax Regulations under sections 482 and 613 of the Internal Revenue Code of 1954. Except as

otherwise provided, such regulations would be applicable for taxable years beginning after December 31, 1953, and ending after August 16, 1954. With respect to taxable years beginning after November 13, 1966, the regulations would give effect to the amendments made by sections 207, 208, and 209 of the Act of November 13, 1966 (Public Law 89-809, 80 Stat. 1539). With respect to taxable years beginning after December 31, 1960, the regulations would give effect to certain of the amendments made by section 302(b) of the Public Debt and Tax Rate Extension Act of 1960 (Public Law 86-564, 74 Stat. 291).

PARAGRAPH 1. Section 1.482-2 is amended by revising subdivision (ii) of paragraph (e) (1) thereof, and by adding a new subdivision (v) to paragraph (e) (1). These amended and added provisions read as follows:

#### § 1.482-2 Determination of taxable income in specific situations.

##### (e) Sales of tangible property—(1) In general. . . .

(ii) Subparagraphs (2), (3), and (4) of this paragraph describe three methods of determining an arm's length price and the standards for applying each method. They are, respectively, the comparable uncontrolled price method, the resale price method, and the cost plus method. In addition, a special rule is provided in subdivision (v) of this subparagraph for use in determining an arm's length price for an ore or mineral which is sold at the stage at which mining or extraction ends. If there are comparable uncontrolled sales as defined in subparagraph (2) of this paragraph, the comparable uncontrolled price method must be utilized because it is the method likely to result in the most accurate estimate of an arm's length price (for the reason that it is based upon the price actually paid by unrelated parties for the same or similar products). If there are no comparable uncontrolled sales, then the resale price method must be utilized if the standards for its application are met because it is the method likely to result in the next most accurate estimate in such instances (for the reason that, in such instances, the arm's length price determined under such method is based more directly upon actual arm's length transactions than is the cost plus method). A typical situation where the resale price method may be required is where a manufacturer sells products to a related distributor which, without further processing, resells the products in uncontrolled transactions. If all the standards for the mandatory application of the resale price method are not satisfied, then, as provided in subparagraph (3) (iii) of this paragraph, either that method or the cost plus method may be used, depending upon

which method is more feasible and is likely to result in a more accurate estimate of an arm's length price. A typical situation where the cost plus method may be appropriate is where a manufacturer sells products to a related entity which performs substantial manufacturing, assembly, or other processing of the product or adds significant value by reason of its utilization of its intangible property prior to resale in uncontrolled transactions.

(v) The price for a mineral product which is sold at the stage at which mining or extraction ends shall be determined under the provisions of § 1.613-3.

PAR. 2. Section 1.613 is amended by revising section 613 (b) and (c) (4) (G) and by adding to the historical note. These amended provisions read as follows:

#### § 1.613 Statutory provisions; percentage depletion.

Sec. 613. Percentage depletion. . . .

(b) Percentage depletion rates. The mines, wells, and other natural deposits, and the percentages, referred to in subsection (a) are as follows:

- (1) 27½ percent—oil and gas wells.
- (2) 23 percent—
  - (A) Sulfur and uranium; and
  - (B) If from deposits in the United States—
    - anorthosite, clay, laterite, and nephelitic syenite (to the extent that alumina and aluminum compounds are extracted therefrom), asbestos, bauxite, celestite, chromite, corundum, fluor spar, graphite, ilmenite, kyanite, mica, olivine, quartz crystals (radio grade), rutile, block steatite talc, and zircon, and ores of the following metals: antimony, beryllium, bismuth, cadmium, cobalt, columbium, lead, lithium, manganese, mercury, nickel, platinum and platinum group metals, tantalum, thorium, tin, titanium, tungsten, vanadium, and zinc.
- (3) 15 percent—
  - (A) Metal mines (if paragraph (2) (B) does not apply), rock asphalt, and vermiculite; and
  - (B) If neither paragraph (2) (B), (5), or (6) (B) applies, ball clay, bentonite, china clay, sagger clay, and clay used or sold for use for purposes dependent on its refractory properties.
- (4) 10 percent—
  - (A) asbestos (if paragraph (2) (B) does not apply), brucite, coal, lignite, perlite, sodium chloride, and wollastonite.
- (5) 7½ percent—
  - (A) clay and shale used or sold for use in the manufacture of sewer pipe or brick, and clay, shale, and slate used or sold for use as sintered or burned lightweight aggregates.
- (6) 5 percent—
  - (A) Gravel, peat, pumice, sand, scoria, shale (except shale described in paragraph (5)), and stone (except stone described in paragraph (7));
  - (B) Clay used, or sold for use, in the manufacture of drainage and roofing tile, flower pots, and kindred products; and
  - (C) If from brine wells—bromine, calcium chloride, and magnesium chloride.

(7) 15 percent—all other minerals (including, but not limited to, apatite, barite, borax, calcium carbonates, diatomaceous earth, dolomite, feldspar, fullers earth, garnet, gilsonite, granite, limestone, magnesite, magnesium carbonates, marble, mollusk shells (including clam shells and oyster shells), phosphate rock, potash, quartzite, slate, soapstone, stone (used or sold for use by the mine owner or operator as dimension stone or ornamental stone), thenardite, tripoli, trona, and (if paragraph (2)(B) does not apply) bauxite, flake graphite, fluorspar, lepidolite, mica, spodumene, and talc, including pyrophyllite), except that, unless sold on bid in direct competition with a bona fide bid to sell a mineral listed in paragraph (3), the percentage shall be 5 percent for any such other mineral (other than slate to which paragraph (5) applies) when used, or sold for use, by the mine owner or operator as rip rap, ballast, road material, rubble, concrete aggregates, or for similar purposes. For purposes of this paragraph, the term "all other minerals" does not include—

(A) Soil, sod, dirt, turf, water, or mosses; or

(B) Minerals from sea water, the air, or similar inexhaustible sources.

(c) Definition of gross income from property. \* \* \*

(4) Treatment processes considered as mining. \* \* \*

(G) In the case of clay to which paragraph (5) or (6)(B) of subsection (b) applies—crushing, grinding, and separating the mineral from waste, but not including any subsequent process; and

[Sec. 613 as amended by sec. 36, Technical Amendments Act of 1958 (72 Stat. 1633); sec. 302, Public Debt and Tax Rate Extension Act 1960 (74 Stat. 291); sec. 13(e), Rev. Act 1962 (76 Stat. 1034); sec. 6, Act of Sept. 2, 1964 (Public Law 88-571, 78 Stat. 860); secs. 207, 208, and 209, Act of Nov. 13, 1966 (Public Law 89-309, 80 Stat. 1579)]

PAR. 3. Section 1.613-2 is amended by revising subparagraphs (1), (2), and (3) of paragraph (a), by adding new subparagraphs (5), (6), (7), and (8) to paragraph (b), by revising paragraph (c) (2), and by adding new subparagraphs (6), (7), and (8) to paragraph (c). These amended and added provisions read as follows:

§ 1.613-2 Percentage depletion rates.

(a) In general. \* \* \*

(1) Without regard to situs of deposits. The following rates are applicable to the minerals or mineral properties listed in this subparagraph regardless of the situs of the mineral properties or the deposits from which the minerals are produced:

(i) 27½ percent—Gas wells, oil wells, or oil and gas wells. The term "gas wells" refers to wells producing gases which, by value, are predominantly natural hydrocarbon gases. The term "oil wells" refers to wells producing liquids which, by value, are predominantly natural petroleum liquids. The term "oil and gas wells" refers to wells producing liquids and gases which, by value, are predominantly natural hydrocarbon gases and natural petroleum liquids. The term "natural hydrocarbon gases" includes gases such as butanes, ethane, methane, propane, pentanes, and hexanes, but does not include gases produced from natural deposits of other minerals such as asphalt,

coal, rock asphalt, tar sands, bituminous sands, kerogen, oil shale, gilsonite, or similar deposits, nor does the term include nonhydrocarbon gases such as argon, carbon dioxide, helium, hydrogen, hydrogen sulphide, nitrogen, or oxygen. The term "natural petroleum liquids" includes paraffin base, mixed base, and asphaltic base liquid petroleum, but does not include pyrobitumens or bitumens other than liquid petroleum, nor does the term include oils produced from natural deposits of other minerals such as asphalt, coal, rock asphalt, tar sands, bituminous sands, kerogen, oil shale, gilsonite, or similar deposits, whether or not liquefied or gasified. For example, the term "natural petroleum liquids" does not include oils produced from tar sands, whether or not the bitumen contained therein is liquefied by the injection of steam into the tar sands. See paragraph (b) (8) of this section for the definition of the terms "asphalt," "rock asphalt," "tar sands," and "bituminous sands."

(ii) 23 percent—Uranium ores, and (except where sulfur is recovered from oil wells, gas wells, oil and gas wells, metal mines, or from ores or minerals which in their natural state in place in the ground do not constitute sulfur) sulfur.

(iii) 15 percent—

(a) Applicable to taxable years beginning either before January 1, 1961, or after December 31, 1960: Metal mines,<sup>1,2</sup> rock asphalt, vermiculite. The term "metal mines" refers to mines producing ores and minerals which, by value, are predominantly metal ores or metals.

(b) Applicable only to taxable years beginning before January 1, 1961: Refractory and fire clay.

(c) Applicable only to taxable years beginning after December 31, 1960, and applicable to such taxable years only if subdivision (vi) (c) of this subparagraph does not apply: Clay used or sold for use for purposes dependent on its refractory properties.

(d) Applicable to taxable years beginning before January 1, 1961, and (if neither subdivision (vi) (c) or (e) of this subparagraph nor subparagraph (2) of this paragraph applies) also applicable to taxable years beginning after December 31, 1960: Ball clay, bentonite, china clay, sagger clay.

(iv) 10 percent—Asbestos,<sup>3</sup> brucite, coal, lignite, perlite, sodium chloride, wollastonite.

(v) 7½ percent—For taxable years beginning after November 13, 1966, clay and shale used or sold for use in the manufacture of building or paving brick or sewer pipe, and clay, shale, and slate used or sold for use as sintered or burned lightweight aggregates.

<sup>1</sup> Not applicable if the rate prescribed in subparagraph (2) of this paragraph is applicable.

<sup>2</sup> For taxable years beginning after the publication of this provision in the FEDERAL REGISTER as a Treasury decision, the 15 percent rate of depletion for metal mines applies to sulfur bearing minerals extracted from metal mines.

(vi) 5 percent—

(a) Applicable to all taxable years beginning after December 31, 1953: Gravel, peat, pumice, sand, scoria, shale (except shale to which subdivision (v) of this subparagraph applies), stone (except dimension or ornamental stone). If from brine wells—Bromine, calcium chloride, magnesium chloride.

(b) Applicable only to taxable years beginning before January 1, 1961: Brick and tile clay.

(c) Applicable only to taxable years beginning after December 31, 1960: Clay used, or sold for use, in the manufacture of drainage and roofing tiles, flower pots, and kindred products.

(d) Applicable only to taxable years beginning before November 14, 1966: Mollusk shells (including clam shells and oyster shells).

(e) Applicable only to taxable years beginning after December 31, 1960, and before November 14, 1966: Clay used, or sold for use, in the manufacture of building or paving brick or sewer pipe.

(2) Production from U.S. deposits. A rate of 23 percent is applicable to the minerals listed in this subparagraph if produced from deposits within the United States:

Anorthosite. <sup>4</sup>	Kyanite.
Asbestos.	Laterite. <sup>5,6</sup>
Bauxite.	Mica.
Beryl. <sup>4</sup>	Nephelite Syenite. <sup>5,6</sup>
Celestite.	Olivine.
Chromite.	Quartz crystals
Clay. <sup>7,8</sup>	(radio grade).
Corundum.	Rutile.
Fluorspar.	Block steatite talc.
Graphite.	Zircon.
Ilmenite.	

Ores of the following metals—

Antimony.	Platinum.
Beryllium. <sup>9</sup>	Platinum group
Bismuth.	metals.
Cadmium.	Tantalum.
Cobalt.	Thorium.
Columbium.	Tin.
Lead.	Titanium.
Lithium.	Tungsten.
Manganese.	Vanadium.
Mercury.	Zinc.
Nickel.	

(3) Other minerals. A rate of 15 percent is applicable to the minerals listed in this subparagraph regardless of the situs of the deposits from which the minerals are produced, provided the minerals are not used or sold for use by the mine owner or operator as rip rap, ballast, road material, rubble, concrete aggregates, or for similar purposes. If, however, such minerals are sold or used for the purposes described in the preceding sentence, a rate of 5 percent is applicable to any of such minerals unless sold on bid in direct competition with a bona fide bid to sell

<sup>3</sup> The rate prescribed in this subparagraph does not apply except to the extent that alumina and aluminum compounds are extracted therefrom.

<sup>4</sup> Applicable only for taxable years beginning before Jan. 1, 1964.

<sup>5</sup> Applicable only for taxable years beginning after Nov. 13, 1966.

<sup>6</sup> Applicable only for taxable years beginning after Dec. 31, 1963.

any of the minerals listed in subdivision (iii) of subparagraph (1) of this paragraph, in which case the rate is 15 percent. In addition, the provisions of this subparagraph are not applicable with respect to any of the minerals listed herein if the rate prescribed in subparagraph (2) of this paragraph is applicable. For purposes of the first sentence of this subparagraph, minerals used or sold for use as stucco stone, exposed aggregate, terrazzo stone, and the like, shall be considered to be minerals used or sold for use by the mine owner or operator for purposes similar to use as concrete aggregates. Accordingly, the applicable rate of depletion for such minerals shall be determined in accordance with the second sentence of this subparagraph.

Aplite.	Magnesium carbonates.
Barite.	Marble.
Bauxite.	Mica.
Beryl. <sup>7</sup>	Phosphate rock.
Borax.	Potash.
Calcium carbonates.	Quartzite.
Clay, refractory and fire. <sup>8</sup>	Shells, mollusk (including clam and oyster shells). <sup>9</sup>
Diatomaceous earth.	Slate.
Dolomite.	Soapstone.
Feldspar.	Spodumene.
Flake Graphite.	Stone (dimension or ornamental). <sup>10</sup>
Fluorspar.	Talc (including pyrophyllite).
Fullers earth.	Thenardite.
Garnet.	Tripoli.
Gilsonite.	Trona.
Granite.	All other minerals.
Lepidolite.	
Limestone.	
Magnesite.	

(b) *Definition of terms.* \* \* \*

(5) As used in section 613(b)(2)(B) and this section, the terms "clay," "laterite," and "nephelitic syenite" do not include bauxite having an aluminum oxide content of 40 percent or more.

(6) As used in section 613(b)(7)(A) and this section, the terms "soil" and "dirt" refer to conglomerate mixtures of miscellaneous mineral materials, or mineral and organic materials, generally found at or near the surface of the earth in alluvial or wind-blown deposits. The principal useful characteristic of "dirt" ordinarily is its bulk or space-filling ability. The term "dirt" includes material commonly known as "fill dirt", whether or not sold to specifications. The term "dirt" also includes conglomerate mixtures of miscellaneous mineral materials which are used or sold for use as ground fill, road bed material, subbase material for roads or airports, or core material for earthen dams, levees, or dikes, and for similar uses. The term "soil" refers to conglomerate mixtures used or sold for use for the purposes set forth in the preceding sentence, or similar uses, or for agricultural or horticultural purposes. The terms "soil" and "dirt" apply to

conglomerate mixtures even though it is shown that some of the mineral materials contained in the mixture might be entitled to percentage depletion if they were not mixed with other mineral or organic materials. For example, the terms "soil" and "dirt" apply to a mineral mixture even though it is shown that some of the mineral particles in the mixture are clay particles or sand particles, and accordingly, a mixture composed of 65 percent clay particles, 30 percent sand particles, and 5 percent organic matter would constitute "soil" or "dirt." However, for purposes of this section, a mineral mixture which is composed of more than 90 percent clay particles shall not be considered "soil" or "dirt," nor shall a mineral mixture which is composed of more than 90 percent sand particles or gravel particles be considered "soil" or "dirt." For example, a mineral mixture which is composed of 91 percent clay particles shall not be considered to be "soil" or "dirt," nor shall a mixture which is composed of 91 percent sand or gravel particles be considered to be "soil" or "dirt," even though such mixtures contain some organic matter or some mineral particles other than clay particles, or sand or gravel particles, respectively.

(7) As used in section 613(b)(7)(A) and this section, the term "water" includes water found in gaseous, liquid, or solid form.

(8) As used in this section, the terms "asphalt," "bituminous sands," "tar sands," and "rock asphalt" refer to naturally occurring solid or semisolid bituminous materials, the bitumen in which is characterized (in its natural state in place in the ground) by a high viscosity and which may vary from nearly pure bitumen to an impure bitumen containing a high percentage of sand, stone, clay or similar nonbituminous materials.

(c) *Rules for application of paragraph (a) of this section.* \* \* \*

(2) (i) If the taxpayer extracts a complex ore or mineral (that is, an ore or mineral containing two or more valuable mineral constituents), and if one or more of the valuable constituents is entitled to a percentage depletion rate under section 613(b) and this section which is different from the percentage depletion rate applicable to the other valuable constituents, then (except as provided in subdivision (v) of this subparagraph) the percentage depletion allowance shall be computed by applying the percentage rate applicable to each particular valuable constituent to the gross income from the property attributable to each such constituent. The gross income from the property attributable to each such constituent shall be determined in accordance with subdivision (ii), (iii), or (iv) of this subparagraph, as appropriate. The percentage depletion deduction so computed is subject to the limitation provided in section 613(a) and § 1.613-1, that is, 50 percent of the taxpayer's taxable income from the property (computed without allowance for depletion). Such taxable income (computed in accordance with § 1.613-4) is the total taxable income resulting from the produc-

tion of all the minerals produced from the mineral property.

(ii) If the complex ore or mineral is sold (or used) after the application of only mining processes, without separation of its valuable mineral constituents, the gross income from the property attributable to each valuable constituent shall be computed by fairly apportioning the actual (or constructive) selling price of the complex ore or mineral between the various valuable mineral constituents on the basis of the market or field price and relative content of each valuable constituent, or on some other reasonable basis.

(iii) If the valuable mineral constituents are separated and sold (or used) after the application of only mining processes, the gross income from the property attributable to each valuable mineral constituent shall be the actual (or constructive) selling price of each such constituent.

(iv) If the complex ore or minerals is not sold or used until after the separation of its valuable mineral constituents by the application of nonmining processes, the gross income from the property attributable to each valuable constituent shall be determined by reference to the representative market or field price or other constructive price of each constituent, prior to the application of nonmining processes, and by reference to the relative content of each such constituent.

(v) In the case of oil wells, gas wells, or oil and gas wells (as defined in paragraph (a)(1)(i) of this section), the rate of depletion for all minerals extracted from the well shall be 27½ percent. In the case of metal mines (as defined in paragraph (a)(1)(iii)(a) of this section), the rate of depletion for all minerals extracted from the mine shall be 15 percent, except to the extent that the provisions of section 613(b)(2)(B) and paragraph (a)(2) of this section are applicable to metalliferous ores produced from such mines. In the case of metal mines from which sulfur bearing minerals are extracted, the rule set forth in the preceding sentence shall not apply to sulfur produced and sold or used in taxable years beginning before the publication of this subdivision in the FEDERAL REGISTER as a Treasury decision. The depletion rate for ores or minerals from which sulfur is obtained, but which do not constitute sulfur in their natural state in place in the ground, shall be determined by reference to section 613(b) and this section.

(vi) The provisions of this subparagraph may be illustrated by the following examples:

*Example (1).* An ore is obtained from a domestic mineral property, and a concentrate which contains both copper and zinc is obtained from that ore. The depletion rate for domestic zinc is 23 percent, and the depletion rate for copper is 15 percent. Representative market or field prices for copper concentrate or zinc concentrate are not available in the relevant marketing area, but representative market prices for refined copper and refined zinc are available. Under these circumstances, the selling price for the

<sup>7</sup> Applicable only for taxable years beginning before Jan. 1, 1964.

<sup>8</sup> Not applicable for taxable years beginning after Dec. 31, 1960.

<sup>9</sup> Applicable only for taxable years beginning after Nov. 13, 1966.

<sup>10</sup> The 15-percent rate is applicable only to stone used or sold for use by the mine owner or operator as cut dimension stone or as ornamental stone blocks or slabs.

copper-zinc concentrate may be allocated between the copper content and the zinc content in the same ratio that the representative market price of refined copper bears to the representative market price for refined zinc, taking into account the amounts of the two metals present in the copper-zinc concentrate. If representative market or field prices for copper concentrate or zinc concentrate were available, the selling price for the copper-zinc concentrate would have been allocated on that basis, taking into account the amounts of the two metals present in the copper-zinc concentrate.

*Example (2).* A gas which contains both natural hydrocarbon gas and sulfur is obtained from a mineral property containing a well. Natural hydrocarbon gas constitutes the predominant mineral produced from the well, by value. Accordingly, the well constitutes a gas well, and the applicable rate of depletion is 27½ percent for all minerals produced from the well.

(6) The method of mining or extracting an ore or mineral does not determine the applicable rate of depletion (except in the case of minerals named in section 613(b)(6)(C)), nor does the applicable rate of depletion determine the processes to be considered as mining under section 613(c). For example, a 15 percent rate of depletion is applicable to tar sand (which is an "other mineral" within the meaning of section 613(b)(7)), whether the bitumen in the sand is recovered by surface stripping or by underground liquefaction and pumping. Conversely, the rate of depletion applicable to tar sand does not determine whether underground liquefaction and pumping are to be treated as mining under the provisions of section 613(c).

(7) Unless an end use test applies, the percentage rate of depletion applicable to an ore or mineral shall ordinarily be determined by reference to the chemical, mineralogical, and physical characteristics of the ore or mineral as found in its natural state in place in the ground. When applying the preceding sentence, gangue materials shall be disregarded. For example, a 15 percent rate of depletion is applicable to gypsum or anhydrite (which are "other minerals" within the meaning of section 613(b)(7)), even though sulfur may be produced from such minerals, because gypsum and anhydrite do not constitute sulfur in their natural state in place in the ground. However, in the case of ores or minerals which cannot readily be sampled in place in the ground, it may be more practical, in the particular facts and circumstances of the case, to determine the percentage rate of depletion by reference to the chemical, mineralogical, and physical characteristics of the ore or mineral after the application of extractive or mining processes. The district director shall determine whether the special rule set forth in the preceding sentence is applicable in a particular case.

(8) If the taxpayer restores or repays amounts included in gross income from the property for a prior year as part of the actual or constructive selling price of ores or minerals, then the amount of any deduction otherwise allowable on account of such restoration or repayment shall be decreased to the extent that a deduction

for percentage depletion with respect to the amounts previously included in income, but subsequently restored or repaid, reduced taxable income in a prior year or years (either directly or indirectly as, for example, as part of a net operating loss deduction). See § 1.611-0. If appropriate, a corresponding adjustment shall be made to capital account. Examples of instances in which this subparagraph shall apply are payments made as a result of a court decision, the settlement of a claim, or a voluntary repayment.

PAR. 4. Section 1.613-3 is amended by revising paragraph (a) to read as follows:

**§ 1.613-3 Gross income from the property.**

(a) *Oil and as wells—(1) Computation of gross income from the property.*

(i) (a) The term "gross income from the property," as used in section 613, means in the case of oil wells, gas wells, or oil and gas wells, the amount for which the taxpayer sells the oil, gas, or condensate in the immediate vicinity of the well, after the application of those production processes which are associated with extraction, subject to the adjustments required by paragraph (e)(1) of this section (relating to discounts). See (b) of this subdivision in the case of sales between members of controlled groups. See paragraph (a)(1)(i) of § 1.613-2 and subparagraph (2) of this paragraph, respectively, for the meaning of the terms "oil wells," "gas wells," and "oil and gas wells," and the term "production processes associated with extraction."

(b) In the case of sales between members of a controlled group, the prices for such sales must be representative in character. In the case of those sales as to which the Commissioner has exercised his authority under section 482, and has determined the appropriate price with respect to specific sales transactions, such price shall be deemed to be representative in character with respect to those transactions. In the case of all other sales between members of a controlled group, the representative character of the prices for such sales shall be determined, in the first instance, by use of the representative market or field price method, as described in paragraph (c) of this section. If it is not possible to ascertain the representative character of such prices by use of the representative market or field price method, the representative character of such prices shall be determined by reference to paragraph (d)(2) of this section. For the definitions of the terms "controlled" and "group," see paragraph (j) of this section.

(ii) If the oil, gas, or condensate is not sold in the immediate vicinity of the well, but (prior to sale) is converted into a refined or manufactured product, or is transported away from the immediate vicinity of the well, then gross income from the property shall be computed by use of the representative market or field price of oil, gas, or condensate of like kind and grade before any such conversion or transportation.

See subparagraph (3) of this paragraph for a description of the processes constituting conversion or transportation and paragraph (c) of this section for rules relating to the determination of representative market or field prices.

(iii) For taxable years beginning after the publication of this sentence in the FEDERAL REGISTER as a Treasury decision, if the oil, gas, or condensate is not sold in the immediate vicinity of the well, but is subjected to processes constituting conversion or transportation (as described in subparagraph (3) of this paragraph), and if it is impossible to determine a representative market or field price as described in paragraph (c) of this section, then gross income from the property shall be computed by reference to the provisions of paragraph (d)(2) of this section.

(2) *Production processes associated with extraction.* The production processes which are associated with extraction (and which do not constitute conversion or transportation) in the case of oil wells, gas wells, and oil and gas wells are, in general, those processes (and the processes necessary or incidental thereto) which are applied to extract oil and gas (including condensate) from the reservoir, to gather well effluent and separate it into oil, gas, and condensate, to separate and dispose of contaminants such as basic sediment and water, to measure performance and output, and to store oil prior to sale. Examples of such processes in the case of wells producing oil are: Gathering in the immediate vicinity of the well by use of flow lines, the use of mechanical separators, the use of emulsion and flow treating devices to separate oil and water, the injection of oil-treating materials into flow lines to break oil-water emulsions or to inhibit corrosion and scale formation, the control or removal of hydrogen sulphide, the storage of oil in stock tanks, the gaging, sampling, and testing of output, the treatment and disposal of water (including, for example, use of filters, tanks, pits, wells, and pumps), and assistance of production by the injection of water, gas, steam, or miscible materials into the producing formation, or by use of fireflood techniques. Examples of such processes in the case of wells producing gas are: Gathering in the immediate vicinity of the well by use of flow lines, the use of mechanical separators, techniques designed to control or remove hydrogen sulphide and to control the formation of hydrates, the removal of water or water vapor by processes such as absorption, adsorption, or refrigeration (but not that portion of such processes which constitutes conversion, such as the portion of a process which results in the recovery of products such as propane, butane, and other liquid hydrocarbons), the measurement and testing of output, the storage of condensate in stock tanks, and the injection of water or gas into producing formations to sustain reservoir pressure or assist production. See paragraph (f)(2)(iii) of this section for the definitions of the terms "necessary" and "incidental".

(3) *Processes constituting conversion or transportation.* (i) The processes which constitute conversion in the case of oil wells, gas wells, and oil and gas wells are, in general, those processes (and the processes necessary or incidental thereto) which are applied to convert oil or gas into a refined or manufactured product. The processes which constitute transportation in the case of such wells are, in general, those processes (and the processes necessary or incidental thereto) which are applied to transport oil or gas away from the immediate vicinity of the well. Examples of processes which constitute conversion or transportation in the case of oil are: The removal of sulfur or the recovery of sulfur for sale or industrial use, barge transportation, transportation by pipeline (including the heating or treatment of oil to reduce viscosity and thereby facilitate such transportation), and any subsequent process. Examples of processes which constitute conversion or transportation in the case of gas are: The recovery of helium or sulfur for sale or industrial use, the compression of gas for the purpose of introducing it into pipe lines, and the processes commonly applied in natural gasoline plants or cycling plants (including the recovery of products such as propane, butane, and other liquid hydrocarbons, by fractionation, absorption, adsorption, or refrigeration), and any subsequent process. See paragraph (f) (2) (iii) of this section, for the definitions of the terms "necessary" and "incidental".

(ii) Ordinarily, a process applied subsequent to a process constituting conversion or transportation (as described in subdivision (i) of this subparagraph) shall also be considered to be a process constituting conversion or transportation. However, exceptions to this rule shall be made in those instances in which the rule would discriminate between similarly situated producers of oil or gas. For example, if a process which is substantially similar in function and result to mechanical separation is performed at a cycling plant after transportation away from the immediate vicinity of the well, the process which is substantially similar to mechanical separation will be treated as a production process associated with extraction, even though it may follow transportation to the cycling plant of the kind which must be treated under the provisions of this subparagraph as transportation away from the immediate vicinity of the well: *Provided*, That such mechanical separation is necessary to bring well effluent to the same form as a competitive effluent which is subjected to mechanical separation in the immediate vicinity of the well but not transportation. The test of nondiscrimination shall be applied by reference to the U.S. nationwide pattern of production in the oil industry or gas industry, except that, if the U.S. pattern of production is shown to be unrepresentative of the pattern of production of U.S. taxpayers in the oil industry or gas industry, the determination shall be made in light of the worldwide pattern of production by U.S. taxpayers in the oil industry or

gas industry. In addition, exceptions to the rule set forth in the first sentence of this subdivision shall be made in cases in which a process constituting conversion or transportation is incidental to a process specified as a production process associated with extraction. See paragraph (f) (2) (iii) of this section for the definition of the term "incidental."

(iii) If a specific item or equipment performs both a production process which is described in subparagraph (2) of this paragraph (such as dehydration) and a conversion or transportation process which is described in this subparagraph (such as fractionation), the equipment shall be deemed to perform, in part, a production process associated with extraction and, in part, a conversion process. Any allocation of costs, investment, etc., which may be necessary with respect to such equipment shall be made on a basis which is reasonable in the circumstances.

(iv) The classification of a process as a production process associated with extraction (as described in subparagraph (2) of this paragraph) or as a process constituting conversion or transportation (as described in this subparagraph) has no bearing on the determination of questions relating to the capitalization or expensing of the costs paid or incurred to perform such processes.

PAR. 5. Section 1.613-3 is amended by adding paragraph (b) (2) (ii) in the space reserved therefor. This added provision reads as follows:

§ 1.613-3 Gross income from the property.

(b) *Minerals other than oil and gas.* \* \* \*

(2) *Sales prior to the application of nonmining processes including nonmining transportation.* \* \* \*

(i) In the case of sales between members of a controlled group, the prices for such sales must be representative in character. In the case of those sales as to which the Commissioner has exercised his authority under section 482, and has determined the appropriate price with respect to specific sales transactions, such price shall be deemed to be representative in character with respect to those transactions. In the case of all other sales between members of a controlled group, the representative character of the prices for such sales shall be determined, in the first instance, by use of the representative market or field price method, as described in paragraph (c) of this section. If it is not possible to ascertain the representative character of such prices by use of the representative market or field price method, the representative character of such prices shall be determined by the pricing method described in paragraph (d) (1) of this section (or paragraph (d) (2) of this section where a computation has been approved under such paragraph by the Commissioner with respect to a particular controlled group or a particular industry). For the definitions of the

terms "controlled", and "group", see paragraph (j) (1) and (2) of this section.

PAR. 6. Section 1.613-3 is amended by revising paragraph (c) to read as follows:

§ 1.613-3 Gross income from the property.

(c) *Cases where a representative market or field price for the taxpayer's ore or mineral can be ascertained—*(1) *General rule.* In the case of minerals other than oil and gas, if the taxpayer processes the ore or mineral before sale by the application of nonmining processes (including nonmining transportation), gross income from the property shall be computed by use of the representative market or field price of an ore or mineral of like kind and grade as the taxpayer's ore or mineral after the application of the mining processes (if any) actually applied and before any nonmining transportation, subject to any adjustments required by paragraph (e) (1) of this section (relating to discounts). See paragraph (e) (2) (i) of this section for certain other situations in which this paragraph shall apply in the case of minerals other than oil and gas. In the case of oil and gas, if the taxpayer processes the mineral, before sale, by processes constituting conversion or transportation, gross income from the property shall be computed by use of the representative market or field price of a mineral of like kind and grade as the taxpayer's mineral after the application of the production processes associated with extraction actually applied (if any) and before any transportation away from the immediate vicinity of the well, subject to any adjustments required by paragraph (e) (1) of this section (relating to discounts). See paragraph (e) (2) (i) of this section for certain other situations in which this paragraph shall apply in the case of oil and gas. The objective in computing gross income from the property by the representative market or field price method is to ascertain, on the basis of a study of actual competitive sales by the taxpayer or others, the dollar figure or amount which most nearly represents the approximate price at which the taxpayer, in light of market conditions, could have sold his ores or minerals if, prior to the application of nonmining processes (or, in the case of oil and gas, processes constituting conversion or transportation), the taxpayer had sold the quantities and types of ores or minerals to which he applied nonmining processes (or, in the case of oil and gas, processes constituting conversion or transportation). If it is possible to determine a market or field price under the provisions of this paragraph, and if such price is determined to be representative, the taxpayer's gross income from the property shall be determined on the basis of such price and not under the provisions of paragraph (d) of this section. The taxpayer's own actual sales prices for ores or minerals of like kind and grade shall be taken into account when

establishing market or field prices, provided that such sales are determined to be representative in character.

(2) *Criteria for determining whether an ore or mineral is of like kind and grade as the taxpayer's ore or mineral.*

(i) In the case of all ores and minerals, an ore or mineral will be considered to be of like kind and grade as the taxpayer's ore or mineral if, in common commercial practice, it is sufficiently similar in chemical, mineralogical, or physical characteristics to the taxpayer's ore or mineral so that it is used or is economically suitable for use for essentially the same purposes as the uses to which the taxpayer's ore or mineral is put. Whether an ore or mineral is of like kind and grade as the taxpayer's ore or mineral will generally be determined by reference to industrial specifications and by consideration of chemical and physical data relating to the minerals and deposits in question.

(ii) In the case of wells producing oil, all liquid petroleum of similar gravity will be considered to be of like kind. Among the factors determining the grade of the various kinds of petroleum are pour point, sweetness or sourness, sulfur content, viscosity, boiling range, yield (including, for example, such factors as wax content, and the yields of gasoline, naphtha, middle distillates, fuel oil, and residuums), and the type of base (for example, asphaltic, paraffin, or mixed base).

(iii) In the case of wells producing gas (including condensate) all dry gas will be considered to be of like kind. For this purpose, the term "dry gas" refers to gases containing principally methane with little or no other hydrocarbons which are commercially recoverable as liquid products. In addition, all wet gas will be considered to be of like kind. For this purpose, the term "wet gas" refers to gases containing hydrocarbons (principally hydrocarbons other than methane) which are commercially recoverable as liquid products. Further, all condensate of similar gravity will be considered to be of like kind. Among the factors determining the grade of the various kinds of gases are the energy content (as expressed in BTU's) and the pressure at the delivery point. An example of factors determining grade in the case of condensate is the yield of gasoline, middle distillates, and other products.

(iv) In the case of all minerals other than oil and gas, the fact that the taxpayer applies slightly different size reduction processes or the fact that the taxpayer uses slightly different beneficiation processes will not, in itself, prevent another person's ore or mineral from being considered to be of like kind and grade as the taxpayer's ore or mineral. On the other hand, the fact that the taxpayer's ore or mineral is suitable for the same general commercial use as another person's ore or mineral will not cause the two ores or minerals to be considered to be of like kind and grade if the desirable natural constituents of the two ores or minerals are markedly dif-

ferent substances. For example, anthracite coal will not be considered to be of like kind as bituminous coal merely because both types of coal can be used as fuel. Similarly, bituminous coal which does not possess coking qualities will not be considered to be of like grade as bituminous coking coal. However, in the case of a taxpayer who mines and uses his bituminous coal in the production of coke, all bituminous coals in the same marketing area will be considered to be of like kind, and all such bituminous coals having the same or similar coking quality suitable for commercial use by coke producers will be considered to be of like grade as the coal mined and used by the taxpayer.

(v) In the case of all ores and minerals, an ore or mineral may be considered to be of like kind and grade as the taxpayer's ore or mineral even though the taxpayer may use his ore or mineral for a purpose which differs from the purpose for which the comparison ore or mineral is sold, and even though the chemical, mineralogical, or physical characteristics of the ore or mineral (including, for example, size, mineral content, structure, and impurities) of such ore or mineral are not precisely identical to those of the taxpayer's ore or mineral. Fine distinctions between various grades of minerals are to be avoided unless such distinctions are clearly shown to have genuine commercial significance. For example, if under industry standards, in the case of wells producing oil, differences of less than one full degree of gravity are disregarded, such differences shall also be disregarded when determining whether oils are of like kind.

(3) *Factors to be considered in determining the representative market or field price for the taxpayer's ore or mineral.* In determining the representative market or field price for the taxpayer's ore or mineral, consideration shall be given only to prices of ores or minerals of like kind and grade as the taxpayer's ore or mineral and with which, under commercially accepted standards, the taxpayer's ore or mineral would be considered to be in competition if it were sold under the conditions described in paragraph (a) (1) (i) (a) or (b) (2) (i) of this section. A weighted average of the competitive selling prices of ores or minerals of like kind and grade as the taxpayer's, benefited only by mining or extraction processes, in the taxpayer's actual or potential lines of commerce, and in the relevant markets, although not a prerequisite to the determination of the representative market or field price, is an important factor in the determination of such price. The taxpayer's own competitive sales prices for minerals which have been subjected only to mining or extraction processes shall be taken into account in computing such a weighted average. In the case of those sales as to which the Commissioner has exercised his authority under section 482, and has determined the appropriate price with respect to specific sales transactions, such price shall be deemed to be a competitive sales price for purposes of the preceding sentence with respect to

those transactions. The identity of the taxpayer's actual or potential lines of commerce, the geographical extent of the relevant markets, and the price within such markets which is the representative market or field price, are necessarily factual determinations to be made on the basis of the facts and circumstances of each individual case. These facts and circumstances include the similarity of the taxpayer's ore or mineral to the ores or minerals marketed by others, the location of the mines, wells, or quarries at which the ores or minerals are produced, the frequency and volume of such sales, the functional product markets in which ores or minerals are sold, the amount of competition within the relevant markets, the date or dates at which sales take place, the prices paid by the taxpayer and by others when purchasing similar ores or minerals, and all other relevant factors.

(4) *Type of sales which may be considered in determining the representative market or field price for the taxpayer's ore or mineral.* Sales or purchases, including the taxpayer's, of ores or minerals of like kind and grade as the taxpayer's will be taken into consideration in determining the representative market or field price for the taxpayer's ore or mineral only if such sales or purchases are the result of competitive transactions. Accordingly, to the maximum extent possible, consideration will be given to sales in markets characterized by a substantial number of unrelated buyers and sellers, no one of whom controls a substantial portion of the sales or purchases in the market. For the purpose of determining the representative market or field price for the taxpayer's ore or mineral, exceptional, insignificant, unusual, tie-in, or accommodation sales shall be disregarded.

(5) *Information to be furnished by a taxpayer computing gross income from the property by use of a representative market or field price.* A taxpayer who computes his gross income from the property pursuant to the provisions of this paragraph shall attach to his return a statement indicating the price or prices used by him in computing gross income from the property under this paragraph and the source of his information as to such price or prices. However, where there are numerous operating ore or mineral properties, and where the statement containing such information is physically bulky, a summary of such information (which may take the form of a sampling of representative properties) shall be attached to the taxpayer's return, and the relevant supporting data shall be retained by the taxpayer until the expiration of the pertinent period of limitations.

(6) *Limitation on gross income from the property computed under the provisions of this paragraph.* It shall be presumed that a price is not a representative market or field price for the taxpayer's ore or mineral if the sum of such price plus the total of all costs of the nonmining processes (including nonmining transportation) (or, in the case of oil and gas, processes constituting

conversion or transportation) which the taxpayer applies to his ore or mineral regularly exceeds the taxpayer's actual sales price of his first marketable product or group of products. See paragraph (d) (1) (iv) of this section for the definition of the term "first marketable product or group of products". For example, if the total of all costs of non-mining processes applied by the taxpayer (or another member of a controlled group which includes the taxpayer) to coal for the purpose of making coke is \$12 per ton, and if the taxpayer's actual sale price for such coke is \$18 per ton, a price of \$7 per ton shall be presumed not to be a representative market or field price for the taxpayer's coal. For a further example, if the total of all costs of conversion or transportation processes applied by the taxpayer (or another member of a controlled group which includes the taxpayer) to crude oil produced at an offshore rig and mooring is \$1 per barrel, and if the taxpayer's actual sale price for such crude oil at the receiving terminal after conversion and transportation is \$2.90 per barrel, a price of \$2 per barrel shall be presumed not to be a representative market or field price for the taxpayer's crude oil at the offshore rig and mooring. In order to rebut the presumption set forth in the first sentence of this subparagraph, evidence must be produced to establish to the satisfaction of the district director that the loss on non-mining processes (or, in the case of oil and gas, processes constituting conversion or transportation) is directly attributable to unusual, peculiar, and non-recurring factors rather than to the use of a market or field price which is not representative. For example, the first sentence of this subparagraph shall not apply if the taxpayer establishes in an appropriate case that the loss on non-mining operations (or conversion or transportation processes) is directly attributable to unusual, peculiar, and non-recurring events such as a fire, flood, storm, explosion, earthquake, strike, or a similar event which is not a normal part of the operations of the taxpayer.

PAR. 7. Section 1.613-3 is amended by revising the heading of paragraph (d), revising subdivision (v) of paragraph (d) (1) and adding paragraph (d) (2) in the space reserved therefor. These added and amended provisions read as follows:

§ 1.613-3 Gross income from the property.

(d) Cases where a representative market or field price cannot be ascertained—  
(1) Computation of gross income from the property by use of the proportionate profits method. . . .

(v) (a) As used in this paragraph, the term "gross sales (actual or constructive)" means the total of the taxpayer's actual competitive sales to others of the first marketable product or group of products, plus the taxpayer's constructive sales of the first marketable product or group of products used or retained

for use in his own subsequent operations, subject to the adjustments required by paragraph (e) of this section (relating to reductions of sales price). See (b) of this subdivision in the case of actual sales between members of controlled groups and in the case of constructive sales. A "constructive sale" occurs when a miner-manufacturer is deemed, for percentage depletion purposes, to be selling to himself.

(b) In the case of sales between members of a controlled group, and in the case of constructive sales, the prices for such sales must be representative in character. In the case of those sales as to which the Commissioner has exercised his authority under section 482, and has determined the appropriate price with respect to specific sales transactions, such price shall be deemed to be representative in character with respect to those transactions. In the case of all other sales between members of a controlled group, the representative character of the prices for such sales shall be determined by use of the principles set forth in paragraph (c) of this section, subject to the adjustments required by paragraph (e) of this section (relating to reductions of sales price). In the case of sales to which this subdivision applies, the taxpayer shall attach to his return a statement indicating the price or prices used by him in computing the representative market or field price for such product or products, and the source of his information as to such price or prices.

(2) Computation of gross income from the property by use of a method of computation other than the proportionate profits method. (i) If, for taxable years beginning after the publication of this subparagraph in the FEDERAL REGISTER as a Treasury decision, circumstances exist which make the use of the proportionate profits method inappropriate, consideration will be given to approval of the use of an alternative method of computation. The procedures described in subdivision (iv) or (v) of this subparagraph are to be followed by industry groups or particular taxpayers, respectively, in making application for permission to compute gross income from the property by use of an alternative method. Subdivision (vii) of this subparagraph pertains to use of an alternative method on the initiative of the Commissioner or district director. The objective in computing gross income from the property by means of an alternative method is to provide for those infrequent instances in which a representative market or field price is not available and in which the proportionate profits method of computation consistently fails to reflect clearly the gross income from the property, in the light of all the facts and circumstances.

(ii) The use of an alternative method shall be acceptable only if it is established that, under the particular facts and circumstances of the case, the proportionate profits method consistently fails to reflect clearly the gross income from the property (as would be the

case, for example, where the costs paid or incurred to produce, sell, and transport the first marketable product or group of products are not substantial compared with the taxpayer's gross sales of that product), and the proposed alternative method consistently does reflect clearly the gross income from the property. When determining whether a method of computation clearly reflects gross income from the property, it is relevant to compare the gross income from the property produced by such method with the gross income from the property, on an equivalent amount of production, which results from the computation methods used by competitors. When determining the acceptability of proposed alternative methods, primary consideration will be given to computation methods based upon representative charges for ores, minerals, products, or services. See paragraph (c) of this section for principles determining the representative character of a charge. An alternative method of computation will not be acceptable if it results in a consistent disparity between the price received by unintegrated producers for their ores or minerals and the constructive price for similar mineral products computed by integrated producers by use of the proposed alternative method of computation.

(iii) Application for permission to compute gross income from the property by use of an alternative to the proportionate profits method shall be made by submitting a request to the Commissioner of Internal Revenue, Washington, D.C. 20224. To the extent practicable, such requests should be submitted on an industry-wide basis. See subdivision (iv) of this subparagraph for information to be submitted with a request which is submitted on behalf of an industry group. See subdivision (v) of this subparagraph for information to be submitted with a request which is submitted on behalf of a particular taxpayer.

(iv) A request for permission to use an alternative method of computation in lieu of the proportionate profits method shall, if submitted on behalf of an industry group, contain the following information:

(a) The names and last known addresses of the persons on whose behalf the request is submitted;

(b) A concise explanation of the reasons why it is impossible to determine a representative market or field price (as described in paragraph (c) of this section) for the ore or mineral to which the request relates;

(c) A concise statement of the reasons why it is inappropriate for the persons on whose behalf the request is submitted to compute gross income from the property for the particular ore or mineral by use of the proportionate profits method, as described in subparagraph (1) of this paragraph; and

(d) A concise description of the alternative method which is proposed to be used in lieu of the proportionate profits method.

In addition, there shall be submitted under separate cover—

(e) Computations of gross income from the property for a typical member (or, if deemed appropriate by the applicant, several typical members) of the industry group, for the three most recent completed taxable years, by the use of—

(1) The proportionate profits method (except in cases in which there has been a determination that use of the proportionate profits method of computation is inappropriate), and

(2) The alternative method proposed to be used in lieu thereof.

If computations for additional members of the industry are deemed necessary for evaluating the request, the Commissioner may request the submission of the information described in (e) of this subdivision by some or all of the other persons on whose behalf the request is submitted. The information described in (e) of this subdivision shall be treated as confidential. The Commissioner may thereafter require such other information as may be necessary to evaluate the request. Approval of such request shall be granted only if the standards set forth in subdivision (ii) of this subparagraph are satisfied.

(v) A request for permission to use an alternative method of computation in lieu of the proportionate profits method shall, if submitted on behalf of a particular taxpayer, contain the same information set forth in subdivision (iv) (a) through (d) of this subparagraph, and computations of the taxpayer's gross income from the property for his three most recent completed taxable years by use of both the proportionate profits method (except in cases in which there has been a determination that use of the proportionate profits method of computation is inappropriate) and the alternative method proposed to be used in lieu thereof. The Commissioner may thereafter require the submission by the taxpayer of such other information as may be necessary to evaluate his request. Approval of such request shall be granted only if the standards set forth in subdivision (ii) of this subparagraph are satisfied.

(vi) Approval and continued use of an alternative method of computation in lieu of the proportionate profits method (issued in response to a request submitted pursuant to either subdivision (iv) or subdivision (v) of this subparagraph) depends upon all the facts and circumstances in each case, including such terms and conditions as may be necessary in the opinion of the Commissioner to reflect clearly the gross income from the property. Accordingly, the use of such a method shall be subject to review and change in any taxable year in which it is established that there has been a substantial change in the industry's (or taxpayer's) mode of operation or technology, or in the market conditions relating to the taxpayer's crude or finished products. However, an approved alternative method will not be disturbed if such changes are merely insubstantial.

(vii) If the district director (or Commissioner) is of the opinion that the use of the proportionate profits method is inappropriate in the case of a particular taxpayer, the taxpayer will be so advised. Thereafter, the taxpayer shall, upon request, furnish such information as is necessary to determine the proper method of computation in the circumstances. The standards set forth in subdivision (ii) of this subparagraph are applicable in determining whether the use of an alternative method of computation should be required. The provisions of subdivision (vi) of this subparagraph shall apply to the use of any alternative method required pursuant to this subdivision.

(viii) Among the alternative methods of computation to the approval of which consideration will be given, provided that the requirements of this subparagraph are met, are the methods listed below. The order in which these methods are listed is not significant, and the listing of these methods does not preclude a request to make use of a method which is not listed below.

(a) Use of representative market or field prices for an ore or mineral which is of like kind but which is not of like grade as the taxpayer's ore or mineral, with appropriate, readily ascertainable adjustments for differences in mineral content. For example, it may be appropriate in a particular case to establish the representative market or field price for an ore having 50 percent X mineral content by reference to the representative market or field price for the same kind of ore having 60 percent X mineral content, with an appropriate adjustment for the differences in the valuable mineral content of the two ores, any differences in processing costs attributable to impurities, and any other relevant factors.

(b) Representative Schedule Method. The representative schedule method is a pricing formula which uses representative finished product prices, penalties, charges, and adjustments, established in arms-length transactions between unrelated parties, to determine the market or field price for a crude mineral product. The representative character of a price, penalty, charge, or adjustment shall be determined by applying the principles set forth in paragraph (c) of this section. The representative schedule method is principally intended for use in those industries in which such a schedule-type pricing method is in general use to determine the price paid to unintegrated mineral producers for their crude mineral product. For example, if unintegrated producers of copper concentrate in a particular field or market customarily sell their product at prices which are determined in accordance with a schedule-type pricing formula, consideration will be given to the determination of concentrate prices for integrated copper producers in accordance with the same pricing formula. The representative schedule method shall not be used if it is impossible to determine one or more of the elements in the representative schedule formula by reference to prices, penalties, charges, or adjustments

established in representative transactions between unrelated parties. See paragraph (c) of this section for principles determining the representative character of a charge.

(c) Use of representative market or field prices established outside the taxpayer's marketing area, provided that conditions in the two marketing areas are substantially the same. For example, it may be appropriate in a particular case to establish the representative market or field price for pellets containing 60 percent iron which are produced and used in Utah, by reference to the representative market or field price for pellets containing 60 percent iron which are produced and sold in Wyoming, provided that conditions in the two marketing areas are shown to be substantially the same.

(d) Rate of return on investment method. The rate of return on investment method is a pricing formula which establishes gross income from the property by subcontracting from the taxpayer's gross sales (actual or constructive) of the first marketable product or group of products the sum of (1) the costs of nonmining processes or of processes constituting conversion or transportation, and (2) an amount of profit which is determined by reference to the rate of return on the taxpayer's investment in nonmining conversion, or transportation facilities. See subdivisions (iv) and (v) of subparagraph (1) of this paragraph, respectively, for the definitions of the terms "first marketable product or group of products" and "gross sales (actual or constructive)". The rate of return on investment which is appropriate in a particular case shall be determined in light of all the current facts and circumstances, including, for example, such factors as the business risks inherent in operations in particular areas of the world or under particular physical conditions, the purpose for which the facilities were installed, the rate of return required by business firms and lending institutions which conduct or directly finance operations in such areas and under such conditions, and the rate of return actually realized in U.S. industry and in the particular mineral industry in question. The rate of return to be used in a particular case shall be reviewed periodically to reflect changes in these factors, as well as changes in all other relevant facts and circumstances. Taxpayers desiring to make use of the rate of return on investment method shall submit complete information in support of the proposed rate of return on investment which they believe should be selected. Approval and continued use of the rate of return on investment method, and of a particular rate of return, shall be subject to the conditions imposed by subdivision (vi) of this subparagraph. The term "investment", as used in this subdivision, means the taxpayer's basis for property (as defined in section 1012 and the regulations thereunder).

(ix) Subdivisions (i) through (viii) of this subparagraph shall not apply with

respect to taxable years beginning before the publication of this subparagraph in the FEDERAL REGISTER as a Treasury decision. In the case of taxable years beginning before such date, if the taxpayer establishes to the satisfaction of the Commissioner that another method of computation, other than the computation of profits proportionate to costs, clearly reflects gross income from the property, then such gross income shall be computed for such taxable years by the use of such other method.

PAR. 8. Section 1.613-3 is amended by revising subdivisions (i) and (iii) of paragraph (e) (2) to read as follows:

§ 1.613-3 Gross income from the property.

(e) Reductions of sales price in computing gross income from the property.

(2) Purchased transportation to the customer. (i) A taxpayer who computes gross income from the property under the provisions of paragraph (e) of this section and who sells his ore or mineral after the application of only mining processes but after nonmining transportation (or, in the case of oil or gas, after production processes associated with extraction but after transportation) shall use as the representative market or field price (as described in paragraph (c) of this section) his delivered price (if otherwise representative) reduced by costs paid or incurred by him for purchased transportation to the customer as defined in subdivision (iii) of this subparagraph. If the transportation by the taxpayer is not purchased transportation to the customer, or if the taxpayer does not sell the ore or mineral until after the application of nonmining or conversion processes, and if other producers in the taxpayer's marketing area sell significant quantities of the ore or mineral of like kind and grade after the application of only mining processes (or production processes associated with extraction) but after purchased transportation to the customer (as defined in subdivision (iii) of this subparagraph), the delivered price at which the ore or mineral is sold by such other producers (if otherwise representative) reduced by the costs of purchased transportation to the customer paid or incurred by such producers shall be used by the taxpayer as the representative market or field price for his ore or mineral. When applying the preceding sentence, appropriate adjustments shall be made to take into account differences in mode of transportation and distance. For purposes of this subdivision, any delivered price shall be adjusted as provided in subparagraph (1) of this paragraph.

(iii) For purposes of this section, the term "purchased transportation to the customer" means, in general, nonmining transportation from the taxpayer's mine or plant to the customer—

(a) Which is performed in conveyances owned or leased by persons other than the taxpayer, rather than in conveyances owned or leased by the taxpayer,

(b) Which is performed solely to deliver the taxpayer's minerals or mineral products to the customer, rather than to transport such minerals or products for packaging or other additional processing by the taxpayer (other than incidental storage or handling), and

(c) On which the taxpayer ordinarily does not earn any profit with respect to such transportation.

For purposes of the preceding sentence, transportation which is performed by a person controlling or controlled by the taxpayer (within the meaning of paragraph (a) (3) of § 1.482-1) shall be deemed to have been performed in conveyances owned or leased by the taxpayer unless it is established by the taxpayer that the price charged by the controlling or controlled person for such transportation constitutes an arm's-length charge (under the standard described in paragraph (b) (1) of § 1.482-1). The term "purchased transportation to the customer" includes transportation to a warehouse, terminal, or distribution facility owned or operated by the taxpayer, provided that such transportation is performed under the conditions described in the first sentence of this subdivision. The fact that the billing of charges for purchased transportation to the customer is not segregated from other billing, and is included in the overall selling price, is not to be considered determinative that profit was obtained on such transportation charges. In the case of taxpayers computing gross income from the property under the provisions of paragraph (d) of this section, the term "purchased transportation to the customer" refers to transportation which conforms with the other requirements of this subdivision and which is performed to transport the taxpayer's first marketable product or group of products (as defined in paragraph (d) (1) (iv) of this section) rather than to transport minerals or mineral products which do not yet constitute the taxpayer's first marketable product or group of products.

PAR. 9. Section 1.613-3 is amended by revising subdivision (b) of paragraph (f) (2) (ii), revising subdivision (iii) of paragraph (f) (3), and adding a new subparagraph (5) at the end of paragraph (f). These amended and added provisions read as follows:

§ 1.613-3 Gross income from the property.

(f) Definition of mining. . . .  
(2) Definition of mining processes. . . .  
(ii) . . . .

(b) In the case of clay to which paragraph (5) or (6) (B) of section 613(b) applies—crushing, grinding, and sepa-

rating the clay from waste, but not including any subsequent process.

(3) Processes recognized as mining for ores or minerals covered by section 613(c) (4) (C). . . .

(iii) As used in section 613(c) (4) (C) and this section, to "bring to shipping grade and form" means to bring (by the application of mining processes at the mine or concentration plant) the quality or size of an ore or mineral to the initial condition at which the major portion thereof customarily is shipped by ordinary miners for sale or for use in a manufacturing process. For purposes of the preceding sentence, the term "major portion" means more than 50 percent. The determination as to when an ore or mineral reaches shipping grade and form shall be made on the basis of U.S. nationwide mining practice, except that, in the case of a mineral industry in which the U.S. practice is shown to be unrepresentative of the mining practices of U.S. taxpayers in such industry, the determination shall be made in light of worldwide mining practice by U.S. taxpayers in such industry. A process will not be recognized as a process applied to bring a mineral to shipping grade and form if the process is applied following shipment to a facility at which processes described in paragraph (g) of this section are applied, or if such process (wherever applied) beneficiates the ore or mineral to the degree that such process constitutes smelting or refining, or any other nonmining process within the meaning of paragraph (g) of this section.

(5) Processes recognized as mining under sections 613(c) (4) (C) and (H). (1) Section 302 (b) of the Public Debt and Tax Rate Extension Act of 1960 amended section 613(c) (4) (C) and added section 613(c) (4) (H) to grant authority to the Secretary or his delegate to treat as a mining process with respect to a particular ore or mineral any process not inconsistent with the principles set forth in (a) through (e) of this subdivision. The flexibility granted by the phrase "substantially equivalent processes" in section 613(c) (4) (C) and the specific regulatory authority in section 613(c) (4) (H) will be exercised particularly to deal with changes in mining technology. This authority will also be exercised to avoid discrimination in the treatment of mineral producers who use different processing techniques to accomplish the same results or who produce competing minerals, and to indicate the proper classification of processes which are not specifically named in connection with a particular mineral in section 613(c). Accordingly, for taxable years beginning after December 31, 1960, if a taxpayer desires that a particular process or processes applied by him (not otherwise provided for) be recognized as a mining process, a petition to amend the regulations to that effect must be submitted to the Commissioner of Internal Revenue,

Attention: CC:LR:T, Washington, D.C. 20224. The petition must set forth concisely the reason for the request and be supported by a complete statement of the facts sufficient to permit a determination. In considering such petitions, the following factors shall ordinarily be taken into account:

(a) No process which is considered to be a nonmining process under the provisions of section 613(c)(5), or which is necessary or incidental to such a nonmining process, shall be designated as a mining process under section 613(c)(4)(C) or (H).

(b) No process shall be designated as a mining process which constitutes manufacturing or packaging, or the distribution or marketing of manufactured or packaged products, or which is necessary or incidental to any such manufacturing, packaging, distribution, or marketing process.

(c) No process shall be designated as a mining process which effects a substantial physical or chemical change in a crude mineral product, or which transforms a crude mineral product into a new or different mineral product, or into a refined or manufactured product.

(d) No process shall be designated as a mining process if the effect of such designation is to create discrimination against ordinary producers of the same kind of mineral who are not integrated into manufacturing operations. The test of nondiscrimination shall be applied by reference to the U.S. nationwide pattern of production in respect to the same kind of mineral, except that, in the case of a mineral industry in which the U.S. nationwide pattern of production is shown to be unrepresentative of the pattern of production of U.S. taxpayers in such industry, the test shall be applied by reference to the worldwide pattern of production by U.S. taxpayers in such industry.

(e) No process (other than loading for shipment) shall be designated as a mining process if it is applied to minerals which have already reached "shipping grade and form" (as defined in subparagraph (3)(iii) of this paragraph).

(ii) Under the authority granted the Secretary or his delegate in section 613(c)(4)(H) and the flexibility granted the Secretary or his delegate in section 613(c)(4)(C), the processes, including transportation, which are described in (a) through (g) of this subdivision, and the processes necessary or incidental thereto, are recognized as mining processes for taxable years beginning after December 31, 1960. The processes described in (a) through (g) of this subdivision are in addition to the specific processes recognized as mining under section 613(c)(4). See subdivision (iii) of this subparagraph for the definitions of certain of the terms used herein.

(a) Crushing.

(b) Coarse grinding, but not fine grinding.

(c) Mechanical screening for size classification purposes.

(d) Drying to remove free water, where such drying merely accelerates

natural drying processes as, for example, drying by exposure to air or sunlight. For example, the evaporation of brine or the drying of crushed stone will ordinarily constitute mining under the provisions of this subdivision.

(e) Washing or cleaning the surface of mineral particles, provided that such washing or cleaning does not activate or otherwise change the physical or chemical structure of the mineral particle itself. For example, the washing of sand and gravel, or the treatment of kaolin particles to remove surface stains, would ordinarily constitute mining under the provisions of this subdivision.

(f) Processes which are substantially equivalent to sintering, as defined in subparagraph (3)(ii) of this paragraph. For example, in the case of iron ore, pelletizing, nodulizing, extruding, and briquetting may be considered as equivalent to sintering, providing they accomplish no more than to agglomerate the concentrates to suitable shipping form.

(g) Transportation of the mineral from the point of extraction from the ground to the plants or mills in which the mining processes listed in (a) through (f) of this subdivision are applied (within the limits as to distance set forth in section 613(c)(2)), except in those cases in which the location at which such processes are performed has been established for the purpose of increasing the taxpayer's percentage depletion deduction rather than for a sound business purpose.

(iii) As used in section 613(c) and this section—

(a) The term "crushing" is used herein to describe, in general, a size reduction process applied to reduce large mineral lumps to a size that is determined by the setting of the size reduction machinery or equipment rather than by the amount of time the mineral remains in such equipment. A size reduction process will be considered as crushing if the size reduction equipment is applied so as to reduce the mineral particles introduced into the equipment to a normal topsize of not less than 0.0555 inch, which is the size opening in a No. 14 screen (U.S. Standard Sieve Series), or to some larger normal topsize. A mineral product will be considered to have a normal topsize of 0.0555 inch if at least 98 percent of the product will pass through a No. 14 screen (U.S. Standard Sieve Series) provided that at least 5 percent of the product is retained on a No. 20 screen (U.S. Standard Sieve Series). Compliance with the normal topsize test may also be demonstrated by other tests which are shown to be reasonable in the circumstances. This normal topsize test shall be applied to the product of the operation of each separate and distinct piece of size reduction equipment utilized (such as a double roll crusher) rather than to the final products for sale. The term "crushing" is sometimes referred to in the case of certain clays as "shredding". The term "crushing" includes the incidental creation of fines as a byproduct of an

allowable crushing process. Separating or screening such fines for size prior to fine pulverization will be considered an allowable mining process.

(b) As used herein, the term "coarse grinding" refers to size reduction processes used to reduce mineral particles to a normal topsize of not less than 0.0331 inch, which is the size opening in a No. 20 screen (U.S. Standard Sieve Series). A mineral product shall be considered to have a normal topsize of 0.0331 inch if at least 98 percent of the product will pass through a No. 20 screen (U.S. Standard Sieve Series), provided that at least 5 percent of the product is retained on a No. 30 screen (U.S. Standard Sieve Series). Compliance with the normal topsize test may also be demonstrated by other tests which are shown to be reasonable in the circumstances. This normal topsize test shall be applied to the product of the operation of each separate and distinct piece of size reduction equipment utilized (such as a hammer mill), rather than to the final products for sale. The term "coarse grinding" includes the incidental creation of fines as a byproduct of an allowable coarse grinding process. Separating or screening such fines for size prior to fine pulverization will be considered an allowable mining process.

(c) As used herein, the term "fine grinding" refers to size reduction processes which constitute fine pulverization. See paragraph (g)(6)(v) of this section for the definition of the term "fine pulverization".

PAR. 10. Section 1.613-3 is amended by adding new subparagraphs (4), (5), and (6) at the end of paragraph (g) and adding a new paragraph (j). These added provisions read as follows:

§ 1.613-3 Gross income from the property.

(g) Nonmining process. . . .

(4) Manufacturing, etc. The production, packaging, distribution, and marketing of manufactured products, and the processes necessary or incidental thereto, are nonmining processes.

(5) Transformation processes. Processes which effect a substantial physical or chemical change in a crude mineral product, or which transform a crude mineral product into new or different mineral products, or into refined or manufactured products, are nonmining processes, except to the extent that such processes are specifically designated as mining processes in section 613(c) or in paragraph (f) of this section.

(6) Definitions. As used in section 613(c)(5) and this section—

(i) The term "calcining" refers to processes used to expel the volatile portions of a mineral by the application of heat, as, for example, the burning of carbonate rock to produce lime, the heating of gypsum to produce plaster, or the heating of clays to reduce water of crystallization.

(ii) The term "thermal smelting" refers to processes which reduce or beneficiate ores or minerals by the application of heat, as, for example, the

furnacing of copper concentrate, or the heating of iron ores, concentrates, or pellets in a blast furnace to produce pig iron, or the heating of such materials in a direct reduction kiln to produce iron pellets or similar materials for direct conversion into steel.

(iii) The term "refining" refers to processes (other than mining processes designated in section 613(c)(4) or this section) used to eliminate impurities or foreign matter from metallic and non-metallic ores and minerals, as, for example, the refining of blister copper. In general, a refining process is designed to achieve a high degree of purity by removing relatively small amounts of impurities or foreign matter from the ore or mineral which is subjected to the refining process, whereas a concentration process is designed to separate a valuable mineral from gangue material by removing substantial amounts of impurities or foreign matter, which frequently constitute the bulk of the mineral material subjected to the concentration process. Accordingly, if a process might be classified as either a refining process or a concentration process, and if the process involves complicated or highly sophisticated treatment of an ore or mineral, or if the process adds substantial value to the ore or mineral, such process shall be presumed to be a refining process within the scope of section 613(c)(5) and this paragraph, unless the taxpayer establishes to the satisfaction of the district director that such process is not properly classified as a refining process.

(iv) The term "polishing" refers to processes used to smooth the surface of minerals, as, for example, sawing applied to finish rough cut blocks of stone, sand finishing, buffing, or otherwise smoothing blocks of stone.

(v) For taxable years beginning after the publication of this subdivision in the FEDERAL REGISTER as a Treasury decision, the term "fine pulverization" refers to any grinding or other size reduction process applied to reduce the normal topsize of a mineral product to less than 0.031 inch, which is the size opening in a No. 20 Screen (U.S. Standard Sieve Series). A mineral product will be considered to have a normal topsize of 0.0331 inch if at least 98 percent of the product will pass through a No. 20 Screen (U.S. Standard Sieve Series), provided that at least 5 percent of the product is retained on a No. 30 Screen (U.S. Standard Sieve Series). Compliance with the normal topsize test may also be demonstrated by other tests which are shown to be reasonable in the circumstances. The normal topsize test shall be applied to the product of the operation of each separate and distinct piece of size reduction equipment utilized (such as a roller mill), rather than to the final products for sale. Fine pulverization includes the repeated recirculation of material through crushing or grinding equipment to accomplish fine grinding or fine pulverization. Separating or screening the product of a fine pulverization process (including separation by air or water flo-

ation) shall be treated as a nonmining process.

(vi) The term "blending with other materials" refers to processes used to blend different kinds of minerals with one another, as, for example, blending iodine with common salt for the purpose of producing iodized table salt.

(vii) The term "treatment effecting a chemical change" refers to processes (other than designated mining processes) which transform or modify the chemical composition of a crude mineral, as, for example, the coking of coal, the retorting of oil shale, or the use of chemicals to produce magnesium compounds from brine. The term does not include the use of chemicals to clean the surface of mineral particles provided that such cleaning does not make any change in the physical or chemical structure of the mineral particle itself.

(viii) The term "thermal action" refers to processes which involve the application of artificial heat to ores or minerals, such as, for example, the burning of bricks, the coking of coal, the retorting of oil shale, the expansion or popping of perlite, the exfoliation of vermiculate, the heat treatment of garnet, and the heating of shale, clay, or slate to produce lightweight aggregates. The term does not include drying to remove free water, where such drying merely accelerates natural drying processes, as, for example, drying by exposure to air or sunlight.

(ix) As used in section 613(c)(5) and this paragraph, the terms "necessary" and "incidental" have the meanings set forth in paragraph (f)(2)(iii) of this section. If a process functions both as a necessary or incidental part of a mining process and as a necessary or incidental part of a nonmining process, such process shall be deemed to perform, in part, a mining process, and, in part, a nonmining process. Any allocation which may be necessary with respect to such equipment shall be made on a basis which the taxpayer demonstrates to be reasonable in the circumstances.

(j) *Definition of controlled group.*  
When used in this section—

(1) The term "controlled" includes any kind of control, direct or indirect, whether legally enforceable, and however exercisable or exercised. It is the reality of the control which is decisive, not its form or the mode of its exercise. A presumption of control arises if income or deductions have been arbitrarily shifted.

(2) The term "group" means the organizations, trades, or businesses owned or controlled by the same interests.

PAR. 11. Section 1.613-4 is amended by revising paragraph (a), revising example (4) in paragraph (b)(7) (to correct a typographical error), and adding a new paragraph (c). The amended and added provisions read as follows:

§ 1.613-4 Taxable income from the property.

(a) *General rule.* The term "taxable income from the property (computed

without allowance for depletion)", as used in section 613 and this part, means "gross income from the property" as defined in section 613(c) and § 1.613-3, less all allowable deductions (excluding any deduction for depletion) which are attributable to extraction or mining processes, including mining transportation, with respect to which depletion is claimed. These deductible items include operating expenses, certain selling expenses, administrative and financial overhead, depreciation, taxes deductible under section 162 or 164, losses sustained, net operating loss deductions, intangible drilling and development costs, exploration and development expenditures, etc. See paragraph (c) of this section for special rules relating to discounts and to certain of these deductible items. Expenditures which may be attributable both to the mineral property upon which depletion is claimed and to other activities shall be properly apportioned to the mineral property and to such activities. Furthermore, where a taxpayer has more than one mineral property, deductions which are not directly attributable to a specific mineral property shall be properly apportioned among the several properties. In determining the taxpayer's taxable income from the property, the amount of any particular item to be taken into account shall be determined in accordance with the principles set forth in paragraph (d)(3) of § 1.613-3.

(b) *Special rule; decrease in mining expenses resulting from gain recognized under section 1245(a)(1).* \* \* \*

(7) The provisions of this paragraph may be illustrated by the following examples:

*Example (4).* On January 1, 1963, B, who uses the calendar year as his taxable year and who normally allocates depreciation costs to mines according to the percentage of time which the depreciable asset is used with respect to the mines, acquired a truck which was section 1245 property. During 1963 the truck was used exclusively on mine No. 1, which B operated and treated as a separate property. The depreciation adjustments allowed in respect of the truck for 1963 were \$1,000 (the amount allowable), which amount was allocated to mine No. 1 in computing the taxable income therefrom. On January 1, 1964, B acquired and began operating mine No. 2 and elected under section 614(d) to aggregate and treat as one property mines Nos. 1 and 2. During 1964 B used the truck 60 percent of the time for mine No. 1 and 40 percent of the time for mine No. 2. For 1964 the depreciation adjustments allowed in respect of the truck were \$1,000 (the amount allowable), which amount was allocated to the aggregation of mines Nos. 1 and 2 in computing the taxable income therefrom. On December 31, 1964, B sold mine No. 2. For 1965 the depreciation adjustments allowed in respect of the truck were \$1,000 (the amount allowable), which amount was allocated to mine No. 1 in computing the taxable income therefrom. On January 1, 1966, B recognized upon sale of the truck gain of \$600 to which section 1245(a)(1) applied. In computing the taxable income from mine No. 1 for 1966, the expenses otherwise required to be taken into account are reduced by \$600, since all the depreciation adjustments allowed with respect to the truck, including those allowed

with respect to the use of the truck at mine No. 2 (§400 for 1964), relate to the same mineral property from which B had taxable income in 1966, the taxable year in which he sold the truck.

(c) *Treatment of particular items in computing taxable income from the property.* In determining taxable income from the property under the provisions of paragraph (a) of this section—

(1) Trade or cash discounts (or allowances determined to have the same effect as trade or cash discounts) which are actually allowed to the taxpayer in connection with the acquisition of property, supplies, or services shall not be included in the cost of such property, supplies, or services. Accordingly, only the actual net cost of such property, supplies, or services shall be taken into account when computing taxable income from the property. See paragraph (e) (1) of § 1.613-3 for additional rules relating to discounts.

(2) Intangible drilling and development costs which are deducted under section 263(c) and § 1.612-4 shall be subtracted from the gross income from the property when determining the taxpayer's taxable income from the property for purposes of section 613 and this section.

(3) Exploration and development expenditures which are deducted for the taxable year under sections 615, 616, or 617 shall be subtracted from the gross income from the property when determining the taxpayer's taxable income from the property for purposes of section 613 and this section.

(4) (i) Selling expenses, if any, paid or incurred with respect to a raw mineral product shall be subtracted from gross income from the property when determining the taxpayer's taxable income from the property for purposes of section 613 and this section. See subdivision (iii) of this subparagraph for the definition of the term "raw mineral product". For example, the selling expenses paid or incurred by a producer of raw mineral products with respect to products such as crude oil, raw gas, coal, iron ore, or crushed dolomite shall be subtracted from gross income from the property when determining the taxpayer's taxable income from the property.

(ii) A reasonable portion of the expenses of selling a refined, manufactured, or fabricated product shall be subtracted from gross income from the property when determining the taxpayer's taxable income from the property. Such reasonable portion shall be equal to the typical selling expenses which are incurred by unintegrated miners or producers in the same mineral industry, so as to maintain equality in the tax treatment of unintegrated miners or producers in comparison with integrated miner-manufacturers or producer-manufacturers. If unintegrated miners or producers in the same mineral industry do not typically incur any selling expenses, then no portion of the expenses of selling a refined, manufactured, or fabricated product shall be subtracted from gross income

from the property when determining the taxpayer's taxable income from the property. For example, a reasonable portion of the selling expenses, if any, incurred by a producer of a refined, manufactured, or fabricated product such as cast iron pipe, gasoline, copper wire or bars, gypsum wallboard, calcined lime, cement, or brick and tile products shall be subtracted from gross income from the property when determining the taxpayer's taxable income from the property. If it not possible to determine, on the basis of a study of the facts and circumstances of a particular case, what portion of the expenses of selling a refined, manufactured, or fabricated product should be subtracted from gross income under the rule contained in the first sentence of this subdivision, the portion to be subtracted shall be equal to one half of the amount of the selling expenses which would be allocated to mining or extraction if such expenses were allocated on the basis of the proportion that the direct costs of mining or extractive processes and the direct costs of nonmining processes (or, in the case of oil and gas, conversion and transportation processes) bear to each other.

(iii) For purposes of this subparagraph, a product will be considered to be a raw mineral product if (in the case of oil and gas) it is sold in the immediate vicinity of the well and if (in the case of minerals other than oil and gas) it is sold under the conditions described in paragraph (b) (2) of this section. In addition, a product will be considered to be a raw mineral product if only insubstantial value is added to the product by nonmining processes (or, in the case of oil and gas, by conversion or transportation processes). For example, in the case of a producer of crushed granite poultry grit, both bulk and bagged grit will be deemed to be a raw mineral product for purposes of the selling expense rule set forth in this subparagraph.

(iv) The term "selling expenses", for purposes of this subparagraph, includes sales management salaries, rent of sales offices, sales clerical expenses, salesmen's salaries, sales commissions and bonuses, advertising expenses, sales traveling expenses, and similar expenses, together with an allocable share of the costs of supporting services, but the term does not include delivery expenses.

(5) Taxes which are taken as a credit rather than as a deduction or which are capitalized shall not be subtracted from the gross income from the property when determining the taxpayer's taxable income from the property for purposes of section 613 and this section.

(6) Trade association dues paid or incurred by a producer of crude oil or gas or a raw mineral product shall be subtracted from the gross income from the property when determining the taxpayer's taxable income from the property for purposes of section 613 and this section. See subparagraph (4) of this paragraph for the definition of the term "raw mineral product". In addition, a reasonable portion of the trade association dues incurred by a producer of a

refined, manufactured, or fabricated product shall also be subtracted from gross income from the property when determining the taxpayer's taxable income from the property. One reasonable method of allocating the trade association dues described in the preceding sentence is an allocation based on the proportion that the direct costs of mining or extractive processes and the direct costs of nonmining processes (or, in the case of oil and gas, conversion and transportation processes) bear to each other. The foregoing rules shall apply even though one of the principal purposes of an association is to advise, promote, or assist in the production, marketing, or sale of refined, manufactured, or fabricated products. For example, a reasonable portion of the trade association dues paid to an association which promotes the sale of cement, refined petroleum, or copper products shall be subtracted from gross income from the property when determining taxable income from the property.

[F.R. Doc. 69-3625; Filed, Mar. 26, 1969; 8:45 a.m.]

#### [ 26 CFR Parts 46, 47 ]

#### EXCISE AND DOCUMENTARY STAMP TAXES

#### Policies Issued by Foreign Insurers and Sugar Act Amendments of 1965

Notice is hereby given that the regulations set forth in tentative form below are proposed to be prescribed by the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury or his delegate. Prior to the final adoption of such regulations, consideration will be given to any comments or suggestions pertaining thereto which are submitted in writing, preferably in quintuplicate, to the Commissioner of Internal Revenue, Attention: CC:LR:T, Washington, D.C. 20224, within the period of 30 days from the date of publication of this notice in the FEDERAL REGISTER. Any written comments or suggestions not specifically designated as confidential in accordance with 26 CFR 601.601(b) may be inspected by any person upon written request. Any person submitting written comments or suggestions who desires an opportunity to comment orally at a public hearing on these proposed regulations should submit his request, in writing, to the Commissioner within the 30-day period. In such case, a public hearing will be held, and notice of the time, place, and date will be published in a subsequent issue of the FEDERAL REGISTER. The proposed regulations are to be issued under the authority contained in sections 4374 and 7805 of the Internal Revenue Code of 1954 (68A Stat. 522, 917; 26 U.S.C. 4374, 7805).

[SEAL]

WILLIAM H. SMITH,  
Acting Commissioner  
of Internal Revenue.

In order to reflect section 804 of the Excise Tax Reduction Act of 1965 (79

Stat. 160), relating to the excise tax on policies issued by foreign insurers, to reflect sections 9 (b) and (c), 13, and 14 of the Sugar Act Amendments of 1965 (79 Stat. 1271), and to delete obsolete portions of existing regulations relating to the tax on the first domestic processing of coconut and palm oil, the excise tax regulations under Parts 46 and 47 are amended as follows:

**PART 46—REGULATIONS RELATING TO MISCELLANEOUS EXCISE TAXES PAYABLE BY RETURN**

PARAGRAPH 1, Section 46.0-1 is amended by revising paragraphs (a), (b), and so much of paragraph (c) as precedes subparagraph (1) thereof, to read as follows:

**§ 46.0-1 Introduction.**

(a) *In general.* The regulations in this part (Part 46, Subchapter D, Chapter I, Title 26 (1954), Code of Federal Regulations) relate to (1) the tax on policies issued by foreign insurers, (2) the tax on the manufacture of manufactured sugar imposed by chapter 37 of the Internal Revenue Code of 1954, (3) the tax on circulation other than of national banks imposed by subchapter E of chapter 39 of the Internal Revenue Code of 1954, and (4) certain related administrative provisions of subtitle F of the Internal Revenue Code of 1954. References in these regulations to the "Internal Revenue Code" or the "Code" are references to the Internal Revenue Code of 1954, as amended, unless otherwise indicated. References to a section or other provision of law are references to a section or other provision of the Internal Revenue Code, as amended, unless otherwise indicated.

(b) *Division of regulations.* The regulations in this part are divided into six subparts. Subpart A of this part contains provisions relating to the arrangement and numbering of the sections of the regulations in this part, general definitions and use of terms, scope of the regulations, and the extent to which the regulations in this part supersede prior regulations. Subpart A1 of this part relates to the excise tax imposed by section 4371 on policies issued by foreign insurers. Subpart B of this part relates to the excise tax on manufactured sugar. Subpart C of this part is reserved. Subpart D of this part relates to the regulatory taxes on circulation other than of national banks. Subpart E of this part relates to selected provisions of subtitle F (Procedure and Administration) of the Code which have special application to the taxes imposed by section 4371, chapter 37, and subchapter E of chapter 39 of the Code.

(c) *Arrangement and numbering.* Each section of the regulations in Subparts A1, B, D, and E of this part is preceded by the section, subsection, or paragraph of the Internal Revenue Code which it interprets. The sections of the regulations can readily be distinguished from sections of the Code since—

PAR. 2. Section 46.0-3 is amended to read as follows:

**§ 46.0-3 Scope of regulations.**

The regulations in this part which relate to the taxes imposed on the manufacture of manufactured sugar and circulation other than of national banks, except where otherwise specifically provided, have application to transactions occurring after December 31, 1954. The regulations in this part which relate to the tax imposed on policies issued by foreign insurers have application to premiums paid on or after January 1, 1966.

PAR. 3. The following new Subpart A1 is added, after Subpart A, to Part 46, Subchapter D, Chapter I:

**Subpart A1—Tax on Policies Issued by Foreign Insurers**

**Sec.**

- |           |   |
|-----------|---|
| 46.4371   | Statutory provisions; imposition of tax.                                |
| 46.4371-1 | Applicability of subpart.   |
| 46.4371-2 | Imposition of tax on policies issued by foreign insurers; scope of tax. |
| 46.4371-3 | Rate and computation of tax.  |
| 46.4372   | Statutory provisions; definitions.                                      |
| 46.4373   | Statutory provisions; exemptions.                                       |
| 46.4374   | Statutory provisions; payment of tax.                                   |
| 46.4374-1 | Payment of tax.   |
| 46.4375   | Statutory provisions; cross references.                                 |
| 46.4375-1 | Cross references.   |

**Subpart A1—Tax on Policies Issued by Foreign Insurers**

**§ 46.4371 Statutory provisions; imposition of tax.**

SEC. 4371. *Imposition of tax.* There is hereby imposed, on each policy of insurance, indemnity bond, annuity contract, or policy of reinsurance issued by any foreign insurer or reinsurer, a tax at the following rates:

(1) *Casualty insurance and indemnity bonds.* Four cents on each dollar, or fractional part thereof, of the premium charged on the policy of casualty insurance or the indemnity bond, if issued to or for, or in the name of, an insured as defined in section 4372(d).

(2) *Life insurance, sickness, and accident policies, and annuity contracts.* One cent on each dollar, or fractional part thereof, of the premium charged on the policy of life, sickness, or accident insurance, or annuity contract, unless the insurer is subject to tax under section 819.

(3) *Reinsurance.* One cent on each dollar, or fractional part thereof, of the premium charged on the policy of reinsurance covering any of the contracts taxable under paragraph (1) or (2).

If the tax imposed by this section is paid on the basis of a return under regulations prescribed under section 4374, the tax under paragraphs (1), (2), and (3) shall be computed on the premium paid in lieu of the premium charged.

[Sec. 4371 as amended and in effect January 1, 1966]

**§ 46.4371-1 Applicability of subpart.**

The provisions of this subpart apply only to premiums paid on or after January 1, 1966. See Subpart H, Part 47 of this chapter for provisions relating to premiums paid or charged before January 1, 1966. If any portion of the tax imposed by section 4371 was paid on the basis of the premium charged before January 1, 1966, in accordance with the provisions of

§ 47.4371-2 of this chapter (documentary stamp tax), then, to the extent that such portion was paid by stamp, no further tax is due under the provisions of this subpart.

**§ 46.4371-2 Imposition of tax on policies issued by foreign insurers; scope of tax.**

(a) *Certain insurance policies, and indemnity, fidelity, or surety bonds.* Section 4371(1) imposes a tax upon each policy of insurance (other than those referred to in paragraph (b) of this section), upon each indemnity, fidelity, or surety bond, or upon each certificate, binder, covering note, receipt, memorandum, cablegram, letter, or other instrument by whatever name called, whereby a contract of insurance or an obligation in the nature of an indemnity, fidelity, or surety bond is made, continued, or renewed, if issued—

(1) By a nonresident alien individual, a foreign partnership, or a foreign corporation, as insurer (unless the policy or other instrument is signed or countersigned by an officer or agent of the insurer in a State, Territory, or the District of Columbia in which the insurer is authorized to do business); and either

(2) To or for, or in the name of, a domestic corporation, domestic partnership, or an individual resident of the United States, against or with respect to hazards, risks, losses, or liabilities wholly or partly within the United States; or

(3) To or for, or in the name of, a foreign corporation, foreign partnership, or nonresident individual, engaged in a trade or business within the United States with respect to hazards, risks, or liabilities wholly within the United States.

For definition of the term "indemnity bond," see section 4372(c).

(b) *Life insurance, sickness, and accident policies, and annuity contracts.* Unless the insurer is subject to tax under section 819, section 4371(2) imposes a tax upon each policy of insurance or annuity contract, or upon each certificate, binder, covering note, receipt, memorandum, cablegram, letter, or other instrument by whatever name called, whereby a contract of insurance or an annuity contract is made, continued, or renewed, if issued—

(1) By a nonresident alien individual, a foreign partnership, or a foreign corporation, as insurer (unless the policy or other instrument is signed or countersigned by an officer or agent of the insurer in a State, Territory, or the District of Columbia in which such insurer is authorized to do business); and

(2) To any person with respect to the life or hazards to the person of a citizen or resident of the United States.

(c) *Reinsurance.* Section 4371(3) imposes a tax upon each policy of reinsurance, certificate, binder, covering note, receipt, memorandum, cablegram, letter, or other instrument by whatever name called, whereby a contract of reinsurance is made, continued, or renewed, if issued—

(1) By a nonresident alien individual, a foreign partnership, or a foreign corporation, as reinsurer (unless the policy or other instrument is signed or countersigned by an officer or agent of the reinsurer in a State, Territory, or the District of Columbia in which such reinsurer is authorized to do business); and

(2) To any person against, or with respect to, any of the hazards, risks, losses, or liabilities covered by contracts described in (whether or not taxable under) section 4371 (1) or (2).

(d) *Exempt indemnity bonds.* The tax imposed by section 4371 does not apply to any indemnity bond described in section 4373(2).

**§ 46.4371-3 Rate and computation of tax.**

(a) *Rate of tax.* (1) The tax under section 4371(1) is imposed at the rate of 4 cents on each dollar, or fractional part thereof, of the premium payment.

(2) The tax under section 4371 (2) and (3) is imposed at the rate of 1 cent on each dollar, or fractional part thereof, of the premium payment.

(b) *Meaning of premium payment.* For purposes of this subpart, the term "premium payment" means the consideration paid for assuming and carrying the risk or obligation, and includes any additional assessment or charge paid under the contract, whether payable in one sum or installments.

**§ 46.4372 Statutory provisions; definitions.**

Sec. 4372. *Definitions*—(a) *Foreign insurer or reinsurer.* For purposes of this subchapter, the term "foreign insurer or reinsurer" means an insurer or reinsurer who is a nonresident alien individual, foreign partnership, or a foreign corporation. The term includes a nonresident alien individual, foreign partnership, or foreign corporation which shall become bound by an obligation of the nature of an indemnity bond.

(b) *Policy of casualty insurance.* For purposes of section 4371(1), the term "policy of casualty insurance" means any policy (other than life) or other instrument by whatever name called whereby a contract of insurance is made, continued, or renewed.

(c) *Indemnity bond.* For purposes of this subchapter, the term "indemnity bond" means any instrument by whatever name called whereby an obligation of the nature of an indemnity, fidelity, or surety bond is made, continued, or renewed. The term includes any bond for indemnifying any person who shall have become bound or engaged as surety, and any bond for the due execution or performance of any contract, obligation, or requirement, or the duties of any office or position, and to account for money received by virtue thereof, where a premium is charged for the execution of such bond.

(d) *Insured.* For purposes of section 4371 (1), the term "insured" means—

(1) A domestic corporation or partnership, or an individual resident of the United States, against, or with respect to, hazards, risks, losses, or liabilities wholly or partly within the United States, or

(2) A foreign corporation, foreign partnership, or nonresident individual, engaged in a trade or business within the United States, against, or with respect to, hazards, risks, losses, or liabilities within the United States.

(e) *Policy of life, sickness, or accident insurance, or annuity contract.* For purposes of

section 4371(2), the term "policy of life, sickness, or accident insurance, or annuity contract" means any policy or other instrument by whatever name called whereby a contract of insurance or an annuity contract is made, continued, or renewed with respect to the life or hazards to the person of a citizen or resident of the United States.

(f) *Policy of reinsurance.* For purposes of section 4371(3), the term "policy of reinsurance" means any policy or other instrument by whatever name called whereby a contract of reinsurance is made, continued, or renewed against, or with respect to, any of the hazards, risks, losses, or liabilities covered by contracts taxable under paragraph (1) or (2) of section 4371.

[Sec. 4372 as amended and in effect Jan. 1, 1966]

**§ 46.4373 Statutory provisions; exemptions.**

Sec. 4373. *Exemptions.* The tax imposed by section 4371 shall not apply to—

(1) *Domestic agent.* Any policy, indemnity bond, or annuity contract signed or countersigned by an officer or agent of the insurer in a State, Territory, or District of the United States within which such insurer is authorized to do business.

(2) *Indemnity bond.* Any indemnity bond required to be filed by any person to secure payment of any pension, allowance, allotment, relief, or insurance by the United States, or to secure a duplicate for, or the payment of, any bond, note, certificate of indebtedness, war-saving certificate, warrant, or check, issued by the United States.

[Sec. 4373 as amended and in effect Jan. 1, 1966]

**§ 46.4374 Statutory provisions; payment of tax.**

Sec. 4374. *Payment of tax.* Any person to or for whom or in whose name any policy, indemnity bond, or annuity contract referred to in section 4371 is issued, or any solicitor or broker acting for or on behalf of such person in the procurement of any such instrument shall affix the proper stamps to such instrument. Notwithstanding the preceding sentence, the Secretary or his delegate may, by regulations, provide that the tax imposed by section 4371 shall be paid on the basis of a return.

[Sec. 4374 as amended and in effect Jan. 1, 1966]

**§ 46.4374-1 Payment of tax.**

(a) *In general.* In the case of premiums paid on or after January 1, 1966, the tax imposed by section 4371 shall be paid on the basis of a return. Such tax shall be remitted by the person who makes the payment of the premium to a foreign insurer or reinsurer or to any nonresident agent, solicitor, or broker. For purposes of this paragraph, the person who makes payment means that resident person who actually transfers the money, check, or its equivalent to the foreign insurer or reinsurer (including transfers to any bank, trust fund, or similar recipient, designated by the foreign insurer or reinsurer), or to any nonresident agent, solicitor, or broker. (See section 4372(a) for definition of foreign insurer or reinsurer.) For persons liable for the tax imposed by section 4371, see section 4384 and the regulations thereunder.

(b) *When liability for tax attaches.* The liability for the tax imposed by section 4371 shall attach at the time the

premium payment is transferred to the foreign insurer or reinsurer (including transfers to any bank, trust fund, or similar recipient, designated by the foreign insurer or reinsurer), or to any nonresident agent, solicitor, or broker. A person required to remit tax under this section may remit such tax before the time the tax attaches if he keeps records consistent with such practice.

(c) *Penalty for failure to pay tax.* Any person who on or after January 1, 1966, fails to comply with the requirements of paragraph (a) of this section with intent to evade the tax shall, in addition to other penalties provided therefor, pay a fine of double the amount of tax. (See section 7270.)

**§ 46.4375 Statutory provisions; cross references.**

Sec. 4375. *Cross references.* For penalties and other general and administrative provisions, see section 4384 and subtitle F.

[Sec. 4375 as amended and in effect January 1, 1966]

**§ 46.4375-1 Cross references.**

For general and administrative provisions, see Subpart E of this part and the applicable sections of subtitle F and the regulations in Part 301 of this chapter (Regulations on Procedure and Administration).

PAR. 4. Section 46.4501 and the historical note thereto are amended as follows:

**§ 46.4501 Statutory provisions; imposition of tax.**

Sec. 4501. *Imposition of tax*—(a) *General.* \* \* \*

(b) *Termination of tax.* No tax shall be imposed under this subchapter on the manufacture or use of sugar or articles composed in chief value of sugar after June 30, 1972. Notwithstanding the provisions of subsection (a), no tax shall be imposed under this subchapter with respect to unsold sugar held by a manufacturer on June 30, 1972, or with respect to sugar or articles composed in chief value of sugar held in customs custody or control on such date.

[Sec. 4501 as amended by sec. 19, Act of May 29, 1956 (Pub. Law 545, 84th Cong., 70 Stat. 221); sec. 162(b), Excise Tax Technical Changes Act 1958 (72 Stat. 1306); sec. 2, Act of July 6, 1960 (Pub. Law 86-592, 74 Stat. 330); sec. 2(a), Act of March 31, 1961 (Pub. Law 87-15, 75 Stat. 40); sec. 302 (a) and (b), Tariff Classification Act 1962 (76 Stat. 77); sec. 18(a), Sugar Act Amendments 1962 (76 Stat. 166); sec. 13, Sugar Act Amendments 1965 (79 Stat. 1280)]

**§§ 46.4511-46.4514 [Deleted]**

PAR. 5. Subpart C of Part 46 is deleted and reserved.

PAR. 6. Section 46.6001-1 is amended by revising paragraph (c) to read as follows:

**§ 46.6001-1 Records in general.**

(c) *Records of claimants.* Any person who, pursuant to the regulations in this part, claims a refund, credit, or abatement shall keep a complete and detailed record with respect to the tax, interest, addition to the tax, additional amount, or assessable penalty to which

the claim relates. Such record shall include any records required of the claimant by paragraph (b) of this section and by §§ 46.6001-2 to 46.6001-4, inclusive, which relate to the claim.

**§ 46.6001-3 [Deleted]**

PAR. 7. Section 46.6001-3 is deleted and reserved.

PAR. 8. A new § 46.6001-4 is added to read as follows:

**§ 46.6001-4 Records required with respect to foreign insurance policies.**

(a) Each person required under the provisions of § 46.4374-1 to remit the tax imposed by section 4371 shall keep or cause to be kept accurate records of all policies or other instruments subject to such tax upon which premiums have been paid. Such records must identify each such policy or other instrument in such a manner as to clearly establish the following: (1) The gross premium paid; (2) whether such policy or other instrument is (i) a policy of casualty insurance or an indemnity bond subject to tax under section 4371(1), (ii) a policy of life, sickness, or accident insurance or an annuity contract subject to tax under section 4371(2), or (iii) a policy of reinsurance subject to tax under section 4371(3); (3) the identity of the insured (as defined in section 4372(d)); (4) the identity of the foreign insurer or reinsurer (as defined in section 4372(a)); and (5) the total premium charged and, if the premium is to be paid in installments, the amount and anniversary date of each such installment.

(b) The records required under the provisions of this section must be kept on file at the place of business or at some other convenient location, for a period of at least 3 years from the date any part of the tax became due or the date any part of the tax is paid, whichever is later, in such manner as to be readily accessible to authorized internal revenue officers or employees. The person having control or possession of a policy or other instrument subject to tax under section 4371 shall retain such policy or other instrument for at least 3 years from the date any part of the tax with respect to such policy was paid.

PAR. 9. Section 46.6011(a)-1 is amended by revising paragraph (a) to read as follows:

**§ 46.6011(a)-1 Returns.**

(a) *In general.* Liability for tax imposed under section 4371 or 4501(a) shall be reported on Form 720. Except as provided in paragraph (b) of this section, a return on Form 720 shall be filed for a period of one calendar quarter. Every person required to make a return on Form 720 for a return period ended December 31, 1954, shall make a return for each subsequent calendar quarter, month, or semimonthly period (whether or not liability was incurred for any tax reportable on such return for such return period) until he has filed a final return in accordance with § 46.6011(a)-2. Every person not required to make a return on Form 720 for a return period

ended December 31, 1954, shall make a return for the first calendar quarter thereafter in which he incurs liability for tax imposed under section 4371 or 4501(a) and shall make a return for each subsequent calendar quarter, month, or semimonthly period until he has filed a final return in accordance with § 46.6011(a)-2.

PAR. 10. Section 46.6109-1 is amended by revising paragraphs (a) and (b) to read as follows:

**§ 46.6109-1 Employer identification numbers.**

(a) *Requirement of application.*—(1) *In general.* An application on Form SS-4 for an employer identification number shall be made by every person who performs any manufacturing or processing operation with respect to which a tax is imposed by section 4501(a), or who is required to remit the tax imposed by section 4371, but who prior to such time neither has been assigned an employer identification number nor has applied therefor. The application, together with any supplementary statement, shall be prepared in accordance with the form, instructions, and regulations applicable thereto, and shall set forth fully and clearly the data therein called for. Form SS-4 may be obtained from any district director or director of a service center. The application shall be filed with the internal revenue officer designated in the instructions applicable to Form SS-4. The application shall be signed by (i) the individual, if the person is an individual; (ii) the president, vice president, or other principal officer, if the person is a corporation; (iii) a responsible and duly authorized member or officer having knowledge of its affairs, if the person is a partnership or other unincorporated organization; or (iv) the fiduciary, if the person is a trust or estate. An employer identification number will be assigned to the person in due course upon the basis of information reported on the application required under this section.

(2) *Time for filing Form SS-4.* The application for an employer identification number shall be filed on or before the seventh day after the date of performance, by the person who is required to make the application, of the first manufacturing or processing operation with respect to which a tax is imposed by section 4501(a). The application for an employer identification number shall be filed on or before the seventh day after the date on which the person who is required to make the application makes a premium payment (on after Jan. 1, 1966) upon which he is required to remit the tax imposed by section 4371.

(b) *Use of employer identification number.* The employer identification number assigned to a person liable for the tax imposed by section 4501(a) shall be shown in any return, statement, or other document made by such person. The employer identification number assigned to a person required to remit the tax imposed by section 4371 shall be

shown in any return, statement, or other document made by such person for any period commencing on or after January 1, 1966.

PAR. 11. Section 46.6418 and the historical note thereto are amended to read as follows:

**§ 46.6418 Statutory provisions; credits and refunds of the tax on sugar.**

Sec. 6418. *Sugar.*—(a) *Use as livestock feed or for distillation or production of alcohol.* Upon the use of any manufactured sugar, or article manufactured therefrom, as livestock feed, or in the production of livestock feed, or for the distillation of alcohol, or for the production of alcohol (other than alcohol produced for human food consumption), there shall be paid by the Secretary or his delegate to the person so using such manufactured sugar, or article manufactured therefrom, the amount of any tax paid under section 4501 with respect thereto.

[Sec. 6418 as amended by sec. 21(b), Act of May 29, 1956 (Public Law 545; 84th Cong., 70 Stat. 221); sec. 302(c), Tariff Classification Act 1962 (76 Stat. 77); sec. 9(b), Sugar Act Amendments 1965 (79 Stat. 1278)]

PAR. 12. Section 46.6418-1 is amended to read as follows:

**§ 46.6418-1 Sugar used as livestock feed or for distillation or production of alcohol.**

(a) *Claims for payment.* Any person using any manufactured sugar, or an article manufactured therefrom, with respect to which a tax has been paid under section 4501(a), (1) as livestock feed, (2) in the production of livestock feed, (3) for the distillation of alcohol, or (4) for the production (on or after Nov. 8, 1965) of alcohol (other than alcohol produced for human food consumption), may file a claim for payment of the amount of tax paid thereon. The claim shall be executed by the claimant on Form 843 in the manner prescribed in § 301.6402-2 of this chapter (Regulations on Procedure and Administration), except that, after June 30, 1969, any such claim shall be filed with the service center serving the internal revenue district in which the claimant's principal place of business is located. For periods prior to July 1, 1969, any such claim shall be filed with the district director of internal revenue for the district in which the claimant's principal place of business is located. Hand-carried claims may be filed in accordance with paragraph (b) of § 301.6091-1 of this chapter. No interest shall be paid in respect of any such claim.

(b) *Proof of claim.* No claim for payment under section 6418(a) of the tax paid under section 4501(a) will be allowed unless the claimant establishes to the satisfaction of the district director—

(1) That the tax with respect to the manufactured sugar upon which the claim is based was actually paid;

(2) That the manufactured sugar, or article manufactured therefrom, was actually used in the production of livestock

feed, or as livestock feed, or for the distillation of alcohol, or for the production (on or after Nov. 8, 1965) of alcohol (other than alcohol produced for human food consumption);

(3) The quantity and test of the manufactured sugar upon which the claim is based; and

(4) Such other facts as may be required to determine the claimant's right to the payment.

PAR. 13. Section 46.6418-2 is amended by revising paragraph (b) to read as follows:

§ 46.6418-2 Sugar exported.

(b) *Claim for payment.* Claim for payment shall be executed by the claimant on Form 843, in the manner prescribed in § 301.6402-2 of this chapter (Regulations on Procedure and Administration), except that, after June 30, 1969, any such claim shall be filed with the service center serving the internal revenue district in which the claimant's principal place of business is located. For periods prior to July 1, 1969, any such claim shall be filed with the district director of internal revenue for the district in which the claimant's principal place of business is located. Hand-carried claims may be filed in accordance with paragraph (b) of § 301.6091-1 of this chapter. No interest shall be paid in respect of any such claim.

PAR. 14. Section 46.6511(e) is amended by revising the title of paragraph (1) of section 6511(e) and adding a historical footnote to read as follows:

§ 46.6511(e) Statutory provisions; limitations on credit or refund.

Sec. 6511. *Limitations on credit or refund.* \* \* \*

(e) *Special rules in case of manufactured sugar—(1) Use as livestock feed or for distillation or production of alcohol.* \* \* \*

[Sec. 6511(e) as amended by sec. 9(c), Sugar Act Amendments 1965 (79 Stat. 1278)]

PAR. 15. Section 46.6511(e)-1 is amended by revising the title of paragraph (a) to read as follows:

§ 46.6511(e)-1 Special rules applicable to manufactured sugar.

(a) *Use as livestock feed and for distillation or production of alcohol.* \* \* \*

PART 47—DOCUMENTARY STAMP TAXES

PAR. 16. A new § 47.4371-0 is added, following § 47.4371, to read as follows:

§ 47.4371-0 Applicability of subpart.

The provisions of this subpart apply only to premiums charged or paid before January 1, 1966. See Subpart A1, Part 46 of this chapter for provisions relating to premiums paid on or after January 1, 1966.

[F.R. Doc. 69-3626; Filed, Mar. 26, 1969; 8:50 a.m.]

DEPARTMENT OF THE INTERIOR

National Park Service

[ 36 CFR Part 7 ]

GLEN CANYON NATIONAL RECREATION AREA, UTAH-ARIZONA

Boat Sanitary Equipment

Notice is hereby given that pursuant to the authority contained in section 3 of the Act of August 25, 1916 (39 Stat. 535, as amended; 16 U.S.C. 3), 245 DM-I (27 F.R. 6395), National Park Service Order No. 34 (31 F.R. 4255), Regional Director, Southwest Regional Order No. 4 (31 F.R. 8134), as amended, it is proposed to amend § 7.70 of the Code of Federal Regulations as set forth below.

The purpose of this amendment is to establish boat sanitation equipment requirements to insure conformity with § 3.17 of Title 36, Code of Federal Regulations, which deals with water sanitation.

It is the policy of the Department of the Interior, whenever practicable, to afford the public an opportunity to participate in the rule making process. Accordingly, interested persons may submit written comments, suggestions, or objections to the Superintendent, Glen Canyon National Recreation Area, Post Office Box 1507, Page, Ariz. 86040, within 30 days of the publication of this notice in the FEDERAL REGISTER.

Paragraph (c) of § 7.70 is amended to read as follows:

§ 7.70 Glen Canyon National Recreation Area.

(c) *Water sanitation.* All vessels with marine toilets so constructed as to permit wastes to be discharged directly into the water shall have such facility sealed to prevent discharge. Chemical or other type marine toilets with approved holding tanks or storage containers shall be permitted but will be discharged or emptied only at designated sanitary pumping stations.

WILLIAM J. BRIGGLE,  
Superintendent,  
Glen Canyon Recreation Area.

[F.R. Doc. 69-3606; Filed, Mar. 26, 1969; 8:48 a.m.]

DEPARTMENT OF AGRICULTURE

Consumer and Marketing Service

[ 7 CFR Part 959 ]

[Docket No. AO-322-A2]

ONIONS GROWN IN SOUTH TEXAS

Decision With Respect to Proposed Amendment of Marketing Agreement and Order; and Referendum Order

Pursuant to the Agricultural Marketing Agreement Act of 1937, as amended (sec. 1-19, 48 Stat. 31, as amended; 7

U.S.C. 601-674) and the applicable rules of practice and procedure, as amended, governing proceedings to formulate marketing agreements and marketing orders (7 CFR 900), a public hearing was held in Edinburg, Tex., December 18, 1968. The notice thereof was published in the FEDERAL REGISTER on November 23, 1968 (33 F.R. 17359) upon a proposed amendment to Marketing Agreement No. 143 and Order No. 959 both as amended (7 CFR Part 959); hereinafter collectively referred to as the "order", regulating the handling of onions grown in South Texas.

On the basis of evidence introduced at the hearing and the record thereof, a recommended decision in this proceeding was filed on March 4, 1969, with the Hearing Clerk, U.S. Department of Agriculture. The notice of the filing of such recommended decision, allowing 10 days to file written exception thereto, was published in the FEDERAL REGISTER March 7, 1969 (34 F.R. 4969).

*Rulings on exceptions.* Within the period provided for filing exceptions to the proposed amendment, exceptions were filed by John Benson, Alexander Marketing Co., San Benito, Tex., and jointly by Don R. Black, De Bruyn Produce Co., Zeeland, Mich., and J. S. McManus, J. S. McManus Co., Weslaco, Tex., handlers of South Texas onions. Each of the points included in the exceptions was fully and carefully considered, along with the evidence in the record, the findings thereon and the conclusions herein set forth. To the extent that any suggested findings or conclusions contained in the exceptions are inconsistent with the findings and conclusions contained herein, they are denied on the basis of the facts found and stated in connection with the decision.

*Material issues, findings and conclusions, and general findings.* The material issues, findings and conclusions, and the general findings of the recommended decision set forth in the FEDERAL REGISTER (34 F.R. 4969) are hereby approved and adopted, and ordered to be published as the material issues, findings and conclusions, rulings, and the general findings of this decision as if set forth in full herein:

*Amendment of the marketing agreement and order.* Annexed hereto and made a part hereof are two documents entitled, respectively, "Marketing Agreement Regulating the Handling of Onions Grown in South Texas" and "Order Regulating the Handling of Onions Grown in South Texas" which have been decided upon as the appropriate and detailed means of effecting the foregoing conclusions. These documents shall not become effective unless and until the requirements of § 900.14 of the aforesaid rules of practice and procedure governing proceedings to formulate marketing agreements and marketing orders have been met.

*Referendum order.* Pursuant to the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601-674), it is hereby directed that a referendum be conducted among the producers who, during the

period August 1, 1967, through July 31, 1968 (which is hereby determined to be a representative period for the purpose of such referendum), have been engaged within the production area as defined in the order, in the production of onions for market to determine whether such producers approve or favor the issuance of the annexed order regulating the handling of onions.

David B. Fitz, Fruit and Vegetable Division, Consumer and Marketing Service, U.S. Department of Agriculture, is hereby designated agent of the Secretary of Agriculture to conduct said referendum.

The procedure applicable to the referendum shall be the "Procedure for the Conduct of Referenda in Connection with Marketing Orders for Fruits, Vegetables and Nuts Pursuant to the Agricultural Marketing Agreement Act of 1937, as Amended" (7 CFR Part 900, 400 et seq.; 30 P.R. 15414).

The ballots used in such referendum shall contain a summary of the proposed amendment to be voted on.

Copies of the aforesaid annexed order and of the aforesaid referendum procedure may be examined in the Fruit and Vegetable Division, Consumer and Marketing Service, U.S. Department of Agriculture, Washington, D.C. 20250.

Ballots to be cast in the referendum, and other necessary forms and instructions, may be obtained from the referendum agent or any appointee or at any county agent's office within the aforesaid production area.

*It is hereby ordered.* That all of this decision and referendum order, except the annexed marketing agreement, as amended, be published in the FEDERAL REGISTER. The regulatory provisions of the said marketing agreement, as amended, are identical with those contained in the said order which will be published with this decision.

Dated: March 24, 1969.

RICHARD E. LYNG,  
Assistant Secretary.

*Order Amending the Order Regulating the Handling of Onions Grown in South Texas*

§ 959.0 Findings and determinations.

The findings and determinations hereinafter set forth are supplementary and in addition to the findings and determinations made in connection with the issuance of the order, and all of the said previous findings and determinations are hereby ratified and affirmed except insofar as such findings and determinations may be in conflict with the findings and determinations set forth herein.

<sup>1</sup> This order shall not become effective unless and until the requirement of § 900.14 of the rules of practice and procedure, as amended, governing proceedings to formulate marketing agreements and marketing orders have been met.

(a) *Findings upon the basis of the hearing record.* Pursuant to the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601-674) and the applicable rules of practice and procedure effective thereunder (7 CFR Part 900), a public hearing was held at Edinburg, Tex., on December 18, 1968, upon a proposed amendment of Marketing Agreement No. 143 and Order No. 959 (7 CFR Part 959) regulating the handling of onions grown in the South Texas production area. Upon the basis of the evidence introduced at such hearing and the record thereof, it is hereby found that:

(1) The said order as hereby amended and all of the terms and conditions thereof, will tend to effectuate the declared policy of the act with respect to onions produced in the production area, by establishing and maintaining such orderly marketing conditions therefor, as will tend to establish, as prices to the producers thereof, parity prices and by protecting the interest of the consumer (i) by approaching the level of prices which it is declared in the act to be the policy of Congress to establish by a gradual correction of the current level of prices at as rapid a rate as the Secretary deems to be in the public interest and feasible in view of the current consumptive demand in domestic and foreign markets, and (ii) by authorizing no action which has for its purpose the maintenance of prices to producers of such onions above the parity level, and (iii) by authorizing the establishment and maintenance of such minimum standards of quality and maturity, and such grading and inspection requirements as may be incidental thereto, as will tend to effectuate such orderly marketing of such onions as will be in the public interest;

(2) The said order as hereby amended regulates the handling of onions grown in the production area in the same manner as, and are applicable only to persons in the respective classes of industrial and commercial activity specified in, a marketing order upon which hearings have been held;

(3) The said order as hereby amended is limited in application to the smallest regional production area which is practicable, consistently with carrying out the declared policy of the act; and the issuance of several orders applicable to subdivisions of the production area would not effectively carry out the declared policy of the act;

(4) The said order as hereby amended prescribes, so far as practicable, such different terms, applicable to different parts of the production area, as are necessary to give due recognition to the differences in the production and marketing of onions grown in the production area; and

(5) All handling of onions as defined in this part is in the current of interstate or foreign commerce or directly

burdens, obstructs, or affects such commerce.

*It is therefore ordered.* That, on and after the effective date hereof, all handling of onions grown in the South Texas production area shall be in conformity to and in compliance with, the terms and conditions of the said order as hereby amended, as follows:

1. Section 959.27 *Nomination*, is revised by adding to the end of each of paragraphs (a) and (c) thereof, the following: "or by such other date as may be specified by the Secretary."

2. Section 959.43 *Accounting*, is revised by changing the first sentence in subparagraph (2), of paragraph (a) to read as follows:

(2) The committee, with the approval of the Secretary, may carry over excess funds into subsequent fiscal periods as reserves: *Provided*, That funds already in reserves do not equal approximately two fiscal periods' expenses. \* \* \*

3. Section 959.52 *Issuance of regulations*, is revised as follows:

a. As to paragraph (b): By deleting "or" appearing at the end of subparagraph (3); by changing the period to a semicolon at the end of subparagraph (4); and by revising subparagraph (5) and adding subparagraph (6) to read as follows:

(5) Establish holidays by prohibiting throughout the entire production area, the packaging or loading, or both, of onions on Sundays;

(6) Prohibit the packaging or loading, or both, of onions except during specified consecutive hours of any calendar day or days: *Provided*, That, any handler may, upon such notice to the committee as it may prescribe with approval of the Secretary, package or load onions during a different period in such day consisting of the same number of consecutive hours: *Provided further*, That any handler who, due to conditions specified in regulations established by the committee with the approval of the Secretary as being beyond a handler's reasonable control, is prevented for more than one of such consecutive hours from so packaging or loading onions may, in accordance with such regulations, obtain permission from the committee to package or load onions, or both, during a comparable number of additional hours in the same day or a later day as specified by the committee.

b. New paragraph (d) is added as follows:

(d) No handler may handle onions that were packaged or loaded or both during any period when such packaging or loading or both was prohibited by any regulation issued pursuant to subparagraph (5) or (6) of paragraph (b) of this section, except such onions as were exempted thereunder.

4. Section 959.7 *Handle*, is revised by adding the word "load" between the words "package" and "sell."

[P.R. Doc. 69-3649; Filed, Mar. 26, 1969; 8:52 a.m.]

## DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

[ 14 CFR Part 71 ]

[Airspace Docket No. 69-WE-18]

### CONTROL ZONE

#### 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 San Diego, Calif. (Montgomery Field) control zone.

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.

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.

The hours of operation of the Montgomery Field control tower and effective time of the control zone are currently from 0700 to 2300 hours local time daily. It is expected however that seasonal changes in the hours of operation of the control tower may be necessary in the future due to changes in traffic volume. The use of the NOTAM is proposed to designate these changes, when required, and will provide an expeditious means of designating the effective hours of the control zone to coincide with the hours of operation of the control tower.

In consideration of the foregoing the FAA proposes the following airspace action:

In § 71.171 (34 F.R. 4557) the description of the San Diego, Calif. (Montgomery Field) is amended by deleting the last sentence and substituting therefor "This control zone shall be effective during the specific dates and times established in advance by a Notice to Airmen. The effective date and time will

thereafter be continuously published in the Airman's Information Manual.

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 March 18, 1969.

ARVIN O. BASNIGHT,  
Director, Western Region.

[F.R. Doc. 69-3614; Filed, Mar. 26, 1969;  
8:49 a.m.]

### [ 14 CFR Part 71 ]

[Airspace Docket No. 69-WE-19]

### CONTROL ZONE

#### 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 San Diego, Calif. (San Diego County-Gillespie Field) control zone.

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.

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.

The hours of operation of the Gillespie Field control tower and effective hours of the control zone are currently from 0700 to 2300 hours local time daily. It is expected however, that seasonal changes in the hours of operation of the control tower may be necessary in the future due to changes in traffic volume. The use of the NOTAM is proposed to designate these changes, when required, and will provide an expeditious means of designating the effective hours of the control zone to coincide with the hours of operation of the control tower.

In consideration of the foregoing the FAA proposes the following airspace action.

In § 71.171 (34 F.R. 4557) the San Diego, Calif. (San Diego County-Gillespie Field) control zone is amended to read as follows:

SAN DIEGO, CALIF. (SAN DIEGO COUNTY-GILLESPIE FIELD)

Within a 3-mile radius of San Diego County-Gillespie Field (latitude 32°49'26" N., longitude 116°58'18" W.). This control zone shall be effective during the specific dates and times established in advance by a Notice to Airmen. The effective date and time will thereafter be continuously published in The Airman's Information Manual.

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 March 18, 1969.

ARVIN O. BASNIGHT,  
Director, Western Region.

[F.R. Doc. 69-3615; Filed, Mar. 26, 1969;  
8:49 a.m.]

## CIVIL AERONAUTICS BOARD

[ 14 CFR Part 378 ]

[Docket No. 20845; SPDR-15]

### INCLUSIVE TOURS BY SUPPLEMENTAL AIR CARRIERS, CERTAIN FOREIGN AIR CARRIERS, AND TOUR OPERATORS

#### Permission of Inclusive Tour Contracts on Annual Basis

MARCH 24, 1969.

Notice is hereby given that the Civil Aeronautics Board has under consideration an amendment to Part 378 which would provide that where a prospectus covers a series of tours pursuant to one charter contract, the elapsed time between the commencement of the first tour and the departure of the last tour shall not be over 1 year, instead of 180 days between commencement and completion as at present. The reasons for the proposal are explained in the explanatory statement below, and the proposed amendment is set out in the proposed rule. This regulation is proposed under authority of sections 204(a) and 101(33) of the Federal Aviation Act of 1958, as amended, 72 Stat. 743, 82 Stat. 867; 49 U.S.C. 1324, 1301.

Interested persons may participate in the proposed rule making through submission of twelve (12) copies of written data, views, or arguments pertaining thereto, addressed to the Docket Section, Civil Aeronautics Board, Washington, D.C. 20428. All relevant matter in communications received on or before April 28, 1969, will be considered by the Board before taking action on the proposal. Copies of such communications will be available for examination by interested

persons in the Docket Section of the Board, Room 712, Universal Building, Washington, D.C., upon receipt thereof.

By the Civil Aeronautics Board.

[SEAL] HAROLD R. SANDERSON,  
Secretary.

**Explanatory statement.** Section 378.18 (a) provides that, if a series of inclusive tours is to be operated for one tour operator pursuant to one charter contract, the Tour Prospectus may cover the entire series provided the elapsed time between the commencement of the first tour and the completion of the last tour is not over 180 days. The section further provides that no inclusive tour may be advertised or performed unless an acceptable Tour Prospectus has been filed with the Board at least 60 days before commencement of the tour. During the past year, a number of waivers of the 180-day limitation have been requested, and granted on the grounds that contracts for aircraft, hotels, and surface transportation are more easily made on an annual basis and that promotion of inclusive tours is more effective over this longer period.

The time limitation on a series of tours was imposed so that the Board could exercise close surveillance of the inclusive tour program during its developmental period. The program has been successfully operated for 3 years, and we believe the tour operators have gained sufficient experience to justify some relaxation of Board control. The requirement of a Statement of Authorization for each tour or series of tours was allowed to expire December 31, 1968. We now propose to change the 180-day limitation indicated above to 1 year. Further, the year will be measured from commencement of the first tour to departure of the last tour in the series. This change will permit contracts for 52 consecutive weekly departures, which appears to be the practice of the industry.

**Proposed rule.** It is proposed to amend § 378.18 (14 CFR 378.18) by revising paragraph (a) to read as follows:

§ 378.18 Procedure applicable to periods on or after January 1, 1969.

(a) No inclusive tour or series of tours scheduled to commence on or after January 1, 1969, shall be operated, nor shall any tour operator sell or offer to sell, solicit, or advertise such tour or tours, unless there is on file with the Board a Tour Prospectus satisfying the require-

ments of § 378.13. If a series of tours is to be operated for one tour operator pursuant to one charter contract, the Prospectus may cover the entire series, provided the elapsed time between the commencement of the first tour and the departure of the last tour shall not exceed 1 year. The Tour Prospectus shall be filed at least 60 days before commencement of the tour or tours. Late filing of the Prospectus will not be permitted except for good cause shown.

[P.R. Doc. 69-3635; Filed, Mar. 26, 1969;  
8:51 a.m.]

## FEDERAL COMMUNICATIONS COMMISSION

[47 CFR Part 15]

[Docket No. 18433]

### ALL-CHANNEL TELEVISION BROADCAST RECEIVERS

#### Order Extending Time for Filing Comments and Reply Comments

In the matter of amendment of Part 15 of the rules and regulations with regard to all-channel television broadcast receivers, Docket No. 18433.

1. A notice of proposed rule making in the above-captioned proceeding was adopted by the Commission on January 29, 1968 (34 F.R. 1732, Feb. 5, 1969). Comments were requested by March 21, 1969, and reply comments by April 4, 1969.

2. On March 18, 1969, the Electronics Industries Association (EIA) filed a motion requesting that the time for filing comments be extended to May 23, 1969 and that the time for filing reply comments be extended to June 6, 1969. In support of its motion, EIA states, in effect, that the television receiver industry has been requested to furnish considerable information concerning advances in receiver tuning and the effect of Commission regulation, and that additional time is required for the preparation of adequate comments.

3. The Commission's proposal is a matter of considerable importance to the television receiver industry. The information which the industry is capable of furnishing as to the current state of the

art and as to the consequences of regulation is needed by the Commission; and it is of importance to the Commission and the industry that the information and views submitted be current and fully developed. The requested extension of time will therefore be granted. To the extent that regulation in this area is determined to be necessary and feasible, however, there is a need for prompt action. The television receiver industry and other interested persons are therefore urged to expedite the submission of comments. Absent the most compelling showing, further requests for extensions of time in this proceeding will not be given favorable consideration.

In view of the foregoing: *It is ordered*, Pursuant to section 5(d) (1) of the Communications Act and § 0.251(b) of the rules and regulations, that the time for filing comments in this proceeding is extended to May 23, 1969, and that the time for filing reply comments is extended to June 6, 1969.

Adopted: March 19, 1969.

Released: March 21, 1969.

[SEAL] HENRY GELLER,  
General Counsel.

[P.R. Doc. 69-3632; Filed, Mar. 26, 1969;  
8:50 a.m.]

## FEDERAL MARITIME COMMISSION

[46 CFR Part 504]

[Docket No. 69-6]

### COLLECTION, COMPROMISE, AND TERMINATION OF ENFORCEMENT CLAIMS

#### Rescheduling of Filing Dates

At the request of counsel for four inbound Far East conferences, and good cause appearing, the filing schedule in this proceeding is revised as follows:

Views or comments may be filed on or before April 7, 1969.

Reply of Hearing Counsel will be filed on or before April 22, 1969.

Answers to Hearing Counsel's reply may be filed on or before May 2, 1969.

By the Commission.

[SEAL] THOMAS LISI,  
Secretary.

[P.R. Doc. 69-3651; Filed, Mar. 26, 1969;  
8:52 a.m.]

# Notices

## DEPARTMENT OF THE INTERIOR

### Bureau of Land Management

[Sacramento 2257]

### CALIFORNIA

#### Opening National Forest Lands

MARCH 19, 1969.

1. In an order issued October 16, 1968, the Federal Power Commission vacated withdrawals created pursuant to the filing on March 8, 1923, of an application for license for Project No. 396 and on January 29, 1940, filed an application for license for minor Project No. 1625, modified March 17, 1942, so far as it pertains to the following described lands:

#### MOUNT DIABLO MERIDIAN

T. 11 N., R. 17 E.,  
Sec. 16, SW $\frac{1}{4}$ NW $\frac{1}{4}$ ;  
Sec. 17, E $\frac{1}{2}$ SW $\frac{1}{4}$ NE $\frac{1}{4}$  and SE $\frac{1}{4}$ NE $\frac{1}{4}$ .

The areas described aggregate 100 acres in El Dorado County within the Eldorado National Forest and lie along the left bank of the South Fork of the American River. Portions of the lands are withdrawn for national forest roadside zone purposes by Public Land Order No. 3342 of March 2, 1964.

2. By virtue of the authority vested in the Secretary of the Interior by section 24 of the Federal Power Act of June 10, 1920 (41 Stat. 1075; 16 U.S.C. 818), as amended, and pursuant to authority re-delegated to me by Bureau Order No. 701 of July 23, 1964, as amended, the lands described in paragraph 1 herein are hereby open to such forms of disposition as may by law be made of national forest lands subject to valid existing rights, the provisions of existing withdrawals, the requirements of applicable law, rules, and regulations as of 10 a.m., April 18, 1969.

The lands have been open to applications and offers under the mineral leasing laws and to location under the U.S. mining laws subject to the provisions of the Act of August 11, 1955 (69 Stat. 682; 30 U.S.C. 621).

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

ELIZABETH H. MIDTBY,  
Chief, Lands Adjudication Section.

[F.R. Doc. 69-3623; Filed, Mar. 26, 1969;  
8:50 a.m.]

[S-856]

### CALIFORNIA

#### Notice of Termination of Classification of Public Lands

MARCH 20, 1969.

Notice of a classification of public lands for multiple use management was pub-

lished as F.R. Doc. 67-15087 on page 20988 of the issue for Friday, December 29, 1967. This classification is canceled insofar as it involves the lands described below. Therefore, pursuant to the regulations contained in 43 CFR 2411.2(e) (2) (ii), such lands are hereby relieved of any segregative effect the above-mentioned classification may have had.

The lands involved in this notice of termination are:

#### MOUNT DIABLO MERIDIAN

NEVADA COUNTY, CALIF.

T. 17 N., R. 8 E.,  
Sec. 33.

LESTER C. DUNN,  
Acting State Director.

[F.R. Doc. 69-3624; Filed, Mar. 26, 1969;  
8:50 a.m.]

[Serial No. N-2762]

### NEVADA

#### Notice of Public Sale

MARCH 21, 1969.

Under the provisions of the Public Land Sale Act of September 19, 1964 (78 Stat. 988, 43 U.S.C. 1421-1427), 43 CFR Subpart 2243, a tract of land will be offered to the highest bidder at a sale to be held at 9:00 a.m., local time, on Wednesday, May 7, 1969, at the Las Vegas District Office, Bureau of Land Management, 1859 North Decatur Boulevard, Las Vegas, Nev. 89108. The land is described as follows:

#### MOUNT DIABLO MERIDIAN, NEV.

T. 21 S., R. 61 E.,  
Sec. 30, E $\frac{1}{2}$ NE $\frac{1}{4}$ NE $\frac{1}{4}$ NW $\frac{1}{4}$ .

The area described contains five acres. The appraised value of the tract is \$30,000 and publication costs to be assessed are estimated at \$12.

The land will be sold subject to all valid existing rights, and to a reservation of rights-of-way of 50 feet along the north boundary, and 40 feet along the east boundary, for roadway and utility purposes. Reservations will be made to the United States for rights-of-way for ditches and canals in accordance with the Act of August 30, 1890 (26 Stat. 391; 43 U.S.C. 945). All minerals are to be reserved to the United States and withdrawn from appropriation under the public land laws, including the general mining laws.

Bids may be made by a principal or his agent, either at the sale, or by mail. An agent must be prepared to establish the eligibility of his principal. Eligible purchasers are: (1) Any individual (other than an employee, or the spouse of an employee, of the Department of

the Interior) who is a citizen or otherwise a national of the United States, or who has declared his intention to become a citizen, aged 21 years or more; (2) any partnership or association, each of the members of which is an eligible purchaser, or (3) any corporation organized under the laws of the United States, or any state thereof, authorized to hold title to real property in Nevada.

Bids must be for all the land in the parcel. A bid for less than the appraised value of the land is unacceptable. Bids sent by mail will be considered only if received by the Las Vegas District Office, Bureau of Land Management, 1859 North Decatur Boulevard, Las Vegas, Nev. 89108, prior to 4:00 p.m., on Tuesday, May 6, 1969. Bids made prior to the public auction must be in sealed envelopes, and accompanied by certified checks, payable to the Bureau of Land Management, for the full amount of the bid plus estimated publication costs, and by a certification of eligibility, defined in the preceding paragraph. The envelope must show the sale number and date of sale in the lower left-hand corner: "Public Sale Bid, Sale N-2762, May 7, 1969".

The authorized officer shall publicly declare the highest qualifying sealed bid received. Oral bids shall then be invited in specified increments. After oral bids, if any, are received, the authorized officer shall declare the high bid. A successful oral bidder must submit a guaranteed remittance, in full payment for the tract and cost of publication, before 4:00 p.m. of the day of the sale.

If no bids are received for the sale tract on Wednesday, May 7, 1969, the tract will be reoffered on the first Wednesday of subsequent months at 9:00 a.m., beginning June 4, 1969.

Any adverse claimants to the above-described land should file their claims, or objections, with the undersigned before the time designated for sale.

The land described in this notice has been segregated from all forms of appropriation, including locations under the general mining laws, except for sale under this Act, from the date of notation of the proposed classification decision. Inquiries concerning this sale should be addressed to the Land Office Manager, Bureau of Land Management, Room 3008, Federal Building, 300 Booth Street, Reno, Nev. 89502, or to the District Manager, Bureau of Land Management, 1859 North Decatur Boulevard, Las Vegas, Nev. 89108.

ROLLA E. CHANDLER,  
Manager, Nevada Land Office.

[F.R. Doc. 69-3600; Filed, Mar. 26, 1969;  
8:48 a.m.]

[Serial No. N-2566]

## NEVADA

## Notice of Proposed Classification of Public Lands for Transfer Out of Federal Ownership

MARCH 19, 1969.

1. Pursuant to the Act of September 19, 1964 (43 U.S.C. 1412), it is proposed to classify the public lands described below for transfer out of Federal ownership under the Lake Mead National Recreation Area Act of October 8, 1964 (16 U.S.C. 460n).

2. This proposal has been discussed with local governmental officials and other interested parties. Information derived from discussions and other sources indicate that these lands meet the criterion of 43 CFR 2410.1-3(c) (4), which authorizes classification of lands for exchange under appropriate authority.

3. Publication of this notice will segregate the affected lands from all other forms of appropriation including the mining laws. Publication will not alter the applicability of the public land laws governing the use of the lands under lease, license, or permit, or governing the disposal of their mineral and vegetative resources, other than under the mining laws. As used in this order, the term "public lands" means any lands (1) withdrawn or reserved by Executive Order No. 6910 of November 26, 1934, as amended, or (2) within a grazing district established pursuant to the Act of June 28, 1934 (48 Stat. 1269), as amended, which are not otherwise withdrawn or reserved for a Federal use or purpose.

4. The public lands affected by this classification are described as:

MOUNT DIABLO MERIDIAN  
NYE COUNTY

- T. 5 N., R. 41 E.,  
Sec. 1, All;  
Sec. 2, Lot 1, SE $\frac{1}{4}$ NE $\frac{1}{4}$ , E $\frac{1}{2}$ SE $\frac{1}{4}$ ;  
Sec. 11, E $\frac{1}{2}$ E $\frac{1}{2}$ ;  
Sec. 12, All;  
Sec. 13, N $\frac{1}{2}$ ;  
Sec. 14, E $\frac{1}{2}$ NE $\frac{1}{4}$ .  
T. 6 N., R. 41 E.,  
Sec. 25, S $\frac{1}{2}$ S $\frac{1}{2}$ ;  
Sec. 26, SE $\frac{1}{4}$ SE $\frac{1}{4}$ ;  
Sec. 35, E $\frac{1}{2}$ E $\frac{1}{2}$ ;  
Sec. 36, All.  
T. 5 N., R. 42 E., unsurveyed;  
Sec. 6, W $\frac{1}{2}$ , SW $\frac{1}{4}$ SE $\frac{1}{4}$  except land inclusive in Mineral surveys;  
Sec. 7, All except land inclusive in Mineral surveys;  
Sec. 18, N $\frac{1}{2}$ .  
T. 6 N., R. 42 E.,  
Sec. 30, S $\frac{1}{2}$ S $\frac{1}{2}$ , unsurveyed;  
Sec. 31, Lots 3, 4, E $\frac{1}{2}$ SW $\frac{1}{4}$ ;  
Sec. 31, N $\frac{1}{2}$ , W $\frac{1}{2}$ SE $\frac{1}{4}$ , unsurveyed;  
Sec. 32, W $\frac{1}{2}$ NW $\frac{1}{4}$ , unsurveyed.

The public lands described above aggregate approximately 5300 acres.

5. The land will be open to application for sugar upon which the claim is equal opportunity basis when the lands are classified by a subsequent order. All applications for exchange must be accompanied by a statement from the Chief, Office of Land and Water Rights, National Park Service, San Francisco Planning and Service Center, that the

proposal is feasible, in accordance with 43 CFR 2244.1-2(b) (1).

6. For a period of 60 days from the date of publication of this notice in the FEDERAL REGISTER, all persons who wish to submit comments, suggestions, or objections in connection with the proposed classification may present their views in writing to the Battle Mountain District Manager, Bureau of Land Management, Post Office Box 194, Battle Mountain, Nev. 89820.

For the State Director.

A. JOHN HILLSAMER,  
Acting Land Office Manager.[F.R. Doc. 69-3621; Filed, Mar. 26, 1969;  
8:50 a.m.]

[New Mexico 435]

## NEW MEXICO

## Notice of Proposed Classification of Public Lands for Multiple Use Management

MARCH 20, 1969.

1. Pursuant to the Act of September 19, 1964 (43 U.S.C. 1411-18) and the regulations in 43 CFR Parts 2410 and 2411, the public lands described below were classified for multiple use management (32 F.R. 2579-2586) on February 7, 1967.

2. Publication of this notice has the effect of further segregating the lands described below from all forms of appropriation under the public land laws, including the general mining and the mineral leasing laws. The lands have high recreational or historical values and it is necessary to protect the Government's existing and proposed recreational improvements. As used herein "public lands" means any lands withdrawn or reserved by Executive Order No. 6910 of November 26, 1934, as amended, or within a grazing district established pursuant to the Act of June 28, 1934 (48 Stat. 1269), as amended, which are not otherwise withdrawn or reserved for Federal use or purpose.

3. The public lands located within the following described areas are shown on maps designated 30-03-01, 30-03-02, and 30-03-03 on file in the Las Cruces District Office, Bureau of Land Management, 1705 North Seventh Street, Las Cruces, N. Mex. 88001, and the New Mexico Land Office, Post Office and Federal Building, Federal Place, Santa Fe, N. Mex. 87501:

NEW MEXICO PRINCIPAL MERIDIAN  
ORGAN MOUNTAIN RECREATION AREA

- T. 22 S., R. 4 E.,  
Sec. 6, lots 17, 62, and 64 to 76, inclusive;  
Sec. 8, E $\frac{1}{2}$ ;  
Sec. 16, lot 1 and W $\frac{1}{2}$ NW $\frac{1}{4}$ ;  
Sec. 17, lots 1, 2, 3, 6, 7, 8, and W $\frac{1}{2}$ SE $\frac{1}{4}$ ;  
Sec. 20, N $\frac{1}{2}$  and SW $\frac{1}{4}$ ;  
Sec. 31, lots 5, 6, and E $\frac{1}{2}$ NW $\frac{1}{4}$ ;  
Secs. 32 and 33.

## BAYLOR PICNIC SITE

- T. 21 S., R. 3 E.,  
Sec. 13, SW $\frac{1}{4}$ SE $\frac{1}{4}$ ;  
Sec. 14, E $\frac{1}{2}$ SE $\frac{1}{4}$ .

## BAYLOR PASS SITE

- T. 22 S., R. 3 E.,  
Sec. 13, SW $\frac{1}{4}$ ;  
Sec. 14, lots 13, 14, 15, and 16;  
Sec. 23, lot 7 and NE $\frac{1}{4}$ NE $\frac{1}{4}$ ;  
Sec. 24, N $\frac{1}{2}$  and N $\frac{1}{2}$ SE $\frac{1}{4}$ .

## THREE RIVERS PETROGLYPH SITE

- T. 11 S., R. 9 $\frac{1}{2}$  E.,  
Sec. 17, E $\frac{1}{2}$ SE $\frac{1}{4}$ ;  
Sec. 20, E $\frac{1}{2}$ NE $\frac{1}{4}$ ;  
Sec. 21;  
Sec. 23, N $\frac{1}{2}$ N $\frac{1}{2}$ .

## NEEDLE'S EYE PICNIC SITE

- T. 24 S., R. 3 E.,  
Sec. 1;  
Sec. 12, N $\frac{1}{2}$ .

## GRANITE GAP RECREATION AREA

- T. 25 S., R. 21 W.,  
Sec. 26, SW $\frac{1}{4}$ ;  
Sec. 27, S $\frac{1}{2}$ ;  
Sec. 34, N $\frac{1}{2}$ ;  
Sec. 35, NW $\frac{1}{4}$ .

## MASSACHE PEAK PETROGLYPHS

- T. 21 S., R. 8 W.,  
Sec. 29, SW $\frac{1}{4}$ , and W $\frac{1}{2}$ SE $\frac{1}{4}$ .

## DONA ANA MOUNTAIN RECREATION SITE

## NORTH SITE

- T. 21 S., R. 1 E.,  
Sec. 25, NE $\frac{1}{4}$ .

## EAST SITE

- T. 21 S., R. 2 E.,  
Sec. 30, lots 24, 25, 26, and 27.

## FORT CUMMINGS RECREATION AREA

- T. 21 S., R. 8 W.,  
Secs. 20, 21, and 22;  
Sec. 23, E $\frac{1}{2}$ , N $\frac{1}{2}$ NW $\frac{1}{4}$ , SE $\frac{1}{4}$ NW $\frac{1}{4}$ , and SW $\frac{1}{4}$ ;  
Secs. 24, 25, and 26;  
Sec. 27, E $\frac{1}{2}$ , NW $\frac{1}{4}$ , and NW $\frac{1}{4}$ SW $\frac{1}{4}$ ;  
Secs. 28 and 29.

## DONA ANA—NORTH RECREATION AREA

- T. 21 S., R. 1 E.,  
Secs. 24 and 25.

## DONA ANA—EAST RECREATION AREA

- T. 21 S., R. 2 E.,  
Sec. 19, lots 16 to 21, inclusive and lots 23 to 31, inclusive;  
Sec. 30;  
Sec. 31, lots 9 to 15, inclusive.

The areas described above aggregate 13,822.11 acres.

For a period of 60 days from the date of publication of this notice in the FEDERAL REGISTER, all persons who wish to submit comments, suggestions, or objections in connection with the proposed classification may present their views in writing to the Las Cruces District Manager, 1705 North Seventh Street, Las Cruces, N. Mex. 88001.

CLYDE R. DURNELL,  
Acting State Director.[F.R. Doc. 69-3622; Filed, Mar. 26, 1969;  
8:50 a.m.]

[Utah 7493]

## UTAH

## Notice of Proposed Classification of Public Lands for Disposal by Exchange

Pursuant to section 2 of the Act of September 19, 1964 (43 U.S.C. 1412), and

to the regulations in 43 CFR 2411.1-2, it is proposed to classify the lands described below for disposal through exchange, under the Act of June 28, 1934, as amended (48 Stat. 1269; 43 U.S.C. 315g; 43 CFR 2244), for lands within the Salt Lake District.

This proposal has been discussed with the District Advisory Board, local governmental officials and other interested parties. Information from discussions and other sources indicate that these lands meet the criterion of 43 CFR 2410.1-3 (c) (4), which authorizes classification of lands "for exchange under appropriate authority where they are found to be chiefly valuable for public purposes because they have special values, arising from the interest of exchange proponents, for exchange for other lands which are needed for the support of a Federal program."

Publication of this notice will segregate the lands from all appropriation including location under the mining laws, except applications for exchange. Publication will not alter the applicability of the public land laws governing the use of the lands under lease, license, or permit, or governing the disposal of their mineral and vegetative resources, other than under the mining laws.

No application for an exchange will be accepted until it has first been determined that it is in the public interest for the United States to acquire the proposed offered lands and that the value of the offered lands equals or exceeds that of the selected lands.

All applications for exchange must be accompanied by a statement from the Bureau of Land Management, Salt Lake District Manager, that the proposal is feasible, in accordance with 43 CFR 2244.1-2(b) (1).

Information concerning these lands is available at the Brigham City Sub-Office, Bureau of Land Management, Brigham City, Utah 84302, and the Salt Lake District Office, 1750 South Redwood Road, Salt Lake City, Utah 84104.

For a period of 60 days from the date of publication of this notice in the FEDERAL REGISTER, interested parties may submit comments, suggestions, or objections to the District Manager of the Salt Lake District, Bureau of Land Management, 1750 South Redwood Road, Room 214, Salt Lake City, Utah 84104; or to the State Director, Bureau of Land Management, Post Office Box 11505, Salt Lake City, Utah 84111.

The lands affected by this proposal are located in Box Elder County, Utah, and are described as follows:

## SALT LAKE MERIDIAN

- T. 9 N., R. 14 W.,  
Secs. 4, 10, 12, 14, 22, 24, 26, 28, and 34.  
T. 10 N., R. 13 W.,  
Secs. 14, 18, 20, 22, 24, 26, 28, 30, and 34.  
T. 10 N., R. 14 W.,  
Secs. 14, 18, 22, 24, 26, 28, 30, and 34.  
T. 10 N., R. 15 W.,  
Secs. 2, 4, 8, 12, and 20;  
Sec. 6, S $\frac{1}{2}$ SE $\frac{1}{4}$ ;  
Sec. 18, Lots 1, 2, E $\frac{1}{2}$ NW $\frac{1}{4}$ .  
T. 11 N., R. 14 W.,  
Sec. 30, all;  
Sec. 31, E $\frac{1}{2}$ E $\frac{1}{4}$ .

- T. 11 N., R. 15 W.,  
Secs. 12, 24, 26, 34;  
Sec. 14, NE $\frac{1}{4}$ , E $\frac{1}{2}$ NW $\frac{1}{4}$ , S $\frac{1}{2}$ ;  
Sec. 22, E $\frac{1}{2}$ SE $\frac{1}{4}$ .  
T. 12 N., R. 15 W.,  
Sec. 12, all.

The above-described areas aggregate 24,688.97 acres.

JAMES E. KEOGH,  
Acting State Director.

[F.R. Doc. 69-3601; Filed, Mar. 26, 1969;  
8:48 a.m.]

## DEPARTMENT OF COMMERCE

Business and Defense Services  
Administration

COLORADO STATE UNIVERSITY  
ET AL.

Notice of Applications for Duty-Free  
Entry of Scientific Articles

The following are notices of the receipt of applications for duty-free entry of scientific articles pursuant to section 6(c) of the Educational, Scientific, and Cultural Materials Importation Act of 1966 (Public Law 89-651; 80 Stat. 897). Interested persons may present their views with respect to the question of whether an instrument or apparatus of equivalent scientific value for the purposes for which the article is intended to be used is being manufactured in the United States. Such comments must be filed in triplicate with the Director, Scientific Instrument Evaluation Division, Business and Defense Services Administration, Washington, D.C. 20230, within 20 calendar days after date on which this notice of application is published in the FEDERAL REGISTER.

Regulations issued under cited Act, published in the February 4, 1967 issue of the FEDERAL REGISTER, prescribe the requirements applicable to comments.

A copy of each application is on file, and may be examined during ordinary Commerce Department business hours at the Scientific Instrument Evaluation Division, Department of Commerce, Washington, D.C.

A copy of each comment filed with the Director of the Scientific Instrument Evaluation Division must also be mailed or delivered to the applicant, or its authorized agent, if any, to whose application the comment pertains; and the comment filed with the Director must certify that such copy has been mailed or delivered to the applicant.

Docket No. 69-00418-33-46040. Applicant: Colorado State University, Purchasing Department, Fort Collins, Colo. 80521. Article: Electron microscope, Model HS-8. Manufacturer: Hitachi, Ltd., Japan. Intended use of article: The article will be used for instruction and research training of graduate students and faculty. The following projects are currently under study:

1. Pathogenesis of high mountain disease in cattle lungs.
2. Effects of viper venoms on skeletal muscle.

3. Virus diseases of potatoes.
4. Morphogenesis of Hamster heart muscle.
5. Morphogenesis of Hamster adrenals.
6. Virus diseases of trout pancreas.
7. Formation of ice crystal nuclei.
8. Thin metallic films.
9. Diffraction of single crystals.
10. Differentiation of bacteria.
11. Nematode parasites.
12. Chifton of Acarines.
13. Contractile vacuoles of amoebae.

Application received by Commissioner of Customs: February 13, 1969.

Docket No. 69-00422-33-79400. Applicant: V.A. Hospital, Lexington, Ky. 40507. Article: Syringes, metal and spare barrels. Manufacturer: Socorey Medical Instruments, Ltd., Switzerland. Intended use of article: The article will be used in connection with coronary angiography to inject the radiographic dye into the coronary artery. It is absolutely necessary that the syringes utilized to inject the radiographic dye into the coronary artery be free from stickiness, therefore, glass replaceable barrels are advantageous over any other type of syringe because they do not stick if blood or radiographic dye is in them. Application received by Commissioner of Customs: February 14, 1969.

Docket No. 69-00433-61-46040. Applicant: Duke University, Durham, N.C. 27706. Article: Electron microscope, Elmiskop 101 and spare parts. Manufacturer: Siemens AG, West Germany. Intended use of article: The article will be used for research on ultrastructure and its genetic control in biological materials (particularly cereal grains and tomato) which requires the highest possible resolution with the lowest contamination of the specimens. The article provides the only combination that will give results in the study of chloroplast initiation. Application received by Commissioner of Customs: February 24, 1969.

Docket No. 69-00443-01-70700. Applicant: University of Wisconsin, 750 University Avenue, Madison, Wis. 53706. Article: Ultra-Violet recorder, Type SE. 3006/S, with matched pairs of Type B.100 galvanometers and accessories. Manufacturer: S.E. Laboratories (Engineering) Ltd., U.K. Intended use of article: The article will be used to measure oscillatory data obtained with a Weissenberg rheogoniometer already available which includes frequency responses and phase shifts of viscoelastic materials up to 60 cycles per second. This work requires that a recorder be capable of reading the high frequency end of the spectrum with extreme accuracy. Application received by Commissioner of Customs: February 27, 1969.

Docket No. 69-00444-33-16030. Applicant: University of Wisconsin, 750 University Avenue, Madison, Wis. 53706. Article: Scintillation counter and accessories, Model SC-LP2. Manufacturer: Panax Equipment, Ltd., U.K. Intended use of article: The article will be used for the measurement of Na-24 radioactive isotope activity in single cells and effluent, using a new technique of plastic phosphor scintillation counting. The

article will house the plastic scintillation sandwiches over the photomultiplier and retrieve the cell via the gate of the lead castle. Application received by Commissioner of Customs: February 27, 1969.

CHARLEY M. DENTON,  
Assistant Administrator for Industry Operations, Business and Defense Services Administration.

[P.R. Doc. 69-3565; Filed, Mar. 26, 1969; 8:45 a.m.]

#### HEALTH RESEARCH, INC.

##### Notice of Decision on Application for Duty-Free Entry of Scientific Article

The following is a decision on an application for duty-free entry of a scientific article pursuant to section 6(c) of the Educational, Scientific, and Cultural Materials Importation Act of 1966 (Public Law 89-651, 80 Stat. 897) and the regulations issued thereunder (32 F.R. 2433 et seq.).

A copy of the record pertaining to this decision is available for public review during ordinary business hours of the Department of Commerce, at the Scientific Instrument Evaluation Division, Department of Commerce, Washington, D.C.

Docket No. 69-00263-0041200. Applicant: Health Research Inc., Roswell Park Division, 666 Elm Street, Buffalo, N.Y. 14203. Article: Manufacturer: Varian Associates of Canada Ltd., Canada. Intended use of article: The article will be used as a component to an existing instrument for the study of radiation damage in organs and biological materials. The scope of this work extends to the study of radiation protection measures as well. Comments: No comments were received with respect to this application. Decision: Application approved. No instrument or apparatus of equivalent scientific value to the foreign article, for such purposes as this article is to be used, is being manufactured in the United States. Reasons: The foreign article is a replacement for a Klystron tube incorporated in a microwave oscillator that was manufactured in the United States. However, the Klystron tube is no longer being manufactured in the United States by the manufacturer of the oscillator, but in a Canadian facility of this manufacturer. The Department of Commerce knows of no Klystron tube being manufactured in the United States, which is capable of fulfilling the technical requirements specified by the applicant, or can be adapted or modified to serve the purposes for which the foreign article is intended to be used.

CHARLEY M. DENTON,  
Assistant Administrator for Industry Operations, Business and Defense Services Administration.

[P.R. Doc. 69-3566; Filed, Mar. 26, 1969; 8:45 a.m.]

#### JOHNS HOPKINS UNIVERSITY ET AL.

##### Notice of Applications for Duty-Free Entry of Scientific Articles

The following are notices of the receipt of applications for duty-free entry of scientific articles pursuant to section 6(c) of the Educational, Scientific, and Cultural Materials Importation Act of 1966 (Public Law 89-651; 80 Stat. 897). Interested persons may present their views with respect to the question of whether an instrument or apparatus of equivalent scientific value for the purposes for which the article is intended to be used is being manufactured in the United States. Such comments must be filed in triplicate with the Director, Scientific Instrument Evaluation Division, Business and Defense Services Administration, Washington, D.C. 20230, within 20 calendar days after date on which this notice of application is published in the FEDERAL REGISTER.

Regulations issued under cited Act, published in the February 4, 1967, issue of the FEDERAL REGISTER, prescribe the requirements applicable to comments.

A copy of each application is on file, and may be examined during ordinary Commerce Department business hours at the Scientific Instrument Evaluation Division, Department of Commerce, Washington, D.C.

A copy of each comment filed with the Director of the Scientific Instrument Evaluation Division must also be mailed or delivered to the applicant, or its authorized agent, if any, to whose application the comment pertains; and the comment filed with the Director must certify that such copy has been mailed or delivered to the applicant.

Docket No. 69-00452-00-46040. Applicant: Johns Hopkins University, Purchasing Department, Baltimore, Md. 21218. Article: Conversion kit for electron gun. (Siemens.) Manufacturer: Siemens AG, West Germany. Intended use of article: The article will be used to convert the fixed high voltage electron gun cable of an existing electron microscope to a plug connection. Application received by Commissioner of Customs: March 5, 1969.

Docket No. 69-00453-85-43000. Applicant: University of Colorado, Regent Hall, Room 122, Boulder, Colo. 80302. Article: Portable nuclear precision magnetometer, Model GM-102. Manufacturer: Barringer Research, Canada. Intended use of article: The article will be used as part of a program to equip an undergraduate teaching laboratory in geophysics. The Department of Geological Sciences requires a field magnetometer of the nuclear precession type for student field use to demonstrate the principles of nuclear precession. Application received by Commissioner of Customs: March 5, 1969.

Docket No. 69-00454-50-02000. Applicant: University of Washington, Department of Atmospheric Sciences, Seattle, Wash. 98105. Article: Ultrasonic sonic anemometer with probe, Type PAT-311 Sonic anemometer and TR-31 Probe.

Manufacturer: Kaijo Denki, Japan. Intended use of article: The article is intended to be used during April 1969, as part of the Barbados Oceanographic and Meteorological Experiment (BOMEX). The article will measure 3 vector wind components and temperature from which the turbulent fluxes of momentum and heat may be calculated as well as various other turbulence statistics. Application received by Commissioner of Customs: March 5, 1969.

Docket No. 69-00455-01-77030. Applicant: Macalester College, St. Paul, Minn. 55101. Article: Nuclear Magnetic Resonance Spectrometer, Model JNM-C-60HL. Manufacturer: Japan Electron Optics Laboratory Co., Ltd., Japan. Intended use of article: The article will be used for instructional purposes concerning the following:

(a) Instructional use in undergraduate chemistry courses at Macalester College;

(b) Use in student-faculty research projects for structure determination;

(c) Spin decoupling studies for structure determination of reaction products, in both external and internal lock modes;

(d) Demonstration to undergraduates of both the capabilities and the limitations of different modes of n.m.r. operation;

(e) In the near future, Fluorine 19 and Carbon 13 work is planned to allow the students to become acquainted with the relationships of field and frequency chemical shifts and spin-spin splitting for nuclei other than protons;

(f) Study of the coordination of hydrogen cyanamide in transition metal complexes;

(g) The detection of hydrogen bonded to nitrogen in thionitrosyl chelates of the Group VIII metals.

Application received by Commissioner of Customs: March 6, 1969.

CHARLEY M. DENTON,  
Assistant Administrator for Industry Operations, Business and Defense Services Administration.

[P.R. Doc. 69-3567; Filed, Mar. 26, 1969; 8:45 a.m.]

#### UNIVERSITY OF CALIFORNIA

##### Notice of Decision on Application for Duty-Free Entry of Scientific Article

The following is a decision on an application for duty-free entry of a scientific article pursuant to section 6(c) of the Educational, Scientific, and Cultural Materials Importation Act of 1966 (Public Law 89-651, 80 Stat. 897) and the regulations issued thereunder (32 F.R. 2433 et seq.).

A copy of the record pertaining to this decision is available for public review during ordinary business hours of the Department of Commerce, at the Scientific Instrument Evaluation Division, Department of Commerce, Washington, D.C.

Docket No. 69-00373-98-34040. Applicant: University of California, Lawrence Radiation Laboratory, East End of Hearst Avenue, Berkeley, Calif. 94720. Article: Microwave generator, backward wave oscillator/carcinotron tube, Model CSF CO-40B. Manufacturer: Compagnie Generale de Telegraphie Sans Fil, France. Intended use of article: The article will be used as a replacement tube for three existing tubes in a polarized proton target used in high energy physics experiments in conjunction with the laboratory's Bevatron accelerator, 184-inch synchrocyclotron, and the Stanford linear accelerator (SLAC). The tube must be interchangeable with existing tubes and compatible with existing equipment. Comments: No comments have been received with respect to this application. Decision: Application approved. No instrument or apparatus of equivalent scientific value to the foreign article, for such purposes as this article is intended to be used, is being manufactured in the United States. Reasons: The application relates to a microwave generator tube which is to serve as a replacement in apparatus used in conjunction with a bevatron accelerator, linear accelerator and synchrocyclotron. The replacement tube must be compatible with the apparatus and interchangeable with one it replaces. Prior to ordering the foreign article, the applicant contacted known domestic manufacturers of microwave generator tubes, none of which was able and willing to furnish a tube conforming to the specifications of the foreign article.

The Department of Commerce knows of no other domestic manufacturer which is able and willing to furnish a microwave generator tube that is interchangeable with the foreign article and compatible with the apparatus with which the article is intended to be used.

CHARLEY M. DENTON,  
Assistant Administrator for Industry Operations, Business and Defense Services Administration.

[F.R. Doc. 69-3564; Filed, Mar. 26, 1969; 8:45 a.m.]

#### Office of the Secretary

[DO 90-B]

### NATIONAL BUREAU OF STANDARDS

#### Public Information

This material supersedes the material appearing at 32 F.R. 12127 of August 23, 1967.

**A. Purpose.** The purpose of this appendix is to describe, in general, the public information services of the National Bureau of Standards ("NBS"), to describe the places at which, and the methods whereby, the public may obtain information, to inform the public as to the sources or availability of rules, regulations, procedures, instructions, forms, reports, or other requirements established by the National Bureau of Standards which affect the public, and otherwise to comply with the requirements of section

552, title 5, U.S.C., as amended by Public Law 90-23, June 5, 1967 (81 Stat. 54).

**B. Public Information Services.—1. Publications of the Bureau of Standards.** a. The *Journal of Research of the National Bureau of Standards* is the chief periodical of the Bureau devoted to reporting the results of its scientific activities. It is published in three sections, each of which is available separately: "Physics and Chemistry," "Mathematics and Mathematical Physics," and "Engineering and Instrumentation". The Bureau also publishes a monthly "Technical News Bulletin," and an annual report, entitled "Technical Highlights of the National Bureau of Standards."

b. The Bureau also publishes a number of nonperiodical series, covering its major fields of activity. These include the "Applied Mathematics Series," "National Standard Reference Data Series," "Building Science Series," "Technical Notes," "Product Standards," "Special Publications," "Handbooks," "Monographs," and "Federal Information Processing Standards Publications."

c. The various publications of the Bureau are listed in NBS Circular 460, NBS Miscellaneous Publication 240, and the Catalog of Commerce Publications, and in the supplements to these volumes. They are also listed, as published, in the "Business Services Checklist" of the Department of Commerce.

d. Information as to prices, frequency of issue, or other matters concerning NBS publications should be addressed to the Office of Technical Information and Publications, National Bureau of Standards, Washington, D.C. 20234. The telephone number of this Office is 921-2318; Area Code 301. Subscriptions to periodicals, and purchases of other NBS publications, should be directed to the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402. Many NBS publications are available at or through the Field Offices of the Office of Field Services, Department of Commerce, which are located in some 40 major cities.

**2. Clearinghouse for Federal Scientific and Technical Information.** a. The Clearinghouse serves as a focal point for the collection, announcement, and dissemination of unclassified U.S. Government sponsored research and development documents and translations of foreign technical literature to the scientific, technical and industrial communities (see section 7.03 of DO 90-B). The Clearinghouse publishes, bimonthly, the "U.S. Government Research and Development Reports" (USGRDR) abstract journal which lists each document released through the Clearinghouse by subject categories, and the "U.S. Government Research and Development Reports Index (USGRDR-Index)", published concurrently, which indexes each document listed in "USGRDR" by subject, personal author, corporate author, report number and contract number. Other announcement services include "Clearinghouse Announcements in Science and Technology", a convenient method for scientists, engineers, and businessmen to scan the flow of new technical information in

any of 46 separate fields of technology, and the "Fast Announcement Service" which highlights selected reports recently received by the Clearinghouse for public sale. The announcements are compiled and mailed by a subject system of 57 categories.

b. Copies of documents available from the Clearinghouse are priced, with few exceptions, at \$3 for a paper copy and 65 cents for microfiche. Prepaid document coupons in these denominations are available from the Clearinghouse. For further information about Clearinghouse products and services please contact: Clearinghouse, U.S. Department of Commerce, Springfield, Va. 22151, Telephone: Area Code 703, 321-8500.

#### 3. Office of Standard Reference Data.

a. As the program management vehicle of the National Standard Reference Data System, the Office of Standard Reference Data is concerned with the production and dissemination of compilations of critically evaluated data in the physical sciences. The System contains a network of 28 information and data centers which provide referral, reference, documentation and data to the American technical community. Within the Office of Standard Reference Data, the Information Services Operation serves as the direct point of contact between the users and the Standard Reference Data System as a whole. (See section 7.02 of DO 90-B).

b. Based on a data file of compilations of critically evaluated data produced throughout the world, the Information Services Operation will ultimately provide (1) referral service, which refers requests for data on specific subjects to information or data centers specializing in those subjects; (2) reference service, which provides literature references indicating where requesters might locate relevant data; (3) document service, which provides copies of documents in response to inquiries; and (4) data service, which provides detailed data as required to respond fully to requests for information. The "NSRDS News", a monthly newsletter, provides information about activities of the data centers, periodic lists of new compilations of data, and announcements of conferences and meetings of interest to users of numerical data.

c. Most of the data compilations can be obtained directly from the Government Printing Office. Information on the System, lists of compilation titles, and details of the information services provided can be obtained by writing to: Information Services Operation, Office of Standard Reference Data, National Bureau of Standards, Washington, D.C. 20234. Telephone 921-2583; Area code 301.

**4. Other information services.—a. General information on the mission and operation of NBS.** Address inquiries to the Office of Public Information, National Bureau of Standards, Washington, D.C. 20234. Telephone 921-2431; Area code 301.

b. **Information on NBS technical programs and publications.** Address inquiries to the Office of Technical Information and Publications, National Bureau of

Standards, Washington, D.C. 20234. Telephone 921-2318; Area code 301.

c. *Information on NBS activities at Boulder, Colo.* Address inquiries to the Technical Information Office, National Bureau of Standards, Boulder, Colo. 80302. Telephone 447-3245; Area code 303.

d. *Information on filing claims against NBS (Washington and Boulder).* Address inquiries to the Safety Office, National Bureau of Standards, Washington, D.C. 20234. Telephone 921-2600; Area code 301.

C. *Guide to published rules and regulations.* 1. Rules with respect to National Bureau of Standards services available to the public are contained in Chapter II, Title 15 of the Code of Federal Regulations. Specifically, the following Parts of Chapter II, 15 CFR, contain rules and regulations affecting the public:

a. Part 200 describes Bureau policies as to its measurement services, including calibrations and tests, and the procedures for requesting these services.

b. Parts 201, 202, 203, 205, 206, and 210 describe the various measurement services, including calibrations and tests, that are available and the costs thereof.

c. Part 230 lists standard reference materials issued by NBS and describes the procedure for ordering these materials.

d. Part 235 lists NBS motion picture films and prescribes the procedure for ordering them.

e. Part 240 describes the standards applicable to barrels and other containers for lime.

f. Part 241 describes the standards applicable to barrels for fruits, vegetables and other dry commodities, and for cranberries.

g. Part 255 describes the types of NBS fellowships in laboratory standardization and testing, and lists the qualifications needed to obtain such fellowships.

h. Part 256 describes policies and procedures concerning the Research Associate Program at NBS.

1. Part 260 describes the standard for devices to permit the opening of household refrigerator doors from the inside.

2. Certain authority for administering the operations of the voluntary standards program of the Department of Commerce has been delegated to the National Bureau of Standards. Part 10 of Title 15, CFR, sets forth procedures for the development of voluntary product standards.

D. *Submission of requests and applications.* 1. The rules and regulations of the National Bureau of Standards, as cited in section C of this Appendix, describes the procedures and identify the established places to which all requests for the various services provided by the bureau are to be submitted.

2. Any member of the public desiring to make any other type of submittal or request should direct such submittal or request to the Director, National Bureau of Standards, Washington, D.C. 20234.

E. *Final delegations of authority.* The Director, National Bureau of Standards, has made no delegation or redelegation of authority to officers or employees of

the bureau to take final actions, or make final decisions, with respect to requirements, submissions, or other matters arising under its published rules and regulations.

F. *Inspection and copying of opinions and orders.* All final opinions of the National Bureau of Standards made in the adjudication of cases, statements of policy and interpretations not published in the FEDERAL REGISTER, administrative staff manuals and instructions to staff that affect a member of the public, and any other materials required to be made available for public inspection and copying by 5 U.S.C. 552(a)(2), are made available for such purposes at the Central Reference and Records Inspection Facility of the Department of Commerce, Room 2122, Commerce Building, 14th Street between Constitution Avenue and E Street NW., Washington, D.C. 20230. Rules prescribing public use of this facility are contained in Part 4, Title 15, Code of Federal Regulations, and may also be obtained from the facility.

G. *Inspection of Bureau Records.* Rules for persons desiring, pursuant to 5 U.S.C. 552(a)(3), to inspect records of the National Bureau of Standards which are not available to the public as part of the regular public information services of the Bureau, are contained in Part 4, Subtitle A Title 15, Code of Federal Regulations. Application forms and instructions are available from the Central Reference and Records Inspection Facility of the Department of Commerce, or from any Field Office of the Office of Field Services, Department of Commerce.

Dated: March 14, 1969.

LAWRENCE E. IMHOFF,  
Acting Assistant Secretary  
for Administration.

[F.R. Doc. 69-3628; Filed, Mar. 26, 1969;  
8:50 a.m.]

## DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

### Food and Drug Administration

#### CHEVRON CHEMICAL CO.

#### Notice of Filing of Petition Regarding Pesticide Chemicals

Pursuant to the provisions of the Federal Food, Drug, and Cosmetic Act (sec. 408(d)(1), 68 Stat. 512; 21 U.S.C. 346a(d)(1)), notice is given that a petition (PP 9F0797) has been filed by Chevron Chemical Co., Ortho Div., 940 Hensley Street, Richmond, Calif. 94804, proposing the establishment of tolerances (21 CFR Part 120) for residues of the fungicide *cis-N*[(1,1,2,2-tetrachloroethyl)thio]-4-cyclohexene-1,2-dicarboximide in or on the raw agricultural commodities: Cherries (sour) at 50 parts per million; apricots, nectarines, and peaches at 30 parts per million; tomatoes at 15 parts per million; and cherries (sweet), cucumbers, melons, plums, and prunes at 5 parts per million.

The analytical method proposed in the petition for determining residues of the fungicide is as follows: The sample is extracted with benzene and, after appropriate cleanup, is chromatographed by a thin layer procedure. The plate is sprayed with *N,N*-dimethyl-*p*-phenylenediamine to visualize the spots and the fungicide is estimated by comparison with standards.

Dated: March 20, 1969.

R. E. DUGGAN,  
Acting Associate Commissioner  
for Compliance.

[F.R. Doc. 69-3594; Filed, Mar. 26, 1969;  
8:47 a.m.]

#### E. I. DU PONT DE NEMOURS & CO., INC.

#### Notice of Filing of Petition for Food Additives

Pursuant to the provisions of the Federal Food, Drug, and Cosmetic Act (sec. 409(b)(5), 72 Stat. 1786; 21 U.S.C. 348(b)(5)), notice is given that a petition (FAP 9B2399) has been filed by E. I. du Pont de Nemours & Co., Inc., Wilmington, Del. 19898, proposing that § 121.2599 *Vinylidene chloride copolymer coatings for nylon film* (21 CFR 121.2599) be amended to provide for the safe use of acrylic acid as an optional component of vinylidene chloride copolymers used as food-contact coatings on nylon film.

Dated: March 20, 1969.

R. E. DUGGAN,  
Acting Associate Commissioner  
for Compliance.

[F.R. Doc. 69-3595; Filed, Mar. 26, 1969;  
8:48 a.m.]

#### WHITMOYER LABORATORIES, INC.

#### Notice of Withdrawal of Petition for Food Additives

Pursuant to the provisions of the Federal Food, Drug, and Cosmetic Act (sec. 409(b), 72 Stat. 1786; 21 U.S.C. 348(b)), the following notice is issued:

In accordance with § 121.52 *Withdrawal of petitions without prejudice* of the procedural food additive regulations (21 CFR 121.52), Whitmoyer Laboratories, Inc., 19 North Railroad Street, Myerstown, Pa. 17067, has withdrawn its petition, notice of which was published in the FEDERAL REGISTER of July 2, 1968 (33 F.R. 9628), proposing that the food additive regulations be amended to provide for the safe use of carbarsone (not U.S.P.) in combination with bacitracin methylene disalicylate in turkey feed as an aid in the prevention of blackhead and for the prevention and treatment of infectious sinusitis and blue comb (mud fever).

Dated: March 19, 1969.

R. E. DUGGAN,  
Acting Associate Commissioner  
for Compliance.

[F.R. Doc. 69-3598; Filed, Mar. 26, 1969;  
8:48 a.m.]

## SUCCINIC ACID 2,2-DIMETHYLHYDRAZIDE

### Notice of Extension of Temporary Tolerance

Uniroyal Inc., Bethany, Conn. 06525, was granted a temporary tolerance of 30 parts per million for residues of the plant regulator succinic acid 2,2-dimethylhydrazide in or on peanuts on May 24, 1968 (notice was published in the FEDERAL REGISTER of June 5, 1968; 33 F.R. 8357).

The firm has requested a 1-year extension of the temporary tolerance for obtaining additional residue data and information on the factors involved in the yield of treated peanuts. The Commissioner of Food and Drugs concludes that such extension will protect the public health.

A condition under which this temporary tolerance is extended is that the plant regulator will be used in accordance with the temporary permit issued by the U.S. Department of Agriculture. Distribution will be under the Uniroyal Inc. name.

As extended, this temporary tolerance expires May 24, 1970.

This action is taken pursuant to the provisions of the Federal Food, Drug, and Cosmetic Act (sec. 408(j), 68 Stat. 516; 21 U.S.C. 346a(j)) and under authority delegated to the Commissioner (21 CFR 2.120).

Dated: March 19, 1969.

J. K. KIRK,  
Associate Commissioner  
for Compliance.

[F.R. Doc. 69-3597; Filed, Mar. 26, 1969;  
8:48 a.m.]

## PROTAMIDE

### Drugs for Human Use; Drug Efficacy Study Implementation

The Food and Drug Administration has evaluated a report received from the National Academy of Sciences—National Research Council, Drug Efficacy Study Group, on the following preparation: Protamide (colloidal solution of denatured proteolytic enzyme) Injection; Sherman Laboratories, 5031 Grandy Avenue, Detroit, Mich. 48221 (NDA 5-025).

The drug continues to be regarded as a new drug (21 U.S.C. 321(p)). Supplemental applications are required to revise labeling in and to update "deemed approved" applications providing for this drug. A new-drug application is required from any person marketing such a drug without approval. The effective classification and marketing status of the drug are described below.

#### PROTAMIDE

##### A. Effectiveness classification.

1. The Food and Drug Administration has considered a report of the National Academy of Sciences—National Research Council, Drug Efficacy Study Group, as well as other available evidence, and concludes that there is a

lack of substantial evidence of effectiveness of the drug for the indications neuritis, herpes zoster, and tabes dorsalis.

2. The drug is regarded as possibly effective for the indication ophthalmic herpes zoster.

##### B. Marketing status.

1. Within 60 days of the date of publication of this announcement in the FEDERAL REGISTER, the holder of any previously approved new-drug application is requested to submit a supplement to his application to provide for labeling which deletes those indications for which the drug has been classified as lacking substantial evidence of effectiveness (paragraph A-1 above). Such supplement should be submitted under the provisions of § 130.9 (d) and (e) of the new-drug regulations (21 CFR 130.9 (d) and (e)), which permit certain changes to be put into effect at the earliest possible time, and the revised labeling should be put into use within the 60-day period. Failure to do so may result in a proposal to withdraw approval of the new-drug application.

2. Holders of previously approved new-drug applications and any person marketing the drug without approval will be allowed 6 months from the date of publication of this announcement in the FEDERAL REGISTER to obtain and submit in a supplemental or original new-drug application data to provide substantial evidence of effectiveness of the drug for use in ophthalmic herpes zoster.

3. At the end of the 6-month period, any such data will be evaluated to determine whether there is substantial evidence of the effectiveness of the drug for such use. After that evaluation, the conclusions concerning the drug will be published in the FEDERAL REGISTER. If no studies have been undertaken or if the studies do not provide substantial evidence of effectiveness, procedures will be initiated to withdraw approval of the new-drug applications for protamide pursuant to the provisions of section 505(e) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 355(e)). Withdrawal of approval of the applications will cause any such drug on the market to be a new drug for which an approval is not in effect.

The above-named holder of the new-drug application for this drug has been mailed a copy of the NAS-NRC report for the drug. Any interested person may obtain a copy of the report by writing to the office named below.

Communications forwarded in response to this announcement should be directed to the attention of the following appropriate office and addressed to the Food and Drug Administration, 200 C Street SW., Washington, D.C. 20204:

Requests for NAS-NRC Report: Press Relations Office (CE-300).

Supplements: Office of Marketed Drugs, Bureau of Medicine (MD-300).

Comments regarding this announcement: Special Assistant for Drug Efficacy Study Implementation, Bureau of Medicine (MD-16).

This notice is issued pursuant to the provisions of the Federal Food, Drug, and

Cosmetic Act (secs. 502, 505, 52 Stat. 1050-53, as amended; 21 U.S.C. 352, 355) and under authority delegated to the Commissioner of Food and Drugs (21 CFR 2.120).

Dated: March 20, 1969.

HERBERT L. LEY, Jr.,  
Commissioner of Food and Drugs.  
[F.R. Doc. 69-3596; Filed, Mar. 26, 1969;  
8:48 a.m.]

## DEPARTMENT OF TRANSPORTATION

### Coast Guard

[CGFR 69-21]

### EQUIPMENT, INSTALLATIONS, OR MATERIALS

#### Approval Notice

1. Various items of lifesaving, fire-fighting and miscellaneous equipment, installations and materials used on vessels subject to Coast Guard inspection or on certain motorboats and other pleasure craft are required by various laws and regulations in 46 CFR Chapter I to be of types approved by the Commandant, U.S. Coast Guard. The purpose of this document is to notify all concerned that certain approvals were granted as described in this document during the period from November 15, 1968, to December 5, 1968 (List No. 36-68). These actions were taken in accordance with the procedures set forth in 46 CFR 2.75-1 to 2.75-50, inclusive. For certain types of equipment, installation and materials, specifications have been prescribed by the Commandant and are published in 46 CFR Parts 160 to 164, inclusive (Subchapter Q—Specifications).

2. The statutory authorities for granting approvals of equipment and the delegation of authority to the Commandant, U.S. Coast Guard, are set forth with the specific specifications governing the item and are set forth in 46 CFR Parts 160 to 164, inclusive (Subchapter Q—Specifications). The general authorities regarding approvals are set forth in sections 367, 375, 390b, 416, 481, 489, 526p and 1333 in title 46, United States Code, section 1333 in title 43, United States Code, section 198 in title 50, United States Code, while the implementing regulations requiring such equipment are in 46 CFR Chapter I or 33 CFR Chapter I. The delegation of authority for the Commandant, U.S. Coast Guard, to take appropriate actions with respect to approvals is set forth in section 632 of title 14, United States Code, and the delegation in 49 CFR 1.4(a)(2).

3. In this document are listed the approvals which shall be in effect for a period of 5 years from the date issued unless sooner canceled or suspended by proper authority.

#### WINCHES, LIFEBOAT

Approval No. 160.015/75/0, Type 31H lifeboat winch for use with mechanical davits, fitted with wire rope not greater

than one-half inch in diameter and with not more than 7 wraps of the falls on the drums; approved for a maximum working load of 6,200 pounds pull at the drums (3,100 pounds per fall), identified by general assembly dwg. No. 1010-2E dated January 1958, manufactured by Marine Safety Equipment Corp., Foot of Wycoff Road, Farmingdale, N.J. 07727, effective December 4, 1968. (It is an extension of Approval No. 160.015/75/0 dated Dec. 11, 1963, and change of address of manufacturer.)

Approval No. 160.015/76/0, Type 31M lifeboat winch for use with mechanical davits, fitted with wire rope not greater than one-half inch in diameter and with not more than 7 wraps of the falls on the drum; approval limited to mechanical components and for a maximum working load of 6,200 pounds pull at the drums (3,100 pounds per fall), identified by general assembly dwg. No. 1011-2E dated February 1958, manufactured by Marine Safety Equipment Corp., Foot of Wycoff Road, Farmingdale, N.J. 07727, effective December 4, 1968. (It is an extension of Approval No. 160.015/76/0 dated Dec. 11, 1963, and change of address of manufacturer.)

Approval No. 160.015/78/0, Type CL-17.5B lifeboat winch, approval limited to mechanical components and for a maximum working load of 10,250 pounds pull at the drums (5,125 pounds per fall), identified by general assembly dwg. No. CL-17.5-1 dated April 4, 1950, manufactured by Marine Safety Equipment Corp., Foot of Wycoff Road, Farmingdale, N.J. 07727, effective December 4, 1968. (It is an extension of Approval No. 160.015/78/0 dated Dec. 11, 1963, and change of address of manufacturer.)

#### LIFEBOATS

Approval No. 160.035/262/2, 26.0' x 8.33' x 3.54' steel, oar-propelled lifeboat, 46-person capacity, identified by construction and arrangement dwg. No. 26-6, Rev. F dated November 7, 1967, manufactured by Marine Safety Equipment Corp., Foot of Wycoff Road, Farmingdale, N.J. 07727, effective November 19, 1968. (It supersedes and reinstates Approval No. 160.035/262/1 terminated May 26, 1965, to show change of address and construction.)

Approval No. 160.035/329/3, 24.0' x 8.0' x 3.5' steel, motor-propelled Class 1, lifeboat, 37-person capacity, identified by general arrangement dwg. No. G-2437D revised November 21, 1968, manufactured by C. C. Galbraith and Son, Inc., Maple Place and Manchester Avenue, Post Office Box 185, Keyport, N.J. 07735, effective December 5, 1968. (It supersedes Approval No. 160.035/329/2 dated Aug. 31, 1964, to show changes in address and construction.)

#### BUOYANT VESTS, KAPOK OR FIBROUS GLASS, ADULT AND CHILD

NOTE: Approved for use on motorboats of Classes A, 1, or 2 not carrying passengers for hire.

Approval No. 160.047/616/0, Type I, Model AK-1, adult kapok buoyant vest, U.S.C.G. Specification Subpart 160.047, manufactured by Atlantic-Pacific Manu-

facturing Corp., 124 Atlantic Avenue, Brooklyn, N.Y. 11201, for James Bliss and Co., Inc., Route No. 128, Dedham, Mass. 02026, effective December 4, 1968.

Approval No. 160.047/617/0, Type I, Model CKM-1, child medium kapok buoyant vest, U.S.C.G. Specification Subpart 160.047, manufactured by Atlantic-Pacific Manufacturing Corp., 124 Atlantic Avenue, Brooklyn, N.Y. 11201, for James Bliss and Co., Inc., Route No. 128, Dedham, Mass. 02026, effective December 4, 1968.

Approval No. 160.047/618/0, Type I, Model CKS-1, child small kapok buoyant vest, U.S.C.G. Specification Subpart 160.047, manufactured by Atlantic-Pacific Manufacturing Corp., 124 Atlantic Avenue, Brooklyn, N.Y. 11201, for James Bliss and Co., Inc., Route No. 128, Dedham, Mass. 02026, effective December 4, 1968.

#### BUOYANT VESTS, UNICELLULAR PLASTIC FOAM, ADULT AND CHILD

NOTE: Approved for use on motorboats of Classes A, 1, or 2 not carrying passengers for hire.

Approval No. 160.052/254/0, Type II, Model LG-62, adult unicellular plastic foam buoyant vest, dwg. No. 3 dated September 12, 1963, and bill of materials dated September 17, 1963, manufactured by Stearns Manufacturing Co., Division Street at 30th Street, St. Cloud, Minn. 56301, effective December 4, 1968. (It is an extension of Approval No. 160.052/254/0 dated December 11, 1963.)

Approval No. 160.052/255/0, Type II, Model LG-62-M, child medium unicellular plastic foam buoyant vest, dwg. No. 2, Rev. 1 dated November 27, 1963, and bill of materials dated September 17, 1963, manufactured by Stearns Manufacturing Co., Division Street at 30th Street, St. Cloud, Minn. 56301, effective December 4, 1968. (It is an extension of Approval No. 160.052/255/0 dated December 11, 1963.)

Approval No. 160.052/256/0, Type II, Model LG-62-S, child small unicellular plastic foam buoyant vest, dwg. No. 1, dated September 12, 1963, and bill of materials dated September 17, 1963, manufactured by Stearns Manufacturing Co., Division Street at 30th Street, St. Cloud, Minn. 56301, effective December 4, 1968. (It is an extension of Approval No. 160.052/256/0 dated December 11, 1963.)

#### WORK VESTS, UNICELLULAR PLASTIC FOAM

NOTE: Not acceptable as required lifesaving device.

Approval No. 160.053/19/1, Model 712-VH-17.5 vinyl-dipped unicellular plastic foam work vest, dwg. list 68F5210 dated June 5, 1968, and bill of materials dated August 3, 1965, manufactured by Gentex Corporation, Carbondale, Pa. 18407, effective December 4, 1968. (It supersedes Approval No. 160.053/19/0 dated August 20, 1965 to show revised design.)

#### BULKHEAD PANELS

Approval No. 164.008/52/0, "Revere B-1500" bulkhead panel, consisting of extruded discontinuous face aluminum

core section clad on both sides with incombustible "Style 801, K-Board" insulation, identical to that described in National Bureau of Standards Test Report No. TG10210:FR3687 dated June 22, 1967, U.S.C.G. letter dated August 21, 1967, and Revere Dwg. No. 2333 dated November 7, 1966, approved as meeting Class B-15 requirements in an overall thickness of 1.3 inch, not approved for use as a component of A-60 construction, manufactured by Revere Copper and Brass Inc., Rome, N.Y. 13440, effective November 15, 1968. (It supersedes Approval No. 164.009/52/0 dated Aug. 21, 1967 to show restriction of use.)

#### INCOMBUSTIBLE MATERIALS

Approval No. 164.009/117/0, "TREVARNON" fibrous glass cloth faced thermal insulation board type incombustible material identical to that described in National Bureau of Standards Test Report No. TG-10210-2170; FR 3707 dated November 12, 1968 and Coast Manufacturing and Supply Co. letter dated November 18, 1968, approved in a density of 4.2 pounds per cubic foot, manufactured by Coast Manufacturing and Supply Co., Livermore, Calif. 94550, effective November 19, 1968.

Dated: March 20, 1969.

W. J. SMITH,  
Admiral, U.S. Coast Guard,  
Commandant.

[P.R. Doc. 69-3642; Filed, Mar. 26, 1969;  
8:51 a.m.]

[CGFR 69-22]

#### EQUIPMENT, INSTALLATIONS, OR MATERIALS

##### Approval Notice

1. Various items of lifesaving, fire-fighting and miscellaneous equipment, installations and materials used on vessels subject to Coast Guard inspection or on certain motorboats and other pleasure craft are required by various laws and regulations in 46 CFR Chapter I to be of types approved by the Commandant, U.S. Coast Guard. The purpose of this document is to notify all concerned that certain approvals were granted as described in this document during the period from November 19, 1968, to December 19, 1968 (List No. 38-88). These actions were taken in accordance with the procedures set forth in 46 CFR 2.75-1 to 2.75-50, inclusive. For certain types of equipment, installation and materials, specifications have been prescribed by the Commandant and are published in 46 CFR Parts 160 to 164, inclusive (Subchapter Q—Specifications).

2. The statutory authorities for granting approvals of equipment and the delegation of authority to the Commandant, U.S. Coast Guard, are set forth with the specific specifications governing the item and are set forth in 46 CFR Parts 160 to 164, inclusive (Subchapter Q—Specifications). The general authorities regarding approvals are set forth in sections 367, 375, 390b, 416, 481, 489, 526p and 1333 in title 46, United States Code, section 1333 in title 43, United States Code,

section 198 in title 50, United States Code, while the implementing regulations requiring such equipment are in 46 CFR Chapter I or 33 CFR Chapter I. The delegation of authority for the Commandant, U.S. Coast Guard, to take appropriate actions with respect to approvals is set forth in section 632 of title 14, United States Code, and the delegation in 49 CFR 1.4(a)(2).

3. In this document are listed the approvals which shall be in effect for a period of 5 years from the date issued unless sooner canceled or suspended by proper authority.

#### LADDERS, EMBARKATION-DEBARKATION (FLEXIBLE)

Approval No. 160.017/36/3, Model 11PL-S, Type II embarkation-debarkation ladder, chain suspension, steel ears, dwg. dated June 15, 1965 and revised November 18, 1968, approval limited to ladders 60 feet or less in length, superseding Nos. 1 and 2 passed over as requested by Manufacturer and to agree with lot 1, manufactured by H. K. Metalcraft Manufacturing Corp., 35 Industrial Road, Post Office Box 275, Lodi, N.J. 07644, effective November 19, 1968. (It supersedes Approval No. 160.017/36/0 dated Jan. 17, 1967, to show change in length.)

#### DAVITS, LIFEBOAT

Approval No. 160.032/181/0, mechanical davit, steel straight boom-sheath screw, Type 22-31, MK III; approved for a maximum working load of 9,000 pounds per set (4,500 pounds per arm); identified by general arrangement dwg. DB-111R dated April 9, 1968, and drawing list GA-DB-111R dated October 31, 1968, manufactured by Marine Safety Equipment Corp., foot of Wycoff Road, Farmingdale, N.J. 07727, effective December 10, 1968.

#### LIFEBOATS

Approval No. 160.035/92/2, 18.0' x 6.0' x 2.6' aluminum, oar-propelled lifeboat, 13-person capacity, identified by general arrangement and construction dwg. No. 18-001-02, Rev. B dated November 29, 1968, approved for 18-person capacity for replacement lifeboat, manufactured by Lane Lifeboat and Davit Corp., 150 Sullivan Street, Brooklyn, N.Y. 11231, effective December 9, 1968. (It supersedes Approval No. 160.035/92/1 dated Sept. 2, 1963, to show change in construction and address.)

#### BUOYANT VESTS, KAPOK OR FIBROUS GLASS, ADULT AND CHILD

NOTE: Approved for use on motorboats of Classes A, 1, or 2 not carrying passengers for hire.

Approval No. 160.047/393/0, Type I, Model AK-1, adult kapok buoyant vest, U.S.C.G. Specification Subpart 160.047, manufactured by Swan Products Co., Inc., 130-30 180th Street, Springfield Gardens, N.Y. 11413, effective December 18, 1968. (It is an extension of Approval No. 160.047/393/0 dated Jan. 8, 1964.)

Approval No. 160.047/394/0, Type I, Model CKM-1, child medium kapok buoyant vest, U.S.C.G. Specification Sub-

part 160.047, manufactured by Swan Products Co., Inc., 130-30 180th Street, Springfield Gardens, N.Y. 11413, effective December 18, 1968. (It is an extension of Approval No. 160.047/394/0 dated Jan. 8, 1964.)

Approval No. 160.047/395/0, Type I, Model CKS-1, child small kapok buoyant vest, U.S.C.G. Specification Subpart 160.047, manufactured by Swan Products Co., Inc., 130-30 180th Street, Springfield Gardens, N.Y. 11413, effective December 18, 1968. (It is an extension of Approval No. 160.047/395/0 dated Jan. 8, 1964.)

Approval No. 160.047/565/0, Type I, Model AK-1, adult kapok buoyant vest, U.S.C.G. Specification Subpart 160.047, manufactured by Buddy Schoellkopf Products, Inc., 148 Fordyce, Dallas, Tex. 75207, for Coast-to-Coast Stores, 7500 Excelsior Boulevard, Minneapolis, Minn. 55426, effective December 19, 1968. (It is an extension of Approval No. 160.047/565/0 dated Jan. 10, 1964.)

Approval No. 160.047/566/0, Type I, Model CKM-1, child medium kapok buoyant vest, U.S.C.G. Specification Subpart 160.047, manufactured by Buddy Schoellkopf Products, Inc., 148 Fordyce, Dallas, Tex. 75207, for Coast-to-Coast Stores, 7500 Excelsior Boulevard, Minneapolis, Minn. 55426, effective December 19, 1968. (It is an extension of Approval No. 160.047/566/0 dated Jan. 10, 1964.)

Approval No. 160.047/567/0, Type I, Model CKS-1, child small kapok buoyant vest, U.S.C.G. Specification Subpart 160.047, manufactured by Buddy Schoellkopf Products, Inc., 148 Fordyce, Dallas, Tex. 75207, for Coast-to-Coast Stores, 7500 Excelsior Boulevard, Minneapolis, Minn. 55426, effective December 19, 1968. (It is an extension of Approval No. 160.047/567/0 dated Jan. 10, 1964.)

Approval No. 160.047/619/0, Type I, Model AK-1, adult kapok buoyant vest, U.S.C.G. Specification Subpart 160.047, manufactured by Outdoor Supply Co., Inc., Oxford, N.C. 27565, effective December 11, 1968.

Approval No. 160.047/620/0, Type I, Model CKM-1, child medium kapok buoyant vest, U.S.C.G. Specification Subpart 160.047, manufactured by Outdoor Supply Co., Inc., Oxford, N.C. 27565, effective December 11, 1968.

Approval No. 160.047/621/0, Type I, Model CKS-1, child small kapok buoyant vest, U.S.C.G. Specification Subpart 160.047, manufactured by Outdoor Supply Co., Inc., Oxford, N.C. 27565, effective December 11, 1968.

#### BUOYANT CUSHIONS, KAPOK OR FIBROUS GLASS

NOTE: Approved for use on motorboats of Classes A, 1, or 2 not carrying passengers for hire.

Approval No. 160.048/229/0, group approval for rectangular and trapezoidal kapok buoyant cushions, U.S.C.G. Specification Subpart 160.048, sizes and weights of kapok filling to be as per Table 160.048-4(c)(1)(i), manufactured by Buddy Schoellkopf Products, Inc., 148 Fordyce, Dallas, Tex. 75207, for Coast-to-

Coast Stores, 7500 Excelsior Boulevard, Minneapolis, Minn. 55426, effective December 19, 1968. (It is an extension of Approval No. 160.048/229/0 dated Jan. 10, 1964.)

Approval No. 160.048/230/0, special approval for 14" x 17" x 2" rectangular ribbed-type kapok buoyant cushions, 21-oz. kapok, Schoellkopf dwg. No. 160.048-7(C)-1, Rev. 1, dated November 6, 1963, manufactured by Buddy Schoellkopf Products, Inc., 148 Fordyce, Dallas, Tex. 75207, for Coast-to-Coast Stores, 7500 Excelsior Boulevard, Minneapolis, Minn. 55426, effective December 19, 1968. (It is an extension of Approval No. 160.048/230/0 dated Jan. 10, 1964.)

Approval No. 160.048/253/0, group approval for rectangular and trapezoidal kapok buoyant cushions, U.S.C.G. Specification Subpart 160.048, sizes and weights of kapok filling to be as per Table 160.048-4(c)(1)(i), manufactured by Outdoor Supply Co., Inc., Oxford, N.C. 27565, effective December 11, 1968.

#### BUOYANT CUSHIONS, UNICELLULAR PLASTIC FOAM

NOTE: Approved for use on motorboats of Classes A, 1, or 2 not carrying passengers for hire.

Approval No. 160.049/60/0, special approval for P/N BSC-10, 15" x 15" x 4 3/8" (cored) rectangular vinyl-dipped unicellular plastic foam buoyant cushion, Carlon dwg. No. 5334-X dated November 4, 1963, manufactured by Carlon Rubber Co., 1 New Haven Avenue, Derby, Conn. 06418, for Elvin Salow Co., 273-285 Congress Street, Boston, Mass. 02210, effective December 13, 1968. (It is an extension of Approval No. 160.049/60/0 dated Dec. 31, 1963.)

Approval No. 160.049/61/0, group approval for rectangular and trapezoidal unicellular plastic foam buoyant cushions, U.S.C.G. Specification Subpart 160.049, sizes to be as per Table 160.049-4(c)(1), manufactured by Buddy Schoellkopf Products, Inc., 148 Fordyce, Dallas, Tex. 75207, for Coast-to-Coast Stores, 7500 Excelsior Boulevard, Minneapolis, Minn. 55426, effective December 19, 1968. (It is an extension of Approval No. 160.049/61/0 dated Jan. 10, 1964.)

Approval No. 160.049/73/0, special approval 15" x 21" x 2" rectangular vinyl-dipped unicellular plastic foam buoyant cushion, dwg. No. PVC-21 dated November 1, 1968, and bill of materials dated December 10, 1968, manufactured by Style-Crafters, Inc., Post Office Box 8277, Station A, Greenville, S.C. 29604, effective December 16, 1968.

Approval No. 160.049/78/0, special approval 15" x 15" x 2 3/8" rectangular vinyl-dipped unicellular plastic foam buoyant cushion, dwg. No. BC-2D dated November 6, 1968, manufactured by Martin Industries, Post Office Box 423, Clayton, Ala. 36016, effective December 19, 1968.

#### BUOYANT VESTS, UNICELLULAR PLASTIC FOAM, ADULT AND CHILD

NOTE: Approved for use on motorboats of Classes A, 1, or 2 not carrying passengers for hire.

Approval No. 160.052/274/0, Type II, Model No. 100, adult unicellular plastic foam buoyant vest, Schoellkopf dwg. Nos. 1 and 4, Rev. 1, dated March 8, 1963, and bill of materials dated February 15, 1963, manufactured by Buddy Schoellkopf Products, Inc., 148 Fordyce, Dallas, Tex. 75207, for Coast-to-Coast Stores, 7500 Excelsior Boulevard, Minneapolis, Minn. 55426, effective December 19, 1968. (It is an extension of Approval No. 160.052/274/0 dated Jan. 10, 1964.)

Approval No. 160.052/275/0, Type II, Model No. 200, child medium unicellular plastic foam buoyant vest, Schoellkopf dwg. Nos. 2 and 4, Rev. 1, dated March 8, 1963, and bill of materials dated February 15, 1963, manufactured by Buddy Schoellkopf Products, Inc., 148 Fordyce, Dallas, Tex. 75207, for Coast-to-Coast Stores, 7500 Excelsior Boulevard, Minneapolis, Minn. 55426, effective December 19, 1968. (It is an extension of Approval No. 160.052/275/0 dated Jan. 10, 1964.)

Approval No. 160.052/276/0, Type II, Model No. 300, child small unicellular plastic foam buoyant vest, Schoellkopf dwg. Nos. 3 and 4, Rev. 1, dated March 8, 1963, and bill of materials dated February 15, 1963, manufactured by Buddy Schoellkopf Products, Inc., 148 Fordyce, Dallas, Tex. 75207, for Coast-to-Coast Stores, 7500 Excelsior Boulevard, Minneapolis, Minn. 55426, effective December 19, 1968. (It is an extension of Approval No. 160.052/276/0 dated Jan. 10, 1964.)

Approval No. 160.052/277/1, Type II, Model SFM-300, adult molded vinyl-dipped unicellular plastic foam buoyant vest, dwg. No. 5881-DA, revision dated February 1, 1968, and bill of materials dated December 2, 1968, manufactured by Style-Crafters, Inc., Post Office Box 8277, Station A, Greenville, S.C. 29604, effective December 11, 1968. (It supersedes Approval No. 160.052/277/0 dated Feb. 18, 1964, to show revised designs.)

Approval No. 160.052/278/1, Type II, Model SFM-320, child medium molded vinyl-dipped unicellular plastic foam buoyant vest, dwg. No. 5622-BA, revision dated February 1, 1968, and bill of materials dated December 2, 1968, manufactured by Style-Crafters, Inc., Post Office Box 8277, Station A, Greenville, S.C. 29604, effective December 11, 1968. (It supersedes Approval No. 160.052/278/0 dated Feb. 18, 1964, to show revised designs.)

Approval No. 160.052/279/1, Type II, Model SFM-310, child small molded vinyl-dipped unicellular plastic foam buoyant vest, dwg. No. 5623-BA, revision dated February 1, 1968, and bill of materials dated December 2, 1968, manufactured by Style-Crafters, Inc., Post Office Box 8277, Station A, Greenville, S.C. 29604, effective December 11, 1968. (It supersedes Approval No. 160.052/279/0 dated Feb. 18, 1964, to show revised designs.)

#### VALVES, PRESSURE VACUUM RELIEF AND SPILL

Approval No. 162.017/96/0, 6" vacuum relief valve, Fig. 4100-07X, cast steel im-

pact tested for -50° F. service, with aluminum and stainless steel trim, for liquefied inflammable gas and anhydrous ammonia at a minimum temperature of -50° F., S and J Co. dwgs. No. 4100-07X, EM-1036, EM-1037; and Specification Sheet No. 10(6/13/62), manufactured by Shand & Jurs Co., 2600 Eighth Street, Berkeley, Calif. 94710, effective December 18, 1968. (It is an extension of Approval No. 162.017/96/0 dated Jan. 21, 1964.)

#### INCOMBUSTIBLE MATERIALS

Approval No. 164.009/119/0, "Fiberglass Hull Board NC3A", fibrous glass cloth faced insulation board incombustible type material identical to that described in National Bureau of Standards Test Report TG10210-2171: FR3708, dated November 12, 1968, and U.S.C.G. letter dated December 18, 1968, the density of the basic board is 2.77 pounds per cubic foot, manufactured by Owens-Corning Fiberglass Corp., Toledo, Ohio 43601, effective December 18, 1968.

Approval No. 164.009/120/0, "Fiberglass Hull Board N3A", fibrous glass insulation board incombustible type material identical to that described in National Bureau of Standards Test Report TG-10210-2171: FR3708, dated November 12, 1968, and U.S.C.G. letter dated December 18, 1968, approved in a density of 2.77 pounds per cubic foot, manufactured by Owens-Corning Fiberglass Corp., Toledo, Ohio 43601, effective December 18, 1968.

Dated: March 20, 1969.

W. J. SMITH,  
Admiral, U.S. Coast Guard,  
Commandant.

[F.R. Doc. 69-3643; Filed, Mar. 26, 1969;  
8:51 a.m.]

## CIVIL AERONAUTICS BOARD

[Docket No. 18650; Order 69-3-78]

### INTERNATIONAL AIR TRANSPORT ASSOCIATION

#### Order Regarding Specific Commodity Rates

Issued under delegated authority on March 21, 1969.

By Order 69-3-33, dated March 10, 1969, the Board deferred action with a view toward eventual approval, on certain resolutions adopted by the International Air Transport Association (IATA) relating to specific commodity rates to apply within the Western Hemisphere. The Board, in deferring action on the agreement, granted 7 days in which interested persons may file petitions in support of or in opposition to the Board's proposed action.

No petitions have been received within the filing period, and the Board herein will make final its tentative conclusions in Order 69-3-33.

Accordingly, it is ordered, That:

Agreement CAB 20806 be, and it hereby is, approved: *Provided*, That approval shall not constitute approval of the

specific commodity descriptions contained therein for purposes of tariff publication.

This order will be published in the FEDERAL REGISTER.

[SEAL] HAROLD R. SANDERSON,  
Secretary.

[F.R. Doc. 69-3637; Filed, Mar. 26, 1969;  
8:51 a.m.]

[Docket Nos. 18650, 20291; Order 69-3-80]

### INTERNATIONAL AIR TRANSPORT ASSOCIATION

#### Order Regarding Fare and Rate Matters

Issued under delegated authority on March 21, 1969.

By Order 69-3-35, dated March 10, 1969, the Board deferred action with a view toward eventual approval on certain resolutions adopted by the International Air Transport Association (IATA) relating to (1) absorption of airport passenger service charges, (2) Buffalo/Syracuse-Bermuda 17-day excursion fares, and (3) rounding up of cargo rates and passenger fares. The Board, in deferring action on the agreement, granted 7 days in which interested persons may file petitions in support of or in opposition to the Board's proposed action.

No petitions have been received within the filing period, and the Board herein will make final its tentative conclusions in Order 69-3-35.

Accordingly, it is ordered, That:

Agreements CAB 20773, R-8, CAB 20808, R-1, and CAB 20839 be, and they hereby are, approved.

This order will be published in the FEDERAL REGISTER.

[SEAL] HAROLD R. SANDERSON,  
Secretary.

[F.R. Doc. 69-3638; Filed, Mar. 26, 1969;  
8:51 a.m.]

[Docket No. 18650; Order 69-3-79]

### INTERNATIONAL AIR TRANSPORT ASSOCIATION

#### Order Regarding Specific Commodity Rates

Issued under delegated authority on March 21, 1969.

By Order 69-3-34, dated March 10, 1969, the Board deferred action with a view toward eventual approval, on certain resolutions adopted by the International Air Transport Association (IATA) relating to specific commodity rates to apply within the Western Hemisphere. The Board, in deferring action on the agreement, granted 7 days in which interested persons may file petitions in support of or in opposition to the Board's proposed action.

No petitions have been received within the filing period, and the Board herein will make final its tentative conclusions in Order 69-3-34.

Accordingly, it is ordered, That:

Agreement CAB 20806, R-1 through R-7 be, and it hereby is, approved, provided that approval shall not constitute approval of the specific commodity descriptions contained therein for purposes of tariff publication.

This order will be published in the FEDERAL REGISTER.

[SEAL] HAROLD R. SANDERSON,  
Secretary.

[P.R. Doc. 69-3639; Filed, Mar. 26, 1969;  
8:51 a.m.]

[Docket No. 18650; Order 69-3-81]

## INTERNATIONAL AIR TRANSPORT ASSOCIATION

### Order Regarding Specific Commodity Rates

Issued under delegated authority on March 21, 1969.

By Order 69-3-36, dated March 10, 1969, the Board deferred action with a view toward eventual approval, on certain resolutions adopted by the International Air Transport Association (IATA), relating to specific commodity rates. The Board, in deferring action on the agreement, granted 7 days in which interested persons may file petitions in support of or in opposition to the Board's proposed action.

No petitions have been received within the filing period, and the Board herein will make final its tentative conclusions in Order 69-3-36.

Accordingly, it is ordered, That:

Agreement C.A.B. 20745, R-1 through R-17, R-20 through R-41, and R-43 through R-47 be, and it hereby is, approved, provided that approval shall not constitute approval of the specific commodity descriptions contained therein for purposes of tariff publication.

This order will be published in the FEDERAL REGISTER.

[SEAL] HAROLD R. SANDERSON,  
Secretary.

[P.R. Doc. 69-3640; Filed, Mar. 26, 1969;  
8:51 a.m.]

## FEDERAL COMMUNICATIONS COMMISSION

[Docket No. 18499; FCC 69-261]

### MIDWEST RADIO-TELEVISION, INC.

#### Order Designating Applications for Consolidated Hearing on Stated Issues

In re applications of Midwest Radio-Television, Inc., for renewal of licenses of stations WCCO and WCCO-TV, Minneapolis, Minn., Docket No. 18499, File No. BR-659, File No. BRCT-49.

1. The Commission has before it for consideration the applications of Midwest Radio-Television, Inc. (Midwest), for renewal of licenses of stations WCCO

and WCCO-TV, Minneapolis, Minn.; a statement by Garfield Clark, manager of station KSTP, St. Paul, Minn. (licensed to Hubbard Broadcasting, Inc.), submitted to the Senate Antitrust Subcommittee in March 1968; a letter, dated June 19, 1968, from Midwest to the Commission in reply to the statement of Mr. Clark; and a reply to the Midwest letter submitted by Mr. Clark in a letter to the Commission dated September 3, 1968.

2. It appears that the allegations before us raise significant questions as to whether a grant of the renewal applications would serve the public interest. We will not here set forth the detailed allegations. In line with practice, a further statement will be issued making clear the factual background to our action. It is sufficient to note that substantial questions have been raised which call for evidentiary hearing.

3. Accordingly, it is ordered, That, pursuant to section 309(e) of the Communications Act, the above-captioned renewal applications are designated for consolidated hearing, at a time and place to be specified in a subsequent order, on the following issues:

a. To determine whether the licensee and its owners have an undue concentration of control of the media of mass communications in the Minneapolis-St. Paul area.

b. To determine whether or not Midwest Radio-Television, Inc. has used its position in the newspaper field so as to obtain rights to broadcast sporting events, particularly in the area of professional baseball, football and hockey teams.

c. To determine whether or not newspaper ownership of broadcast facilities in the Minneapolis-St. Paul area has resulted in reciprocal advantages to Midwest Radio-Television, Inc. to the disadvantage of competing broadcast licensees.

d. To determine, in the light of the evidence adduced pursuant to the foregoing issues, whether a grant of the above-captioned renewal applications would serve the public interest.

4. It is further ordered, That Hubbard Broadcasting, Inc. (complainant) and the Broadcast Bureau are made parties to the hearing, and that with respect to issues a, b, and c, above, the burden of proceeding with the introduction of evidence shall be upon such parties, and the burden of proof with respect all issues is on Midwest Radio-Television, Inc.

5. It is further ordered, That, to avail themselves of the opportunity to be heard, the renewal applicant and the complainant, pursuant to § 1.221 of the Commission's rules and regulations, in person or by attorney, shall within twenty (20) days of the mailing of this order, file with the Commission, in triplicate, a written appearance stating an intent to appear on the date fixed for the hearing and present evidence on the issues specified in this order.

6. It is further ordered, That the renewal applicant herein shall, pursuant to section 311(a)(2) of the Communications Act and § 1.594 of the Commission's

rules and regulations, give notice of the hearing within the time and in the manner prescribed in such rule, and shall advise the Commission thereof as required by § 1.594 of the Commission's rules and regulations.

7. It is further ordered, That the Chief of the Broadcast Bureau shall serve on the renewal applicant and the complainant within ten (10) days of the release of this order, a Bill of Particulars setting forth the facts on which the designated issues are based.

Adopted: March 19, 1969.

Released: March 21, 1969.

FEDERAL COMMUNICATIONS  
COMMISSION,<sup>1</sup>

[SEAL] BEN F. WAPLE,  
Secretary.

[P.R. Doc. 69-3633; Filed, Mar. 26, 1969;  
8:50 a.m.]

<sup>1</sup> Concurring opinion of Commissioner H. Rex Lee filed as part of the original document; Commissioner Bartley concurring in result; Commissioners Hyde, chairman, and Robert E. Lee and Wadsworth dissenting.

[Report 432]

## COMMON CARRIER SERVICES INFORMATION<sup>1</sup>

### Domestic Public Radio Services Appli- cations Accepted for Filing<sup>2</sup>

MARCH 24, 1969.

Pursuant to §§ 1.227(b)(3) and 21.26 (b) of the Commission's rules, an application, in order to be considered with any domestic public radio services application appearing on the attached list, must be substantially complete and tendered for filing by whichever date is earlier: (a) The close of business 1 business day preceding the day on which the Commission takes action on the previously filed application; or (b) within 60 days after the date of the public notice listing the first prior filed application (with which subsequent applications are in conflict) as having been accepted for filing. An application which is subsequently amended by a major change will be considered to be a newly filed application. It is to be noted that the cutoff dates are set forth in the alternative—applications will be entitled to consideration with those listed in the appendix if filed by the end of the 60-day period, only if the Commission has not acted upon the application by that time pursuant to the first alternative earlier date. The mutual exclusivity rights of a new application are governed by the earliest action with respect to any one of the earlier filed conflicting applications.

<sup>1</sup> All applications listed in the appendix are subject to further consideration and review and may be returned and/or dismissed if not found to be in accordance with the Commission's rules, regulations, and other requirements.

<sup>2</sup> The above alternative cutoff rules apply to those applications listed in the appendix as having been accepted in Domestic Public Land Mobile Radio, Rural Radio, Point-to-Point Microwave Radio, and Local Television Transmission Services (Part 21 of the rules).

The attention of any party in interest of the Commission's rules for provisions desiring to file pleadings pursuant to section 309 of the Communications Act of 1934, as amended, concerning any domestic public radio services application accepted for filing, is directed to § 21.27

FEDERAL COMMUNICATIONS COMMISSION,

[SEAL] BEN F. WAPLE,  
Secretary.

APPENDIX

APPLICATIONS ACCEPTED FOR FILING

DOMESTIC PUBLIC LAND MOBILE RADIO SERVICE

File No. applicant, call sign, and nature of application

- 3511-C2-P-69—Pacific Northwest Bell Telephone Co.; (KON911); Renewal of developmental station license expiring Apr. 18, 1969. Term Apr. 18, 1969 to Apr. 18, 1970.
- 5351-C2-P-69—Hawland Telephone Co., Inc.; (New); C.P. for a new 2-way station. Frequency: 152.81 MHz. Location: Eight-tenths of a mile south of Conway Springs, Kans. (Facilities formerly licensed to Sedgwick Telephone Co.)
- 5352-C2-P-69—Radio Mobile Phones, Inc.; (KKG412); C.P. to install an additional channel to operate on base frequency 454.325 MHz at location No. 3: 7008 Greenville Avenue, Dallas, Tex.
- 5353-C2-P-69—Pacific Northwest Bell Telephone Co.; (New); C.P. for a new 1-way-signaling station. Frequency: 152.84 MHz. Locations—location No. 1: West 501 Second Avenue, Spokane, Wash., location No. 2: Fancher Beacon, 1.5 miles north of Opportunity, Wash., location No. 3: Near 22d Avenue and A Street, Spokane, Wash., and location No. 4: Brown's Mountain, 7.5 miles southeast of Spokane, Wash.
- 5358-C2-P-69—Wabash Telephone Cooperative, Inc.; (KSHJ71); C.P. to change antenna system operating on base frequency 152.57 MHz at station located at corner of Broadway and Main Streets, Louisville, Ill.
- 5434-C2-P-69—Spencer Communications Service; (KIY446); C.P. to install an additional channel to operate on frequency 454.175 MHz at a new site to be identified as location No. 2: 516 South Dixie Highway, West Palm Beach, Fla.
- 5435-C2-P-69—Spencer Communications Service; (KIY748); C.P. to replace transmitter for base frequency 152.03 MHz at its station located Old Dixie Highway at Florida Avenue, Jupiter, Fla.
- 5458-C2-P-69—New England Telephone & Telegraph Co.; (KCC487); C.P. to change antenna system operating on frequency 35.66 MHz at location No. 3: Bear Hill Road, Bear Hill, Waltham, Mass.
- 5458-C2-P-69—Knox La Rue; (KMJ224); C.P. to establish a repeater station to operate on frequency 72.62 MHz at location No. 1: 7.5 miles northeast of Danville, Calif.
- 5457-C2-P-(4)-69—R. L. Mohr doing business as Radiocal; (KUA215); C.P. to relocate the 152.03 MHz facilities at location No. 1 from Hawaiian Village Hotel, 2005 Kalia Road, Honolulu, Hawaii, to 1519 Nuuanu Avenue, Honolulu, Hawaii, change antenna system and replace transmitter for same. Install an additional base channel to operate on 152.09 MHz also at location No. 1, at location No. 3: 2500 Kalaheua Avenue, Honolulu, Hawaii, replace transmitter for base frequency 152.09 MHz, at location No. 2, change antenna location from Kailua Shopping Center, Kailua, Hawaii, to 146 Aikahi Loop, Kailua, Hawaii, for base frequency 152.03 MHz, change antenna system and replace transmitter for same and install an additional channel to operate on 152.09 MHz also at location No. 2.
- 5458-C2-P-69—R. L. Mohr doing business as Radiocal; (KUA217); C.P. to change antenna location from Hawaiian Village Hotel, 2005 Kalia Road, Honolulu, Hawaii, to 1519 Nuuanu Avenue, Honolulu, Hawaii, operating on 35.58 MHz and change antenna system for same.
- 5459-C2-P-69—Intra State Telephone Co.; (New); C.P. for a new 1-way-signaling station. Frequency: 152.84 MHz. Location: northeast corner of Seminary and Knox Streets, Galveston, Ill.
- 5460-C2-P-69—Rochester Telephone Corp.; (New); C.P. for a new 1-way-signaling station. Frequency: 152.84 MHz. Location: 85 North Fitzhugh Street, Rochester, N.Y.

DOMESTIC PUBLIC LAND MOBILE RADIO SERVICE—Continued

- 5482-C2-MP-69—National Communications System, Inc.; (KMM708); Modification of C.P. to change antenna system operating on frequency 454.10 MHz at station located 1.3 miles south of Bojoni, Calif.
- 5530-C2-P-69—Rochester Telephone Corp.; (New); C.P. for a new 1-way-signaling station. Frequency: 158.10 MHz. Location: 3.8 miles southwest of Fairport, N.Y.
- 5531-C2-P-69—Francis I. Lambert and Harry L. Brook, Jr., doing business as Advanced Communications Co.; (New); C.P. for a new 2-way station. Frequency: 454.300 MHz. Location: Tower Street, Falls Church, Va.

Major Amendments

- 3696-C2-P-69—William L. Eisele and Robert A. Jones, doing business as Midwest Communications Co.; (New); Application is amended to change location to read: 9355 Juliet Road, La Grange, Ill. All other particulars remain the same as reported on public notice dated Dec. 30, 1968, Report No. 420.
- 3519-C2-P-69—Abraham Thiomy, doing business as A-Ble Answering Service; (New); Application amended to change base and mobile frequencies from 152.31 MHz and 158.67 MHz to 152.12 MHz and 158.56 MHz respectively. All other particulars to remain the same as reported on public notice dated Dec. 23, 1968, Report No. 419.
- 5252-C2-P-69—Delta Valley Radiotelephone Co., Inc.; (KMA748); Application amended to change frequency to 454.325 MHz. All other particulars to remain the same as reported on public notice dated Dec. 11, 1967, Report No. 365.

Correction

- 5325-C2-P-69—The Township Telephone Co. of Chaumont, N.Y.; (New); Correct entry to read C.P. for a new 2-way station to be located on Brownville Road, 1.25 miles north of Brownville, N.Y., to operate on base frequency 152.51 MHz, all other terms same as stated on public notice dated Mar. 17, 1969, Report No. 431.
- 5253-C2-MP-69—Page Call, Inc.; (KEC935); Correct entry to read operating on a frequency of 35.58 MHz. All other particulars to remain the same as reported on public notice dated Mar. 17, 1969, Report No. 431.

Renewals of licenses expiring April 1, 1969.

Term: April 1, 1969, to April 1, 1974.

ALABAMA	Licensee	Call sign	State	Call sign
Radio Dispatch Co.	Do	KIY304 KIY733	ALABAMA	KON921
Chalfont Communications	Do	KMA251 KMD895 KMM581 KMM552 KMD990	CALIFORNIA	KOC482
Industrial Communications System, Inc.	Do	KMA261 KMD896	NEW YORK	KKO946
Jack Loperena	Do	KMA261 KMD896	NEW YORK	KEA776
Secretarial Telephone Answering Service	Do	KMA261 KMD896	NORTH CAROLINA	KLJ344
Victor Valley Radio-Telephone Co.	Do	KLF557	OREGON	KIE963
Tri-City Radio Dispatch Service, Inc.	Do	KQD810	MICHIGAN	KOE348 KOP249
General Communications	Do	KFQ940	MISSOURI	KOP323
Curry County Communications	Do		SOUTH DAKOTA	
Electro-Craft, Inc.	Do			

WASHINGTON

Licensee	Cell sign	Licensee	Cell sign
General Telephone Co. of the Southwest.	KLK578	Robert S. Ditton	KOA695
Hearne Mobiles	KLK569	Do	KOE516
		Do	KOF343
		Do	KOP918
		Do	KOP260
Industrial Communications	KOP321	Do	KOP263

Rural Radio Service

5394-C1-P/L-69—Karrville Telephone Co.; (New); C.P. and license for a new rural subscriber fixed station. Frequency: 158.04 MHz, to operate (5 units) at any temporary location within the territory of the grantee.  
 5390-C1-P-69—E. B. and Donna W. Brownell; (New); C.P. for a new rural subscriber fixed station. Frequency: 158.58 MHz. Subscriber and location: John Rankine Hanch, approximately 8 1/2 miles northeast of Grass Creek, Wyo.

POINT-TO-POINT MICROWAVE RADIO SERVICE (TELEPHONE CARRIERS)

5391-C1-P-69—American Telephone & Telegraph Co.; (KYJ61); C.P. to add frequency 3910 MHz toward Hortonville, Wis., at station located 128 North Superior Street, Appleton, Wis.  
 5392-C1-P-69—American Telephone & Telegraph Co.; (KYJ62); C.P. to add frequency 3870 MHz toward Appleton, Wis., and toward Fisk, Wis., at station located 2 miles east-northeast of Hortonville, Wis.  
 5393-C1-P-69—American Telephone & Telegraph Co.; (KYJ63); C.P. to add 3890 MHz toward Hortonville, Wis., and toward Fox Lake, Wis., at station located 2 miles east of Fisk, Wis.  
 5394-C1-P-69—American Telephone & Telegraph Co.; (KYJ64); C.P. to add frequency 3930 MHz toward Fisk, Wis., and toward Watertown Junction, Wis., at station located 4.5 miles east-northeast of Fox Lake, Wis.  
 5395-C1-P-69—American Telephone & Telegraph Co.; (KSH90); C.P. to add frequency 3890 MHz toward Fox Lake, Wis., at station located 4 miles northeast of Watertown, Wis.  
 5396-C1-P-69—The Pacific Telephone & Telegraph Co.; (New); C.P. for a new fixed station. Frequency: 2112.4 MHz. Location: 217 West Acocula Street, Visalia, Calif.  
 5397-C1-P-69—The Pacific Telephone & Telegraph Co.; (New); C.P. for a new fixed station. Frequency: 2182.4 MHz. Location: Park Ridge, near Wilsonia, Calif. (Informative: These facilities were formerly licensed to The Pacific Telephone & Telegraph Co. in the Rural Radio Service.)

5436-C1-P-69—Michigan Bell Telephone Co.; (KQ180); C.P. to add frequencies 10,755 and 6056.4 MHz toward Plymouth, Mich., at its station located 1365 Cass Avenue, Detroit, Mich.  
 5437-C1-P-69—Michigan Bell Telephone Co.; (KQA79); C.P. to add frequencies 11,405 and 6233.3 MHz toward Ann Arbor, Mich., at its station located at northeast corner of Napier and Powell Roads, Plymouth, Mich.  
 5438-C1-P-69—The Mountain States Telephone & Telegraph Co.; (KPL28); C.P. to add frequencies 6226.9 and 6345.5 MHz toward Great Falls Junction, Mont., at its station located 401 First Avenue North, Great Falls, Mont., also change antenna system.  
 5439-C1-P-69—The Mountain States Telephone & Telegraph Co.; (KPH89); C.P. to add frequencies 5974.8 and 6083.5 MHz toward Dutton, Mont., and 5945.2 and 6063.8 MHz toward Great Falls, Mont., and change antenna system at its station located 3.8 miles south-southwest of Vaughn, Mont.  
 5440-C1-P-69—The Mountain States Telephone & Telegraph Co.; (KPI49); C.P. to add frequencies 6226.9 and 6345.5 MHz toward Conrad, Mont., frequencies 6197.2 and 6315.9 MHz toward Vaughn, Mont., and change antenna system at its station located 3 miles south of Dutton, Mont.  
 5441-C1-P-69—The Mountain States Telephone & Telegraph Co.; (KPI50); C.P. to change frequencies 10,715 and 10,955 MHz directed toward Shelby Junction, Mont., to: 5974.8 and 6083.5 MHz; replace transmitters for same, also add frequencies 5945.2 and 6063.8 MHz toward Dutton, Mont., and change antenna system at its station located 6 miles east of Conrad, Mont.

POINT-TO-POINT MICROWAVE RADIO SERVICE (TELEPHONE CARRIERS)—continued

5442-C1-P-69—The Mountain States Telephone & Telegraph Co.; (KPI51); C.P. to change frequencies 11,405 and 11,645 MHz directed toward Conrad, Mont., to 6197.2 and 6315.9 MHz, replace transmitters and change antenna system at station located 1 mile east of Shelby, Mont.  
 5441-C1-P-69—The Norfolk & Carolina Telephone & Telegraph Co.; (KOC33); C.P. for a new fixed developmental station. Frequency 6412.2 MHz. Location: 0.2 mile north of approximate center of Waves, N.C.  
 5462-C1-P-69—The Ohio Bell Telephone Co.; (KVI42); C.P. to add frequencies 6390.0 and 11,345 MHz toward Findlay, Ohio, and change antenna system at station located County Road 45, 3 miles southwest of New Riegel, Ohio.  
 5463-C1-P-69—The Ohio Bell Telephone Co.; (KQNT1); C.P. to add frequencies 6187.9 and 11,135 MHz toward Piquet, Ohio, and change antenna system at its station located 121 West Hardin Street, Findlay, Ohio.  
 American Telephone & Telegraph Co.; Eighteen (18) C.P.'s to provide an additional pair of TD-3 radio relay channels for telephone service between Spring, Tex., and Pockena, Miss., as follows:  
 5464-C1-P-69—American Telephone & Telegraph Co.; (KGP77); Add 3870 MHz toward Willis, Tex., at its station located 2.3 miles south-southwest of Spring, Tex.  
 5465-C1-P-69—American Telephone & Telegraph Co.; (KGP76); Add 3910 MHz toward Spring, Tex., and toward Camilla, Tex., at station located 3 miles east-northeast of Willis, Tex.  
 5466-C1-P-69—American Telephone & Telegraph Co.; (KGP73); Add 3870 MHz toward Willis, Tex., and toward Camden, Tex., at station located 0.8 mile northeast of Camilla, Tex.  
 5467-C1-P-69—American Telephone & Telegraph Co.; (KGP74); Add 3910 MHz toward Camilla and Rockland, Tex., at its station located 1.5 miles west-southwest of Camden, Tex.  
 5468-C1-P-69—American Telephone & Telegraph Co.; (KGP73); Add 3870 MHz toward Camden, Tex., and toward Mayflower, Tex., at its station located 7.6 miles east-northeast of Rockland, Tex.  
 5469-C1-P-69—American Telephone & Telegraph Co.; (KGP72); Add 3910 MHz toward Rockland, Tex., and toward Hornbeck, La., at station located 6.8 miles west of Mayflower, Tex.  
 5470-C1-P-69—American Telephone & Telegraph Co.; (KGP71); Add 3870 MHz toward Mayflower, Tex., and toward Robeline, La., at station located 1.5 miles southwest of Hornbeck, La.  
 5471-C1-P-69—American Telephone & Telegraph Co.; (KOP70); Add 3910 MHz toward Hornbeck, La., and toward Montgomery, La., at station located 3 miles southeast of Robeline, La.  
 5472-C1-P-69—American Telephone & Telegraph Co.; (KOP69); Add 3870 MHz toward Robeline, La., and toward Winnfield, La., at station located 2.8 miles north-northeast of Montgomery, La.  
 5473-C1-P-69—American Telephone & Telegraph Co.; (KOP68); Add 3910 MHz toward Montgomery, La., and toward Clark, La., at station located 4.4 miles southeast of Winnfield, La.  
 5474-C1-P-69—American Telephone & Telegraph Co.; (KGP 67); Add 3870 MHz toward Winnfield, La., and toward Mangham, La., at its station located 2.2 miles south-southwest of Clark, La.  
 5475-C1-P-69—American Telephone & Telegraph Co.; (KGP66); Add 3910 MHz toward Clark, La., and toward Delhi, La., at its station located 5.5 miles west of Mangham, La.  
 5476-C1-P-69—American Telephone & Telegraph Co.; (KGP65); Add 3870 MHz toward Mangham, La., and toward Transylvania, La., at station located 2.3 miles east-southeast of Delhi, La.  
 5477-C1-P-69—American Telephone & Telegraph Co.; (KGP64); Add 3910 MHz toward Delhi, La., and toward Cary, Miss., at station located 1.9 miles west-northwest of Transylvania, La.  
 5478-C1-P-69—American Telephone & Telegraph Co.; (KGP63); Add 3870 MHz toward Transylvania, La., and toward Angulla, Miss., at station located 2 miles south-southwest of Cary, Miss.

## POINT-TO-POINT MICROWAVE RADIO SERVICE (TELEPHONE CARRIERS)—CONTINUED

- 5479-C1-P-69—American Telephone & Telegraph Co.; (KGP82); Add 3910 MHz toward Cary, Miss., and toward Eden, Miss., at station located 6.6 miles east of Angulla, Miss.
- 5480-C1-P-69—American Telephone & Telegraph Co.; (KGP81); Add 3870 MHz toward Angulla, Miss., and toward Pickens, Miss., at station located 2.4 miles southwest of Eden, Miss.
- 5481-C1-P-69—American Telephone & Telegraph Co.; (KLN22); Add 3910 MHz toward Eden, Miss., at its station located 7.6 miles west of Pickens, Miss.
- American Telephone & Telegraph Co.; Seven (7) C.P.'s to construct a type TD-3 channel from Odessa to Sweetwater, Tex., as the Long Lines portion of a proposed radio relay channel to be constructed from Broadcasting Station KOSA, Odessa, to Broadcasting Station KCTV, San Angelo, Tex., for Educational Television Service, as follows:
- 5483-C1-P-69—American Telephone & Telegraph Co.; (KLT24); Add 3890 MHz toward Tarzan, Tex., at its station located 10 miles north of Odessa, Tex.
- 5484-C1-P-69—American Telephone & Telegraph Co.; (KLT23); Add 3950 MHz toward Ackerly, Tex., at its station located 6.5 miles south-southwest of Tarzan, Tex.
- 5485-C1-P-69—American Telephone & Telegraph Co.; (KLT22); Add 3890 MHz toward Vincent, Tex., at its station located 2 miles southeast of Ackerly, Tex.
- 5486-C1-P-69—American Telephone & Telegraph Co.; (KLT21); Add 3950 MHz toward Snyder, Tex., at station located 2.5 miles north of Vincent, Tex.
- 5487-C1-P-69—American Telephone & Telegraph Co.; (KLT20); Add 3990 MHz toward McCanley, Tex., at station located 6.5 miles east-northeast of Snyder, Tex.
- 5488-C1-P-69—American Telephone & Telegraph Co.; (KLS99); Add 3870 MHz toward Pyron, Tex., at station located 2.2 miles south of McCanley, Tex.
- 5489-C1-P-69—American Telephone & Telegraph Co.; (KTF91); Add 3990 MHz toward Sweetwater, Tex., at station located at Pyron, 5.2 miles northeast of Inadale, Tex.
- 5490-C1-P-69—Michigan Bell Telephone Co.; (KQH77); Modification of license to add frequencies 4990 and 4170 MHz toward Flint, Mich., and add frequency 3750 MHz toward Pine Run, Mich., at its station located Hadley Road, 1.9 miles east-northeast of Atlas, Mich. (Informative: These facilities were previously licensed to American Telephone & Telegraph Co. under Call Sign KQK42.)
- 5493-C1-P-69—Michigan Bell Telephone Co.; (KQH77); C.P. to change frequency and point of communication from 3750 MHz and Pine Run, Mich., to 3770 MHz and Flint, Mich., and add frequency 3850 MHz toward Flint, Mich., at station located Hadley Road, 1.9 miles east-northeast of Atlas, Mich.
- 5444-C1-P-69—Michigan Bell Telephone Co.; (KQG59); C.P. to add frequencies 3730, 3810, and 3890 MHz toward Pine Run, Mich., and 4050 MHz toward Atlas, Tex., and replace transmitter at its station located 503 Beech Street, Flint, Mich.
- 5445-C1-P-69—Michigan Bell Telephone Co.; (KQF43); C.P. to change frequency 3710 MHz to 3930 MHz toward Saginaw, Mich., and add frequencies 3770 and 3950 MHz, also toward Saginaw, Mich., add 3770 and 3850 MHz, toward Flint, Mich., at station located 1.5 miles east of Pine Run, Mich., also change antenna system.

## POINT-TO-POINT MICROWAVE RADIO SERVICE (TELEPHONE CARRIERS)

- 5446-C1-P-69—Michigan Bell Telephone Co.; (KQM41); C.P. to add frequencies 3790 and 3810 MHz toward Pine Run, Mich., and change antenna system at its station located 309 South Washington Street, Saginaw, Mich.
- 5492-C1-P-69—The Chesapeake & Potomac Telephone Co. of Maryland; (New); C.P. for a new fixed station. Frequency: 6004.5 MHz. Location: Gwynnbrook State Game Farm, 1.5 miles north of Owings Mills, Md.
- 5493-C1-P-69—The Chesapeake & Potomac Telephone Co. of Maryland; (New); C.P. for a new fixed station. Frequencies: 6256.5, 6375.2, and 11,685 MHz. Location: 330 St. Paul Place, Baltimore, Md.
- 5494-C1-P-69—The Chesapeake & Potomac Telephone Co. of Maryland; (New); C.P. for a new fixed station. Frequencies: 6004.5, 6123.1, 6160.2, 10,755.0 and 10,955.0 MHz. Location: On Broadneck County Road, 1 mile east of Arnold, Md.

## POINT-TO-POINT MICROWAVE RADIO SERVICE (TELEPHONE CARRIERS)—CONTINUED

- 5495-C1-P-69—The Chesapeake & Potomac Telephone Co. of Maryland; (New); C.P. for a new fixed station. Frequencies: 6256.5, 6397.4, 6412.2, 11,405.0 and 11,685.0 MHz. Location: Grange Hall Road, Wye Mills, Md.
- 5496-C1-P-69—The Chesapeake & Potomac Telephone Co. of Maryland; (New); C.P. for a new fixed station. Frequencies: 6004.5, 6160.2, 6145.3, 10,755.0 and 10,955.0 MHz. Location: On Route No. 50, eight-tenths mile east of Mount Holly, Cambridge, Md.
- 5497-C1-P-69—The Chesapeake & Potomac Telephone Co. of Maryland; (New); C.P. for a new fixed station to be located at 620 Truitt Street, Salisbury, Md., to operate on frequencies 6256.5, 6412.2, and 11,405.0 MHz.

## Major Amendment

- 4686-C1-P-69—West Texas Microwave Co.; (New); Application amended to change geographic coordinates from lat. 31°49'35" N., long. 103°54'36" W. to lat. 31°49'28" N., long. 103°54'18" W. All other particulars to remain same as stated on public notice dated Feb. 17, 1969, Report No. 427.

## POINT-TO-POINT MICROWAVE RADIO SERVICE (NONTELEPHONE)

- 5451-C1-P-69—Wyoming Microwave Corp.; (New); C.P. for a new station on Casper Mountain, 7 miles south of Casper, Wyo., at lat. 42°44'03" N., long. 106°20'00" W. Frequency 4090.0 MHz on azimuth 299°59'. (Informative: Applicant proposes to provide the signal of KTWO-TV to television station KULR-TV in Billings, Mont.)
- 5452-C1-MI-69—West Texas, (KLR75); 5453-C1-MI-69—Microwave, (KTQ80); 5454-C1-MI-69—Company, (KZ127); Modification of license applications for purpose of adding audio subchannel which will be used by CATV subscribers in Sweetwater, Anson, Colorado City, Rotan, Hamlin, and Stamford, Tex., for carrying a control signal which will operate nonduplication switching devices.
- 5453-C1-AL-69—Southwest Transmission Co., Inc.; Consent to assignment of license from Southwest Transmission Co., Inc., Assignor, to Alabama Microwave, Inc., Assignee. Stations: KJG37—Edgeville, Fla.; KJG38—Fort Ogdan, Fla.; KJG39—Accline, Fla., and KTF24—Verona, Fla.
- 5526-C1-P-69—Potomac Valley Telecasting Corp.; (KGO88); C.P. to add frequencies 11,237.5 and 11,287.5 MHz, azimuth 299°30'. Location: 3.2 miles east of Cumberland, Md.
- 5527-C1-P-69—Potomac Valley Telecasting Corp.; (KQX33); C.P. to add frequencies 10,712.5 and 10,762.5 MHz on azimuth 302°00'. Location: 2 miles east of Ridge, W. Va. (Informative: Applicant proposes to add two channels of service to Cumberland to provide signals of WDCA-TV and WETA-TV of Washington, D.C., on full-time basis to Cumberland, Md. Signal of WTIG(TV) of Washington, D.C., will be substituted for WDCA-TV to other subscribers in Piedmont, Keyser, and Frostburg, Md.)
- 5528-C1-P-69—West Texas Microwave Co.; (KLU91); C.P. to power split frequencies 6226.9, 6315.9, and 6404.8 MHz on azimuth 185°45'. Location: Davis Ranch, 8 miles west of Albany, Tex. (Informative: Applicant proposes to provide the television signals of WFAA-TV, KTVT, and KERA-TV of Fort Worth-Dallas to Clyde and Baird, Tex., for delivery to Callahan TV Cable Service, Inc.)
- 5532-C1-MP-69—Mountain Microwave Corp.; (KCO93); Modify C.P. to change receiver location in Vall, Colo., to lat. 39°36'55" N., long. 106°26'57" W., and add a passive reflector at lat. 39°40'43" N., long. 106°29'19" W. add four new transmitters having 1 watt power output in lieu of previously authorized power split on frequencies 6234.3, 6283.6, 6332.6, and 6412.2 MHz. Azimuth 69°53' to passive reflector and 154°12' from reflector to Vall, Colo.
- 5533-C1-P-69—Alabama Microwave, Inc.; (New); C.P. for a new station at lat. 43°19'56" N., long. 88°15'37" W., 1 mile east of Slinger, Wis. Frequency 6405.0 MHz on azimuth 147°00'.
- 5534-C1-P-69—Alabama Microwave, Inc.; (New); C.P. for a new station at lat. 43°38'20" N., long. 88°31'51" W., 2.2 miles west of south Byron, Wis. Frequency 6123.0 MHz on azimuth 23°25'. (Informative: Applicant proposes to provide the television signal of station WVTY of Milwaukee, Wis., to UHF television station KFIZ-TV in Fond-Du-Lac, Wis.)

[F.R. Doc. 69-3634; Filed, Mar. 26, 1969; 8:51 a.m.]

## GENERAL SERVICES ADMINISTRATION

[Federal Property Management Regs.; Temporary Reg. D-13]

### SECRETARY OF HEALTH, EDUCATION, AND WELFARE

#### Delegation of Authority

1. *Purpose.* This regulation delegates authority to the Secretary of Health, Education, and Welfare to lease space in Boston, Mass.

2. *Effective date.* This regulation is effective immediately.

3. *Delegation.* a. Pursuant to the authority vested in me by the Federal Property and Administrative Services Act of 1949 (63 Stat. 377), as amended, authority is delegated to the Secretary of Health, Education, and Welfare to perform all functions in connection with the leasing of special purpose space in Boston, Mass., for use by the Diabetes and Arthritis Field Research Laboratory, Health Services and Mental Health Administration, Department of Health, Education, and Welfare.

b. This authorization shall include authority to contract by lease and authority thereafter to modify and amend said lease, assign and reassign the space demised, including the operation, maintenance, control, and protection thereof. This authorization shall extend to leasing space under authority contained in section 210(h) (1) of the above-cited Act for a period not to exceed 10 years.

c. The Secretary of Health, Education, and Welfare may redelegate this authority to any officer, official, or employee of the Department of Health, Education, and Welfare.

d. This authority shall be exercised in accordance with the limitations and requirements of the above-cited Act, section 322 of the Economy Act of June 30, 1932 (40 U.S.C. 278a) as amended, and other applicable statutes and regulations.

Dated: March 20, 1969.

ROBERT L. KUNZIG,

Administrator of General Services.

[F.R. Doc. 69-3616; Filed, Mar. 26, 1969; 8:49 a.m.]

## FEDERAL POWER COMMISSION

[Docket No. G-2723, etc.]

### HOLLY RESOURCES CORP. ET AL.

#### Findings and Order

MARCH 19, 1969.

Findings and order after statutory hearing issuing certificates of public convenience and necessity, amending orders issuing certificates, permitting and approving abandonment of service, terminating certificates, making successor

co-respondent, redesignating proceeding, requiring filing of agreement and undertaking, and accepting related rate schedules and supplements for filing.

Each of the Applicants listed herein has filed an application pursuant to section 7 of the Natural Gas Act for a certificate of public convenience and necessity authorizing the sale and delivery of natural gas in interstate commerce or for permission and approval to abandon service or a petition to amend an order issuing a certificate, all as more fully set forth in the applications and petitions, as supplemented and amended.

Applicants have filed related FPC gas rate schedules or supplements thereto and propose to initiate, abandon, add to, or discontinue in part natural gas service in interstate commerce as indicated in the tabulation herein. All sales certificated herein are at rates either equal to or below the ceiling prices established by the Commission's statement of general policy No. 61-1, as amended, or involve sales for which permanent certificates have been previously issued; except that sales from areas for which area rates have been determined are authorized to be made at or below the applicable area base rates, adjusted for quality of the gas, and under the conditions prescribed in the orders determining said rates.

Nomoc Oil Co., Inc., Applicant in Docket No. CI69-629, proposes to continue in part the sale of natural gas heretofore authorized in Docket No. G-10757 to be made pursuant to Sunray DX Oil Co. (now Sun Oil Co. (DX Division)) FPC Gas Rate Schedule No. 120. The agreement comprising said rate schedule will also be accepted for filing as a rate schedule of Applicant. The presently effective rate under said rate schedule is in effect subject to refund in Docket No. RI68-444. Therefore, Applicant will be made a co-respondent in said proceeding; the proceeding will be redesignated accordingly; and Applicant will be required to file an agreement and undertaking to assure the refund of any amounts collected by it in excess of the amount determined to be just and reasonable in said proceeding.

The Commission's staff has reviewed each application and recommends each action ordered as consistent with all substantive Commission policies and required by the public convenience and necessity.

After due notice by publication in the FEDERAL REGISTER, no petitions to intervene, notices of intervention or protests to the granting of the applications have been filed.

At a hearing held on March 13, 1969, the Commission on its own motion received and made a part of the record in this proceeding all evidence, including the applications and petitions, as supplemented and amended, and exhibits thereto, submitted in support of the au-

thorizations sought herein, and upon consideration of the record.

The Commission finds:

(1) Each Applicant herein is a "natural-gas company" within the meaning of the Natural Gas Act as heretofore found by the Commission or will be engaged in the sale of natural gas in interstate commerce for resale for ultimate public consumption, subject to the jurisdiction of the Commission, and will, therefore, be a "natural-gas company" within the meaning of the Natural Gas Act upon the commencement of service under the authorizations hereinafter granted.

(2) The sales of natural gas hereinbefore described, as more fully described in the applications in this proceeding, will be made in interstate commerce subject to the jurisdiction of the Commission; and such sales by Applicants, together with the construction and operation of any facilities subject to the jurisdiction of the Commission necessary therefor, are subject to the requirements of subsections (c) and (e) of section 7 of the Natural Gas Act.

(3) Applicants are able and willing properly to do the acts and to perform the service proposed and to conform to the provisions of the Natural Gas Act and the requirements, rules and regulations of the Commission thereunder.

(4) The sales of natural gas by Applicants, together with the construction and operation of any facilities subject to the jurisdiction of the Commission necessary therefor, are required by the public convenience and necessity and certificates therefor should be issued as hereinafter ordered and conditioned.

(5) It is necessary and appropriate in carrying out the provisions of the Natural Gas Act and the public convenience and necessity require that the orders issuing certificates of public convenience and necessity in Dockets Nos. G-2723, G-3113, G-3173, G-6690, G-7160, G-8807, G-9963, G-11580, G-16218, CI63-914, CI65-790, CI65-1145, CI66-239, CI66-395, CI66-1036, CI68-518, CI68-1148, and CI68-1439 should be amended as hereinafter ordered and conditioned.

(6) It is necessary and appropriate in carrying out the provisions of the Natural Gas Act and the public convenience and necessity require that the orders issuing certificates of public convenience and necessity in the following dockets should be amended to reflect the deletion of acreage where new certificates are issued herein or existing certificates are amended herein to authorize service from the subject acreage:

Amend to delete acreage	New certificate and/or amendment to add acreage
G-7526	CI66-1036
G-8816	CI66-239
G-10757	CI69-629
CI60-686	CI66-1036
CI67-1746	CI69-676
CI69-353	CI69-652

(7) The sales of natural gas proposed to be abandoned as hereinbefore described and as more fully described in the applications and in the tabulation herein are subject to the requirements of subsection (b) of section 7 of the Natural Gas Act.

(8) The abandonments proposed by Applicants herein are permitted by the public convenience and necessity and should be approved as hereinafter ordered.

(9) It is necessary and appropriate in carrying out the provisions of the Natural Gas Act that the certificates heretofore issued to Applicants relating to the abandonments hereinafter permitted and approved should be terminated or that the orders issuing said certificates should be amended by deleting therefrom authorization to sell natural gas from the subject acreage.

(10) It is necessary and appropriate in carrying out the provisions of the Natural Gas Act that Nomoc Oil Co., Inc., should be made a co-respondent in the proceeding pending in Docket No. RI63-444, that said proceeding should be redesignated accordingly, and that Nomoc should be required to file an agreement and undertaking in said proceeding.

(11) It is necessary and appropriate in carrying out the provisions of the Natural Gas Act that the FPC gas rate schedules and supplements related to the authorizations hereinafter granted should be accepted for filing.

The Commission orders:

(A) Certificates of public convenience and necessity are issued upon the terms and conditions of this order authorizing sales by Applicants of natural gas in interstate commerce for resale, together with the construction and operation of any facilities subject to the jurisdiction of the Commission necessary therefor, all as hereinbefore described and as more fully described in the applications and in the tabulation herein.

(B) The certificates granted in paragraph (A) above are not transferable and shall be effective only so long as Applicants continue the acts or operations hereby authorized in accordance with the provisions of the Natural Gas Act and the applicable rules, regulations, and orders of the Commission.

(C) The grant of the certificates issued in paragraph (A) above shall not be construed as a waiver of the requirements of section 4 of the Natural Gas Act or of Part 154 or Part 157 of the Commission's regulations thereunder and is without prejudice to any findings or orders which have been or which may hereafter be made by the Commission in any proceedings now pending or hereafter instituted by or against Applicants. Further, our action in this proceeding shall not foreclose nor prejudice any future proceedings or objections relating

to the operation of any price or related provisions in the gas purchase contracts herein involved. Nor shall the grant of the certificates aforesaid for service to the particular customers involved imply approval of all of the terms of the contracts, particularly as to the cessation of service upon termination of said contracts as provided by section 7(b) of the Natural Gas Act. The grant of the certificates aforesaid shall not be construed to preclude the imposition of any sanctions pursuant to the provisions of the Natural Gas Act for the unauthorized commencement of any sales of natural gas subject to said certificates.

(D) The grant of the certificates issued herein on certain applications filed after July 1, 1967, is upon the condition that no increase in rate which would exceed the ceiling prescribed for the given area by paragraph (d) (3) of the Commission's statement of general policy No. 61-1, as amended, shall be filed prior to the applicable date indicated in the tabulation herein.

(E) The certificates issued herein and the amended certificates are subject to the following conditions:

(a) The initial rates for sales authorized in Dockets Nos. G-11580 and CI69-393 shall be the applicable area base rates prescribed in Opinion No. 468, as modified by Opinion No. 468-A, as adjusted for quality of gas, or the contract rates, whichever are lower. If the quality of the gas delivered by Applicants deviates at any time from the quality standards set forth in Opinion No. 468, as modified by Opinion No. 468-A, so as to require a downward adjustment of the existing rate, a notice of change in rate shall be filed pursuant to section 4 of the Natural Gas Act: *Provided, however,* That adjustments reflecting changes in B.t.u. content of the gas shall be computed by the applicable formula and charged without the filing of notices of changes in rates.

(b) Within 90 days from the date of initial delivery Applicants in Dockets Nos. G-11580 and CI69-393 shall file rate schedule quality statements in the form prescribed in Opinion No. 468-A.

(c) Sales authorized in Dockets Nos. CI65-1145 and CI69-513 shall be made at the initial rate of 15 cents per Mcf at 14.65 p.s.i.a. including tax reimbursement. Applicant in Docket No. CI65-1145 shall file a revised billing statement for each supplement reflecting the 15 cents rate as required by the regulations under the Natural Gas Act.

(d) The authorization granted in Docket No. CI65-1145 is conditioned upon any determination which may be made in the proceeding pending in Docket No. R-338 with respect to the transportation of liquefiable hydrocarbons.

(e) Sales authorized in Dockets Nos. CI69-453 and CI69-565 shall be made at

the initial rate of 15 cents per Mcf at 14.65 p.s.i.a., including tax reimbursement, and subject to B.t.u. adjustment. In the event that the Commission amends its statement of general policy No. 61-1, by adjusting the boundary between the Oklahoma Panhandle area and the Oklahoma "Other" area so as to increase the initial wellhead price for new gas, Applicants thereupon may substitute the new rates reflecting the amounts of such increases and thereafter collect the new rates prospectively in lieu of the initial rate herein authorized in said dockets.

(f) The certificate issued in Docket No. CI69-453 is conditioned by limiting the buyer's daily take-or-pay obligation to a 1 to 7,300 ratio of takes to reserves during the third year of the contract.

(g) The sale authorized in Docket No. CI69-260 shall be made at the initial rate of 17 cents per Mcf at 14.65 p.s.i.a., subject to upward and downward B.t.u. adjustment. Further, the certificate is conditioned by limiting the buyer's daily take-or-pay obligation to a 1 to 3,650 ratio of takes to reserves during the first 2 years of the contract.

(h) The sale authorized in Docket No. CI69-551 shall be made at the initial rate of 17 cents per Mcf at 14.65 p.s.i.a., including tax reimbursement, and subject to upward and downward B.t.u. adjustment.

(i) The sale authorized in Docket No. CI69-581 shall be made at the initial rate of 17 cents per Mcf at 14.65 p.s.i.a., subject to upward and downward B.t.u. adjustment. Further, the certificate is conditioned by limiting buyer's daily take-or-pay obligation to a 1 to 7,300 ratio of takes to reserves during the first 2 years of the contract.

(F) Applicant in Docket No. CI69-664 shall file a billing statement for a recent month's service as required by the regulations under the Natural Gas Act.

(G) The orders issuing certificates in Dockets Nos. G-3113, G-3173, G-6690, G-7180, G-11580, G-16218, CI63-914, CI65-1145, CI66-239, CI66-395, CI66-1036, CI68-518, and CI68-1148 are amended by adding thereto or deleting therefrom authorization to sell natural gas as described in the tabulation herein.

(H) The orders issuing certificates in the following dockets are amended to reflect the deletion of acreage where new certificates are issued herein or existing certificates are amended herein to authorize service from the subject acreage:

Amend to delete acreage	New certificate and/or amendment to add acreage
G-7526	CI66-1036
G-8816	CI66-239
G-10757	CI69-629
CI60-686	CI66-1036
CI67-1746	CI69-676
CI69-353	CI69-652

(I) The orders issuing certificates in Dockets Nos. G-2723 and G-8807 are amended to reflect the change in corporate name as indicated in the tabulation herein.

(J) The orders issuing certificates in Dockets Nos. G-9963, CI65-790, and CI 68-1439 are amended by substituting the successors in interest as certificate holders.

(K) Permission for and approval of the abandonment of service by Applicants, as hereinbefore described, all as more fully described in the applications and in the tabulation herein are granted.

(L) Permission for and approval of the abandonment in Docket No. CI69-640 shall not be construed to relieve Applicant of any refund obligations incurred in the related rate suspension proceedings pending in Dockets Nos. RI66-127, RI67-98, and RI68-184.

(M) Permission for and approval of the abandonment in Docket No. CI69-654 shall not be construed to relieve Applicant of any refund obligations incurred in the related rate suspension proceedings pending in Dockets Nos. RI66-329, and RI68-221.

(N) Applicant in Docket No. CI67-736 shall file a notice of cancellation of its FPC Gas Rate Schedule No. 2.

(O) The certificates heretofore issued in Dockets Nos. G-4329, G-12534, G-12994, G-13543, G-15124, and CI64-1401 are terminated.

(P) Nomoc Oil Co., Inc., is made a co-respondent in the proceeding pending in Docket No. RI68-444, and the proceeding is redesignated accordingly.

(Q) Within 30 days from the issuance of this order, Nomoc Oil Co., Inc., shall execute, in the form set out below, and shall file with the Secretary of the Commission an acceptable agreement and undertaking in Docket No. RI68-444 to assure the refund of any amounts collected by it, together with interest at the rate of 7 percent per annum, in excess of the amount determined to be just and reasonable in said proceeding. Unless notified to the contrary by the Secretary of the Commission within 30 days from the date of submission, such agreement and undertaking shall be deemed to have been accepted for filing.

(R) Nomoc Oil Co., Inc., shall comply with the refunding and reporting procedure required by the Natural Gas Act and § 154.102 of the regulations thereunder, and the agreement and undertaking filed by Nomoc in Docket No. RI68-444 shall remain in full force and effect until discharged by the Commission.

(S) The rate schedules and rate schedule supplements related to the authorizations granted herein are accepted for filing or are redesignated, all as described in the tabulation herein.

By the Commission.

[SEAL] GORDON M. GRANT,  
Secretary.

Docket No. and date filed	Applicant	Purchaser, field, and location	FPC rate schedule to be accepted	
			Description and date of document	No. Supp.
G-2723 1-2-69 <sup>1</sup>	Holly Resources Corp. (formerly Holly Oil Co.)	Mountain Fuel Supply Co., South Baxter Field, Sweetwater County, Wyo.	Holly Oil Co., FPC GRS No. 3. Supplements Nos. 1-5. Notice of name change 12-24-68. Effective date: 11-1-68.	3 3 1-5
G-3113 (C869-16) D <sup>2</sup>	Humble Oil & Refining Co. (Operator) et al.	El Paso Natural Gas Co., Cooper Jal Field, Lea County, N. Mex.	Notice of partial cancellation 2-4-69. <sup>3,4</sup>	31 15
G-3173 D 1-2-69	Husky Oil Co. of Delaware (formerly Husky Oil Co.)	El Paso Natural Gas Co., Evensen Well, Gallegos-Gallup Pool, San Juan County, N. Mex.	Notice of partial cancellation 2-3-69. <sup>4,5</sup>	16 7
G-6690 C 11-12-68 <sup>4</sup>	Dilmur Oil Co.	Equitable Gas Co., Southwest District, Doddridge County, W. Va.	Letter agreement 7-18-68. <sup>7</sup>	2 6
G-7100 D 1-13-69	Gulf Oil Corp. (Operator) et al.	Northern Natural Gas Co., Eumont Pool, Lea County, N. Mex.	Notice of partial cancellation 1-13-69. <sup>4,5</sup>	15 37
G-8807 1-2-69 <sup>1</sup>	Holly Resources Corp. (formerly Holly Oil Co.)	Colorado Interstate Gas Co., a division of Colorado Interstate Corp., Greenwood Field, Morton County, Kans.	Holly Oil Co., FPC GRS No. 2. Supplements Nos. 1-4. Notice of name change 12-24-68. Effective date: 11-1-68.	2 2 1-4
G-9063 E 11-22-68	Helen Gholson Cherry et al. (successor to A. W. Cherry).	Natural Gas Pipeline Co. of America, Camrick Southeast Gas Pool, Texas County, Okla.	A. W. Cherry, FPC GRS No. 1. Supplement No. 1. Notice of succession 11-20-68. Court order 5-15-68. <sup>1</sup> Effective date: 5-15-68.	1 1 1 1 2
G-11260 C 10-14-68	Sohlo Petroleum Co. (Operator) et al. <sup>3</sup>	Northern Natural Gas Co., Bilineby Gas Unit, Lea County, N. Mex.	Agreement 8-27-68. <sup>10,11</sup>	63 9
G-16218 D 12-12-68	Gulf Oil Corp. (Operator) et al.	Transwestern Pipeline Co., acreage in Beaver and Harper Counties, Okla.	Notice of partial cancellation 12-10-68. <sup>2</sup> Notice of partial cancellation 12-10-68. <sup>4,5</sup>	196 48 196 49
CI63-914 C 12-11-68 1-6-69 <sup>4,11</sup>	Getty Oil Co.	Michigan Wisconsin Pipe Line Co., Southwest Cedardale Field, Woodward County, Okla.	Amendatory agreement 11-15-68. <sup>7</sup>	124 4
CI65-736 E 1-14-69	Crystal Oil & Land Co. (successor to W. H. Doran, Jr.)	United Gas Pipeline Co., Lou Ella Field, San Patricio County, Tex.	W. H. Doran, Jr., FPC GRS No. 1. Supplements Nos. 1-6. Notice of succession 1-9-69. Assignment 10-11-68. <sup>12</sup> Supplemental agreement 10-11-68. Statement & agreement 12-2-68. <sup>7,14</sup>	22 22 1-6 22 7 419 11
CI65-1145 C 12-4-68 <sup>4</sup>	Pan American Petroleum Corp. <sup>12</sup>	Arkansas Louisiana Gas Co., North McCurtain Field, Haskell County, Okla.	Statement & agreement 12-2-68. <sup>7,14</sup>	419 1 to 11
CI65-1145 C 12-16-68 <sup>4</sup>	do <sup>12</sup>	Arkansas Louisiana Gas Co., South Bokoshe Field, Le Flore County, Okla.	Supplemental agreement 12-2-68. Statement & agreement 12-11-68. <sup>7,14</sup>	419 12 419 1 to 12
CI65-1145 C 1-21-69 <sup>4</sup>	do <sup>12</sup>	Arkansas Louisiana Gas Co., Wilburton Field, Pittsburg County, Okla.	Supplemental agreement 12-30-68. Statement & agreement 1-20-69. <sup>7,14</sup>	419 13 419 1 to 13
F CI66-239 (G-8816) C 12-16-68	Joseph F. Fritz (Operator) et al.	United Gas Pipe Line Co., Pistol Ridge Field, Pearl River County, Miss.	Assignment 11-15-68. <sup>13</sup> Effective date: 8-29-68.	1 15
(G-8816) <sup>13</sup>	Humble Oil & Refining Co.	do	Notice of partial cancellation 11-15-68. <sup>14</sup> Effective date: 2-9-69.	110 17
CI66-395 C 1-13-69 <sup>6</sup>	H. K. Keene et al.	El Paso Natural Gas Co., Ballard Pictured Cliffs Field, Sandoval County, N. Mex.	Assignment 8-13-68. <sup>7,17</sup>	1 9
F CI66-1036 (G-7326) (CI66-686) C 7-23-68	J. Gregory Merrion et al. (successor to Pan American Petroleum Corp. and Beta Development Co.)	El Paso Natural Gas Co., Flora Vista Mesa Verde, San Juan County, N. Mex.	Assignment 9-26-66. <sup>15</sup> Assignment 10-11-66. <sup>16</sup> Assignment 2-7-67. <sup>18</sup> Assignment 2-7-67. <sup>18</sup> Assignment 3-25-68. <sup>11</sup> Supplement 7-15-68. <sup>22,23</sup> (13)	7 6 7 7 7 8 7 9 7 10 7 11
CI67-736 (G-4329) B 11-25-68	S. C. Canary et al.	Lone Star Gas Co., Katie Field, Garvin County, Okla.		11 2
CI68-518 C 1-21-69 <sup>4</sup>	Parlay Oil Inc.	Michigan Wisconsin Pipe Line Co., Wildcat Field, Seward County, Kans.	Amendatory agreement 11-29-68.	1 2
CI68-1148 C 1-21-69 <sup>4</sup>	Appalachian Exploration & Development, Inc.	United Fuel Gas Co., Poca and Union Districts, Kanawha County, W. Va.	Supplemental agreement 12-3-68. <sup>1</sup>	2 7

Filing code: A—Initial service.  
B—Abandonment.  
C—Amendment to add acreage.  
D—Amendment to delete acreage.  
E—Succession.  
F—Partial succession.

See footnotes at end of table.



- <sup>11</sup> Applicant filed a revised billing statement to reflect the rate of 17 cents per Mcf subject to upward and downward B.T.U. adjustment in lieu of the originally filed rate of 15 cents.
- <sup>12</sup> Conveys acreage from W. H. Doran, Jr., to Crystal Oil and Land Company.
- <sup>13</sup> By letter dated Jan. 24, 1969, Applicant agreed to accept permanent authorization for the additional acreage at an initial rate of 15.0 cents per Mcf including tax reimbursement. Applicant will accept permanent authorization conditioned to the final outcome of the proceedings in Docket No. R-338.
- <sup>14</sup> Statement complying with Orders Nos. 334 and 334-A providing for 5-year makeup.
- <sup>15</sup> Transfers properties from Humble Oil & Refining Co. to Joseph F. Fritz. Acreage presently dedicated to contract dated Apr. 15, 1959, between Humble and United Gas Pipe Line Co., designated Humble Oil & Refining Co. FPC GRS No. 110.
- <sup>16</sup> No certificate filing made or necessary; only the related rate filing is being accepted for filing by this order.
- <sup>17</sup> Conveys acreage from Cities Service Oil Co. and Reynolds Mining Corp. to H. K. Kessen to a depth of 2,996 feet.
- <sup>18</sup> From Pan American Petroleum Corp. (on file as Pan American Petroleum Corp. FPC GRS No. 117, Docket No. G-7826) to J. Gregory Merriam et al.
- <sup>19</sup> From Texas Eastern Transmission Corp. to J. Gregory Merriam et al.
- <sup>20</sup> From Beta Development Co. (on file as Beta Development Co. FPC GRS No. 1, Docket No. C160-686) to J. Gregory Merriam et al.
- <sup>21</sup> From El Paso Natural Gas Co. to J. Gregory Merriam et al.
- <sup>22</sup> Waives 1-cent minimum guarantee for liquid products.
- <sup>23</sup> Effective date: Date of transfer of properties.
- <sup>24</sup> Source of gas depleted.
- <sup>25</sup> Notice of cancellation not submitted. Sale involved is covered by Applicant's FPC GRS No. 2.
- <sup>26</sup> Amendment to add acreage submitted by the predecessor, John H. Hill (Operator) et al.
- <sup>27</sup> Complies with temporary certificate issued Jan. 6, 1969; Applicant states willingness to accept a permanent certificate with a condition limiting buyer's take-or-pay obligation for the first 2 years to a quantity based on a 1 to 2,650 ratio of reserves.
- <sup>28</sup> By letter dated Nov. 25, 1968 (filed Nov. 27, 1968), Applicant advised willingness to accept a permanent certificate conditioned as Opinion No. 468, as modified by Opinion No. 468-A.
- <sup>29</sup> Complies with temporary certificate issued Nov. 27, 1968; Applicant states willingness to accept a permanent certificate conditioned to 15 cents per Mcf subject to B.T.U. adjustment, limiting buyer's take-or-pay obligation during the third year of the contract to a 1 to 7,300 ratio of takes to reserves and to the boundary change provision as in Opinion No. 446.
- <sup>30</sup> Contract rate is 16.015 cents per Mcf; however, Applicant filed for an initial rate of 15 cents per Mcf.
- <sup>31</sup> Complies with temporary certificate issued Jan. 17, 1969; Applicant states willingness to accept a permanent certificate conditioned to an initial rate of 17 cents including tax reimbursement and subject to upward and downward B.T.U. adjustment.
- <sup>32</sup> Complies with temporary certificate issued Jan. 10, 1969; also advises of willingness to accept a permanent certificate conditioned to an initial rate of 15 cents per Mcf including tax reimbursement and subject to B.T.U. adjustment and to the boundary change provision as in Opinion No. 446.
- <sup>33</sup> Accepts conditioned temporary certificate issued; by letter dated Jan. 20, 1969, Applicant stated willingness to accept a permanent certificate conditioned to an initial rate of 17 cents per Mcf adjusted for B.T.U. content and limiting buyer's take-or-pay obligation to a 1 to 7,300 ratio of takes to reserves during the first 2 contract years.
- <sup>34</sup> Sale being rendered without prior Commission authorization. Application amended Feb. 2, 1969, to show rate of 10 cents in lieu of originally proposed 13-cent rate. Service commenced at 10-cent rate.
- <sup>35</sup> Also on file as Sunray DX Oil Co. FPC GRS No. 120 (tentatively designated Sun Oil Co.) (DX Division) FPC GRS No. 120.
- <sup>36</sup> Reflects transfer of acreage from Sun Oil Co. to Applicant.
- <sup>37</sup> Rate of 15.7441 (includes 0.2441-cent tax reimbursement) in effect subject to refund in Docket No. RI68-184. Prior rates subject to refund in Dockets Nos. RI67-98 and RI69-127.
- <sup>38</sup> Predecessors never made filings to cover the subject sale. (Sale being rendered on June 7, 1954.)
- <sup>39</sup> Between Southern Oil Co. and Pennzoil Co. (now Pennzoil United, Inc.)
- <sup>40</sup> From Gawthrop Oil & Gas Producers, Inc., to Clarence M. Rogers.
- <sup>41</sup> From Clarence M. Rogers to Mark IV Oil & Gas Producers, Inc.
- <sup>42</sup> Presently on file as W. H. Doran, Jr., FPC GRS No. 3.
- <sup>43</sup> Conveys acreage from W. H. Doran, Jr., to Crystal Oil & Land Co.
- <sup>44</sup> Rate increase from 11 cents to 12 cents effective subject to refund in Docket No. RI66-329; rate increase from 12 cents to 13 cents effective subject to refund in Docket No. RI68-221.
- <sup>45</sup> Provides for a term of 18 months from date of connection. If wells are capable of producing commercial quantities a new agreement will be executed.
- <sup>46</sup> Dedicates acreage to a depth of 8,900 feet.
- <sup>47</sup> On file as Buttes Gas & Oil Co., FPC GRS No. 1.
- <sup>48</sup> Conveys interest of Buttes Gas & Oil Co., to Applicant.
- <sup>49</sup> Adds acreage.

[F.R. Doc. 69-3523; Filed Mar. 26, 1969; 8:45 a.m.]

[Docket No. AR69-1]

## AREA RATE PROCEEDING

### Order Instituting Investigation and Proposed Rulemaking

MARCH 20, 1969.

By Opinion Nos. 546 and 546-A and accompanying orders we established just and reasonable rates for sales of natural gas in Southern Louisiana, including the offshore areas. In Opinion No. 546 we noted that the record in that proceeding did not contain separate cost figures for the results of drilling in the Federal domain or for offshore generally. (Mimeo p. 135). We expressly invited a petition to reconsider the far offshore rates (p. 138).

On January 8, 1969, the New York Public Service Commission filed a request that the Commission institute an investigation into the adequacy of gas reserves held or controlled by the major producers and pipelines, and the claims of a shortage of natural gas. In explaining its reasons why it believes an investigation is necessary, the New York Commission referred to a December 16, 1968, letter sent by the American Gas Associa-

tion to the Commission which it interprets as asserting that distributors and pipelines are being refused service by many producers on the ground that the prices found in our area decisions to be just and reasonable are inadequate. The New York Commission gave three reasons why such a refusal to serve, if it exists, is sufficiently serious to warrant formal investigation:

First, such a shortage, if proven on an evidentiary record, would require a review to determine the reasons therefor and the appropriate regulatory response thereto.

Second, to the extent that the actual or threatened withholding of gas was being used to coerce parties to FPC proceedings to modify their positions, it would be essential for the FPC to take corrective measures to protect the integrity of its processes.

Third, any group effort to fix the price at which natural gas shall be sold in interstate commerce, and any group refusal to sell gas to particular customers or groups of customers, would constitute "apparent violations of the Federal antitrust laws" which the Commission is obliged to call to the attention of the Attorney General under section 20(a) of the Natural Gas Act.

The New York Commission suggested that the scope of the investigation might appropriately be limited to the offshore area of Southern Louisiana, noting that because of the importance of

this area the need for reliable information with respect thereto is especially compelling. The Secretary of the Federal Power Commission issued public notice of the investigation recast on January 16, 1969, Docket No. RI69-470, inviting any interested persons to submit written comments thereon.

On January 22, 1969, certain producer-respondents in the Southern Louisiana area proceeding filed a joint motion<sup>1</sup> seeking a limited reopening of the record in Docket No. AR61-2. Movants ask the reopening be granted in order "to receive additional evidence demonstrating the substantial changes in supply-demand relationships for natural gas which have occurred since the record was closed over three years ago." Movants state that if a limited reopening is granted they would promptly tender evidence covering the following matters:

1. The unavailability of adequate gas supplies to satisfy present and reasonable anticipated future consumer demands.
2. The need for immediate corrective action due to the lead time required before improved producer price incentives can achieve higher levels of finding and development of new reserves.
3. The appropriate regulatory response to the present serious gas supply problem.
4. The significance and importance of revenues from flowing gas as a source of capital funds for the substantial new investments required to reverse the dangerous current trends in supply and demand.

As to the investigation requested by the New York Public Service Commission, movants ask that that investigation, if the request is granted, be consolidated in the proposed reopening of Docket No. AR61-2.

Additionally, in responding to various requests for further oral argument in Docket No. AR61-2, certain distributor interveners suggested that the Commission obtain additional evidence as to the need of revision of the offshore price applicable to future contracts.

In Opinion Nos. 546 and 546-A we noted our concern with respect to the adequacy of the evidence in the record relating to cost of gas produced in the Federal domain<sup>2</sup> along with our desire to encourage a continued active program of exploration in the area.<sup>3</sup> This in part led us to establish a series of price differentials between State domain and Federal domain production which is less than the amount of the State tax. Most importantly, however, we extended a clear invitation in the opinion for the filing of a petition to reconsider the far offshore rates whenever the parties believed that sufficient evidence was at

<sup>1</sup> The movants are listed in the motion as Texaco Inc., Gulf Oil Corp. and The British-American Oil Producing Co., Pan American Petroleum Corp., Shell Oil Co., Union Oil Company of California, and Humble Oil & Refining Co. Numerous other parties have subsequently filed similar motions or joined in the motion. Oppositions have also been filed.

<sup>2</sup> Mimeo pp. 129, 130, 135.

<sup>3</sup> Mimeo p. 135.

hand, or could be presented, to indicate a need for a change in price.

We observed in Opinion No. 546 that "certain input costs are higher in deep offshore waters than elsewhere" but that "Gas reserves data have not been satisfactorily correlated, however, with such costs" (mimeo p. 130). We similarly acknowledged the unsatisfactory status of available data on time lags and called on staff and interested parties "to undertake a more exhaustive inquiry . . . both nationally and for key production areas and subareas, such as the offshore Federal domain of Southern Louisiana." (Mimeo p. 38.) We believe that a further proceeding investigating the correlation between reserves found, including reserves not yet dedicated, and costs incurred in the offshore areas would be in the public interest. We shall therefore institute an investigation of offshore gas supply and costs associated therewith. The proceedings will encompass the offshore area described as Zones 2, 3, and 4 in the Interim Agreement between the United States and the State of Louisiana, dated October 12, 1956, as amended, excluding however lands awarded to the State of Louisiana by Supplemental Decree of the Supreme Court of the United States, entered December 13, 1965 (382 U.S. 288).<sup>4</sup>

If, as a result of this investigation and rulemaking proceeding, higher rates are established for fourth vintage gas-well gas sales from the area encompassed herein, we anticipate that we shall amend the just and reasonable ceilings to have prospective application to third vintage offshore gas-well gas rates,<sup>5</sup> and that such new rates will also govern refunds under contractually authorized increased rates filed for and made effective as a result of the modification of the Opinion 546 moratorium, but subject to the limits imposed in Opinion 546-A. The just and reasonable rate established by Opinion 546 and 546-A will, however, constitute a refund floor in connection with any increased rates filed as a result of the lifting of the moratorium on offshore third vintage production. As noted in Opinion No. 546-A, if a lower rate is established for fourth-vintage contracts than the third-vintage price, such lower area rate will not be applied to deliveries thereafter made under the third-vintage contracts.

The rapid growth in the offshore area has meant that large expenditures have been made for leases and drilling in this area in recent years. Production of much of the gas discovered, however, is in an early build-up stage. The data required

for the correlation of gas reserves found in offshore Southern Louisiana with the costs associated therewith are in the possession of the lessees in the offshore area. For the purpose of determining the lag period between investment and production, and the unit costs incurred during the build-up period to full production, it would appear to be necessary to obtain hydrocarbon reserve, production, and cost data by leases. Rather than prescribing a procedure for reporting such data or for staff field studies, we shall provide for a conference or conferences of interested parties and the staff and after consideration of conference discussions, we shall issue further orders with respect to the matters involved in this proceeding. We are interested not only in experienced cost-finding relationships, but also in the general question of potential supply in the area.

The various pleadings filed with us assert a critical supply situation exists which requires prompt remedial action. We shall therefore expect the utmost cooperation of the parties to the end that necessary data be promptly reported and the hearings, if any, be expeditiously completed.

In order that we may have complete information respecting the Southern Louisiana area and in order to avoid cumulative evidence, we shall incorporate in this proceeding by reference the entire record in Docket No. AR61-2.

Any rule adopted as a result of this proceeding will be applicable to all future independent producer sales of natural gas from the offshore area. While we desire data from pipeline producers in the offshore area, the rate treatment accorded such production will be consistent with our treatment of such production in the Pipeline Production Area Rate Case, Docket No. RP66-24. A list of respondents including the purchasers of offshore leases natural-gas companies having rate schedules on file for this area and pipelines operating in the area is attached. Evidentiary hearings should be held to the extent that factual controversies arise.

The Commission finds: It is necessary and appropriate for purposes of carrying out the provisions of the Natural Gas Act, particularly but not in limitation of the foregoing, sections 5, 8, 10, 14, and 16 thereof, that an investigation, hearing, and rulemaking proceeding be instituted to determine whether the just and reasonable area ceiling rates prescribed in Opinion Nos. 546 and 546-A which are applicable to sales of third vintage gas-well gas from the offshore Southern Louisiana area encompassed by this proceeding should be raised and any such increased ceiling made applicable to sales of such third vintage gas-well gas being made subject to refund pursuant to increased rate filings authorized by ordering paragraph (A) of Opinion No. 546-A, and whether fourth vintage area rate ceilings should be established applicable to sales of gas-well gas from the area encompassed herein pursuant to contracts dated at some date after the final order in this proceeding to be specified herein.

The Commission orders:

(A) An investigation and rulemaking proceeding is instituted concerning the issues specified in the above finding and a conference shall be held concerning the same as hereinafter provided. Unless otherwise ordered by the Commission, the proceedings shall encompass the offshore area described as Zones 2, 3, and 4 in the Interim Agreement between the United States and the State of Louisiana, dated October 12, 1956, as amended, excluding lands awarded to the State of Louisiana by Supplemental Decree of the Supreme Court of the United States entered December 13, 1965 (382 U.S. 288).

(B) The purchasers of offshore leases, natural-gas companies having rate schedules in the area and pipelines operating in the area as listed in Appendix A are made respondents in this proceeding.

(C) A conference will be held at the Commission offices at 441 G Street NW., Washington, D.C., between respondents, interveners, and Commission staff concerning the issues and procedures to be followed. The Chief Examiner, or an Examiner designated by him, shall preside at the hearing hereby called and shall prescribe the date thereof. Upon completion of this conference and any other conferences which may be deemed necessary, a transcript thereof shall be transmitted to the Commission for further action.

(D) Any party who has intervened in Docket No. AR61-2 may become an intervener in this proceeding by filing notice thereof within 30 days of the date of issuance hereof in the manner provided by § 1.8(a)(1) of the Commission's rules of practice and procedure. Other persons may within such 30 days file petitions to intervene or notices of intervention as provided by § 1.8 of the rules of practice and procedure.

(E) In order that the issues involved herein may be properly determined, offshore lessees are hereby directed pursuant to the provisions of sections 8, 10, and 14 of the Natural Gas Act to grant to authorized members of the staff of the Federal Power Commission, during regular business hours, free access to their property and access to and the right to inspect and examine all of their accounts, records, and memoranda including, but not limited to, the books, papers, correspondence, contracts, agreements, maps, reports of engineers, logs, and other data pertinent to the investigation herein authorized and upon staff request shall furnish copies of such material to the staff.

(F) The Secretary shall cause a copy of this order to be published in the FEDERAL REGISTER and served upon each of the respondents set out in Appendix A and upon interested State Commissions as is provided for in § 1.19 of the Commission's rules of practice and procedure.

By the Commission.<sup>1</sup>

[SEAL] GORDON M. GRANT,  
Secretary.

<sup>1</sup> Commissioner Carver's concurring statement filed as part of the original document.

<sup>4</sup> The parties will be free at the conference hereafter set to raise the issue whether such geographical demarcation should be changed. See Area Rate Proceeding (Texas Gulf Coast Area), 31 FPC 922; Area Rate Proceeding (Other Southwest Area), 38 FPC 1135. In case of any change of demarcation line we would, of course, consider a prospective change of the moratorium fixed in Opinion No. 546-A for on-shore third vintage gas.

<sup>5</sup> This provision is equally applicable to those contracts executed prior to Oct. 1, 1968, which under the special relief granted by Opinion No. 546-A are treated as having been executed on or after Oct. 1, 1968.

## APPENDIX A

- Amerada Petroleum Corp., Post Office Box 2040, Tulsa, Okla. 74101.
- Apco Oil Corp., Liberty Bank Building, Oklahoma City, Okla. 73102.
- Atlantic Richfield Co., Post Office Box 2819, Dallas, Tex. 75221.
- Austral Oil Co., Inc., 2700 Humble Building, Travis at Bell, Houston, Tex. 77002.
- British American Oil Producing Co., c/o W. E. Schoeneck, Vice President, Post Office Box 749, Dallas, Tex. 75221.
- Cabot Corp., Post Office Box 1101, Pampa, Tex. 79068.
- California Oil Co., a division of Chevron Oil Co., 800 The California Company Building, 1111 Tulane Avenue, New Orleans, La. 70112.
- Cal-Ky Pipe Line Co., Fourth and Walnut Streets, Post Office Box 1446, Louisville, Ky. 40202.
- Chandeleur Pipe Line Co., Starks Building, Fourth and Walnut, Louisville, Ky. 40402.
- Cities Service Oil Co., Cities Service Building, Bartlesville, Okla. 74003.
- Colorado Oil and Gas Corp., Box 749, Denver, Colo. 80201.
- Columbia Gas System, Inc., 120 East 41st Street, New York, N.Y. 10017, Attention: John W. Partridge, President.
- Columbia Gulf Transmission Co., Box 683, Houston, Tex. 77001.
- Columbia Offshore Pipe Line Co., 915 Coolidge Boulevard, Lafayette, La. 70501.
- Consolidated Gas Supply Corp., 445 West Main Street, Clarksburg, W. Va. 26302.
- Consolidated Natural Gas Co., H. B. Griffith, Jr., Consolidated Natural Gas Service Co., 4 Gateway Center, Pittsburgh, Pa. 15222.
- Continental Oil Co., Post Office Box 2197, Houston, Tex. 77001.
- Dixilyn Drilling Corp., Post Office Box 3427, Odessa, Tex. 79760.
- El Paso Natural Gas Co., El Paso Natural Gas Building, Box 1492, El Paso, Tex. 79999.
- Essex Royalty Corp., 285 Madison Avenue, New York, N.Y. 10017.
- Felmont Oil Corp., 285 Madison Avenue, New York, N.Y. 10017.
- Florida Gas Transmission Co., Post Office Box 44, Winter Park, Fla. 32789.
- Forest Oil Corp., 1300 National Bank of Commerce Building, San Antonio, Tex. 78205.
- General American Oil Company of Texas, Meadows Building, Dallas, Tex. 75206.
- General Crude Oil Co., Post Office Box 2252, Houston, Tex. 77001.
- Geological, Geophysical Associates, Inc., 1140 Oil and Gas Building, New Orleans, La. 70112.
- Getty Oil Co., Post Office Box 1404, Houston, Tex. 77001.
- Gulf Oil Corp., Post Office Box 1583, Tulsa, Okla. 74102.
- Hamilton Brothers Oil Co., 1517 Denver Club Building, Denver, Colo. 80202.
- Hanna Mining Co., 100 Erie View Plaza, Cleveland, Ohio 41114.
- Highland Oil Co., 12th Floor, San Jacinto Building, Houston, Tex. 25276.
- Humble Gas Transmission Co., 1700 Commerce Building, New Orleans, La. 70112.
- Humble Oil & Refining Co., Post Office Box 2180, Houston, Tex. 77001.
- Hunt Oil Co., 1401 Elm Street, Dallas, Tex. 75202, Attention: Sidney Latham, Vice President.
- Jupiter Corp., 208 South La Salle Street, Chicago, Ill. 60602.
- Kern County Land Co., Post Office Box 2511, Houston, Tex. 77001.
- Kerr-McGee Corp., Kerr-McGee Building, Oklahoma City, Okla. 73102.
- Keweenaw Oil Co., Post Office Box 2239, Tulsa, Okla. 74101.
- Louisiana Land & Exploration Co., Post Office Box 60350, New Orleans, La. 70150.
- Marathon Oil Co., 539 South Main Street, Findlay, Ohio 45840.
- J. Ray McDermott & Co., Inc., 14th Floor, Houston Club Building, Houston, Tex. 77002.
- McWood Corp., 203 Oil and Gas Building, Abilene, Tex. 79601, Attention: Ray McGlothlin, Jr., Vice President.
- Metals Service Co., 1006 Southwest Tower, Houston, Tex. 77002.
- Michigan Wisconsin Pipe Line Co., 1 Woodward Avenue, Detroit, Mich. 48226.
- Mississippi River Corp., 9900 Clayton Road, St. Louis, Mo. 63124.
- Mobil Oil Corp., Post Office Box 2444, Houston, Tex. 77001.
- Monsanto Co., 1300 Main Street, Houston, Tex. 77002.
- Murphy Oil Corp., 200 Jefferson Avenue, El Dorado, Ark. 71730.
- Natural Gas and Oil Corp., 1315 Richards Building, New Orleans, La. 70112.
- Natural Gas Pipe Line Company of America, 122 South Michigan Avenue, Chicago, Ill. 60603.
- Newmont Oil Co., 1300 Main at Polk, Houston, Tex. 77002.
- Ocean Drilling & Exploration Co., 303 Murphy Building, El Dorado, Ark. 71730.
- Offshore Operators, Inc., 215 Niels Esperson Building, Houston, Tex. 77002.
- Oil & Gas Futures, Inc., 2200 South Post Oak Road, Suite 700, Houston, Tex. 77027.
- Pan American Petroleum Corp., Pan American Building, Post Office Box 591, Tulsa, Okla. 74101.
- The Peoples Natural Gas Co., 445 West Main Street, Clarksburg, W. Va. 26302.
- Phillips Petroleum Co., Phillips Petroleum Building, Bartlesville, Okla. 74004.
- Placid Oil Co., 2500 First National Bank Building, Dallas, Tex. 75202.
- The Preston Oil Co., Post Office Box 1350, Houston, Tex. 77001.
- St. Helens Petroleum Corp., c/o Ocean Drilling and Exploration Co., Agent, Caribe Building, 2475 Canal Street, New Orleans, La. 70119.
- Samedan Oil Corp., Post Office Box 959, Ardmore, Okla.
- Sea Robin Pipeline Co., Box 1407, Shreveport, La. 71102.
- Joseph E. Seagram & Sons, Inc. d.b.a. Texas Pacific Oil Co., Post Office Box 747, Dallas, Tex. 75221.
- Shell Oil Co., 50 West 50th Street, New York, N.Y. 10020.
- Signal Oil & Gas Co., Post Office Box 17126, Foy Station, Los Angeles, Calif. 90017.
- Sinclair Oil Corp., Post Office Box 521, Tulsa, Okla. 74101.
- Skelly Oil Co., Post Office Box 1650, Tulsa, Okla. 74101.
- Sohio Petroleum Co., 970 First National Office Building, Oklahoma City, Okla. 73102.
- Southern Natural Gas Co., Post Office Box 2563, Birmingham, Ala. 35202.
- Sun Oil Co., 1608 Walnut Street, Philadelphia, Pa. 19103.
- Sunray DX Oil Co., Post Office Box 2039, Tulsa, Okla. 74101.
- The Superior Oil Co., Post Office Box 1521, Houston, Tex. 77001.
- Tenneco Oil Co., Post Office Box 2511, Houston, Tex. 77001.
- Tennessee Gas Pipeline Co., Post Office Box 2511, Houston, Tex. 77001.
- Texaco, Inc., Gas Division, Post Office Box 52332, Houston, Tex. 77052.
- Texas Eastern Transmission Corp., Box 2521, Houston, Tex. 77001.
- Texas Gas Exploration Corp., 555 Main Building, 1212 Main Street, Houston, Tex. 77002.
- Texas Gas Transmission Corp., 3800 Fredelca Street, Owensboro, Ky. 42301.
- Transcontinental Gas Pipe Line Corp., Box 1396, Houston, Tex. 77001.
- Trunkline Gas Co., Post Office Box 1642, Houston, Tex. 77001.
- Union Carbide Petroleum Corp., 1200 Travis, Suite 912, Houston, Tex. 77002.
- Union Oil Company of Calif., Manager Natural Gas & Gasoline Department, Union Oil Center, Los Angeles, Calif. 90017.
- Union Producing Co., 1535 Fairfield Avenue, Shreveport, La. 71101.
- Union Texas Petroleum, a Division of Allied Chemical Corp., Post Office Box 2120, Houston, Tex. 77001, Attention: Gas Department.
- United Fuel Gas Co., 1033 Quarrier Street, Charleston, W. Va. 25301.
- United Gas Pipe Line Co., Post Office Box 1407, Shreveport, La. 71102.
- Zapata Offshore Co., 1701 Houston Club Building, Houston, Tex. 77002. (Now Apache Oil Co.)

[F.R. Doc. 69-3569; Filed, Mar. 26, 1969; 8:45 a.m.]

[Docket No. CP67-340, CP69-75]

### CITIES SERVICE GAS CO. AND CITY OF PLATTSBURG, MO.

#### Order Upon Reconsideration and Consolidating Proceedings for Hearing

MARCH 21, 1969.

On September 18, 1968, the City of Plattsburg, Mo. (Plattsburg), filed an application pursuant to section 7(a) of the Natural Gas Act requesting that the Commission issue an order directing Cities Service Gas Co. (Cities) to establish physical connection of its transmission facilities with the distribution system of Applicant. The Applicant further requested that Cities be required to construct certain of the connecting facilities under the latter's lateral line policy that was in effect when the Applicant filed its application.

Cities filed its answer on October 21, 1968, in which it contends that the lateral line policy contained in its FPC Gas Tariff, Fourth Revised Sheet No. 37, is not applicable to Plattsburg's application. Cities states that under the policy set forth in its Tariff that it will not build or contribute to the cost of building any sales laterals to resale customers.

On September 27, 1968, the Commission issued an order in the proceedings entitled Cities Service Gas Co., et al. Dockets Nos. CP67-340 et al., suspending the aforementioned proposed revised tariff sheet which proposes to change Respondent's lateral line policy from one that provides for a contribution to a policy of noncontribution. That order also sets the question of Cities' lateral line policy for hearing and consolidated it with the proceedings in Dockets Nos. CP67-340 et al.

By order issued September 27, 1968, the Commission also provided for the participation of Applicant, as an intervener, in the consolidated proceedings on the issue of Cities' lateral line policy.

By letter-order dated January 31, 1969, the Commission deferred hearing on the application pending resolution of the question of Cities' lateral line policy in the consolidated proceedings. This course of action was deemed desirable in view of the apparently controlling nature of the lateral line issue.

On February 27, 1969, the City of Plattsburg, Mo., filed the instant petition for rehearing and consolidation alleging, inter alia, that an emergency situation exists because it does not expect to be able to meet its needs from the existing supplies for the 1969-1970 winter heating season under normal or severe conditions. Inasmuch as Plattsburg potentially may suffer a shortage of gas due to pressure declines in its local supply of gas, and therefore needs a second supply prior to the 1969-1970 winter, the lateral line and pipeline design issues between it and Cities should be resolved as quickly as possible in the instant proceeding rather than in a future separate proceeding. Accordingly, it is appropriate to consolidate Applicant's pending 7(a) application with the above-entitled Cities' application.

The Commission orders: It is appropriate under the Natural Gas Act and the rules and regulations thereunder that the application filed by the City of Plattsburg in Docket No. CP69-75 be consolidated for hearing with the consolidated proceedings entitled Cities Service Gas Co., Docket No. CP67-340, et al., and it is so ordered.

By the Commission.

[SEAL] GORDON M. GRANT,  
Secretary.

[F.R. Doc. 69-3573; Filed, Mar. 26, 1969;  
8:46 a.m.]

[Docket No. CP69-243]

#### COLORADO INTERSTATE GAS CO.

##### Notice of Application

MARCH 21, 1969.

Take notice that on March 14, 1969, Colorado Interstate Gas Co., a division of Colorado Interstate Corp. (Applicant), Post Office Box 1087, Colorado Springs, Colo. 80901, filed in Docket No. CP69-243 an application, pursuant to section 7(c) of the Natural Gas Act, for a certificate of public convenience and necessity authorizing the construction and operation of facilities to purchase natural gas from the Wind River Basin of Wyoming, all as more fully set forth in the application which is on file with the Commission and open to public inspection.

Specifically, Applicant requests authority to construct and operate approximately 111.2 miles of 12-inch pipeline and associated facilities to transport natural gas from the Wind River Basin to Applicant's main transmission line at its Rawlins Compressor Station.

Applicant estimates its initial investment at \$4.6 million, which it proposes to finance from funds on hand, from operations, and from short term bank loans.

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 April 17, 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 protest or 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 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. 69-3575; Filed, Mar. 26, 1969;  
8:46 a.m.]

[Docket No. CP69-207]

#### CONSOLIDATED GAS SUPPLY CORP.

##### Notice of Amended Application

MARCH 20, 1969.

Take notice that on March 13, 1969, Consolidated Gas Supply Corp. (Applicant), 445 West Main Street, Clarksburg, W. Va. 26301, filed an amendment to its application previously filed herein on January 31, 1969, pursuant to section 7(c) of the Natural Gas Act for a certificate of public convenience and necessity authorizing Applicant to render increased natural gas storage service to an existing storage service customer. The application and amendment thereto are on file with the Commission and open to public inspection.

In its original application Applicant sought authority to increase the volume of natural gas to be stored by it for Transcontinental Gas Pipe Line Corp. (Transco) from a maximum of 13,575,000 Mcf for periods beginning April 1, 1969 to a maximum of 23,975,000 Mcf, and to increase Transco's maximum daily entitlement from 263,500 Mcf to 398,000 Mcf.

In its amended application, Applicant states that the increased volume of 23,975,000 Mcf assumed the elimination effective April 1, 1969, of a 1-year arrangement whereby an additional Storage Capacity Volume of 2 million Mcf had been made available to Transco in order to enable Transco to render an equivalent increased storage service to one of its customers. Applicant now proposes to continue this arrangement for an additional 1-year period and requests authority to store for Transco a maximum of 25,975,000 Mcf for the Storage Year beginning April 1, 1969, and a maximum of 23,975,000 Mcf for Storage Years beginning April 1, 1970, and thereafter, and to increase Transco's maximum daily entitlement to 398,500 Mcf.

Applicant further states that the construction and operation of additional Ellensburg storage pool and Finnefrock transmission compressor station facilities, for which authorization is to be sought in separate applications, are required to meet the normal growth in its winter seasonal requirements and to render the proposed increased storage service for Transco.

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 April 17, 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 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. 69-3574; Filed, Mar. 26, 1969;  
8:46 a.m.]

[Docket No. CP69-242]

#### CONSOLIDATED GAS SUPPLY CORP. ET AL.

##### Notice of Application

MARCH 21, 1969.

Take notice that on March 13, 1969, Consolidated Gas Supply Corp. (Consolidated), 445 West Main Street, Clarksburg, W. Va. 26301, Tennessee Gas Pipeline Co., a division of Tenneco Inc. (Tennessee), Post Office Box 2511, Houston, Tex. 77001, and United Natural Gas Co. (United), 308 Seneca Street, Oil City, Pa. 16301 (Applicants), filed in Docket No. CP69-242 an application pursuant to section 7(c) of the Natural Gas Act for a certificate of public convenience and necessity authorizing the construction and operation of certain natural gas storage facilities, all as more fully described in the application which is on file with the Commission and open to public inspection.

Specifically, Applicants propose the construction and operation of a 3,400 horsepower compressor unit, with auxiliary equipment and related piping, at the Ellensburg Compressor Station in Potter County, Pa., which Applicants state is jointly owned by and used for

the storage operations of Consolidated and Tennessee in the Ellisburg Storage Pool. In addition, Applicants propose the connection of 14 wells to the gathering system which is owned and used jointly by the three Applicants. Of these 14 wells, 13 would be new wells to be drilled, and one is an existing observation well.

Applicants estimate the total cost of the proposed facilities at \$3,575,371. The Applicants propose to split the costs, \$3,-284,740 to Consolidated and \$290,631 to United.

In addition, Applicants propose the addition of base gas to the Ellisburg Storage Pool in the amount of 3,111 Mcf for Consolidated and 3,389,000 Mcf for United.

The application states that additional top storage gas capacity is to be provided in amounts of 10,485,000 Mcf for Consolidated and 1 million Mcf for United. No additional capacity is proposed at this time for Tennessee. Applicants state that this proposed additional development of the Ellisburg Storage Pool is required to meet normal growth in Consolidated's and United's winter seasonal market requirements beginning in the 1969-70 winter and also to enable Consolidated to render a proposed increased storage service for Transcontinental Gas Pipe Line Corp.

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 April 18, 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 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 Applicants to appear or be represented at the hearing.

GORDON M. GRANT,  
Secretary.

[F.R. Doc. 69-3576; Filed, Mar. 26, 1969;  
8:46 a.m.]

[Dockets Nos. CP67-255, CP67-256]

**DELTA GAS, INC., AND PLAQUEMINES  
OIL AND GAS CO.**

**Order Consolidating Proceedings, Per-  
mitting Intervention, and Fixing  
Date of Prehearing Conference**

MARCH 21, 1969.

Each of the above proceedings concerns an application filed pursuant to

section 7(c) of the Natural Gas Act. Notice of the application in Docket No. CP67-255 was published in the FEDERAL REGISTER on March 15, 1967 (32 F.R. 4477). In Docket No. CP67-256, notice of the application was published March 16, 1967, in the FEDERAL REGISTER (32 F.R. 4514).

Delta Gas, Inc. (Delta) in Docket No. CP67-255 seeks a certificate of public convenience and necessity authorizing the transportation of natural gas for and on account of Plaquemines Oil and Gas Co., Inc. (Plaquemines), pursuant to a contract dated February 17, 1965. Plaquemines in Docket No. CP67-256 seeks a certificate of public convenience and necessity authorizing the sale of natural gas to Tennessee Gas Pipeline Co., a division of Tenneco, Inc. (Tennessee), pursuant to a contract of June 14, 1956, as amended.

Delta operates solely in Plaquemines Parish, La. Its gas system consists of 117.7 miles of 3/4-inch to 3-inch pipeline, stated to be distribution, and 26.3 miles of 4-inch and 6-inch pipeline claimed to be transmission. Delta purchases gas from United Gas Pipeline Co., Plaquemines and local producers. It sells gas directly to approximately 3,200 residential, commercial and industrial consumers, and to Peoples Utilities, Inc., for resale in Buras, La., in addition to transporting gas for the account of Plaquemines.

Plaquemines purchases gas at the well-head in the Potash Field, Plaquemines Parish, from Woods Oil and Gas Co. (Woods) and Humble Oil & Refining Co. (Humble). It sells gas to Shell Pipeline Co. and to Tennessee. Plaquemines also sells gas to Delta, and the deliveries to Shell and Tennessee are made by Delta for Plaquemines' account.

Delta and Plaquemines are affiliated companies, as the owners and officials are essentially the same persons.

The Public Service Commission of the State of New York filed a timely notice of intervention in both of the dockets herein, and the Brooklyn Union Gas Co. filed a timely petition to intervene in both dockets also. The New York Commission questions the rate justification submitted by Plaquemines. The Brooklyn Union Gas Co., a contract customer of Tennessee, believes the charge to Tennessee by Plaquemines is in excess of that required by the public convenience and necessity.

In addition to the issues raised by the intervenors, there are jurisdictional questions concerning whether certificate authority is needed by Delta and Plaquemines for the following services and sales because of the fact that gas destined for intrastate commerce will be commingled with gas for interstate consumption:

1. The transportation of gas by Delta for Plaquemines' account to Tennessee, and also to the Shell Pipeline Co. for Plaquemines.

2. The sale by Delta directly to consumers, and for resale to Peoples Utilities, Inc.

3. The sale by Plaquemines to Delta for resale, and the direct sale to Shell Pipeline Co.

The Commission finds:

(1) It is necessary and appropriate in carrying out the provisions of the Natural Gas Act that the matters in Dockets Nos. CP67-255 and CP67-256 be consolidated for hearing and decision.

(2) It is desirable and in the public interest to allow the above-named petitioners to intervene in these consolidated proceedings in order that the petitioners may establish the facts and the law from which the nature and validity of their alleged rights and interest may be determined and show what further action may be appropriate under the circumstances in the administration of the Natural Gas Act. The expeditious disposition of these proceedings will be effectuated by providing for a prehearing conference prior to the filing of evidence by any of the parties.

The Commission orders:

(A) The above-captioned proceedings are hereby consolidated for the purpose of hearing and decision.

(B) The above-named petitioners are hereby permitted to intervene in these consolidated proceedings subject to the rules and regulations of the Commission: *Provided, however*, That the participation of such intervenors shall be limited to matters affecting rights and interests as specifically set forth in said petitions for leave to intervene: *And provided, further*, That the admission of such intervenors shall not be construed as recognition by the Commission that they or any of them might be aggrieved because of any order or orders of the Commission entered in this proceeding.

(C) Pursuant to the provisions of 1.18 of the Commission's rules of practice and procedure, a prehearing conference shall be held before a hearing examiner of the Commission to be designated by the Chief Examiner, in order to consider the means by which the conduct of the consolidated proceedings may be facilitated and in order to determine further procedures including the dates for the submission of evidence and commencement of cross-examination. Such conference will be held in a hearing room of the Federal Power Commission, 441 G Street NW., Washington, D.C., commencing at 10 a.m., e.d.s.t., on April 23, 1969.

By the Commission.

[SEAL] GORDON M. GRANT,  
Secretary.

[F.R. Doc. 69-3577; Filed, Mar. 26, 1969;  
8:46 a.m.]

[Docket No. RP69-20]

**EL PASO NATURAL GAS CO.  
Order Regarding Tariff Sheets**

MARCH 20, 1969.

Order rejecting revised tariff sheets, accepting for filing proposed alternative revised tariff sheets, providing for hearing on and suspension for 1 day of the alternative sheets, and allowing the proposed alternative revised tariff sheets to become effective subject to refund, subject to conditions.

El Paso Natural Gas Co. (El Paso) on February 3, 1969, tendered for filing revised tariff sheets proposing changes in its FPC Gas Tariff, Original Volume No. 1.<sup>1</sup> The tendered tariff sheets are designed to supersede the tariff sheets filed by El Paso on September 6, 1968, which were suspended and the use thereof deferred, by our order issued October 4, 1968, in Docket No. RP69-6, until March 7, 1969, and which were made effective by El Paso's motion. El Paso requests permission under § 154.66(b) of our regulations to file the proposed revised tariff sheets.

The proposed changes in rates, which are of a uniform amount of 1.46 cents under the affected rate schedules,<sup>2</sup> would result in an estimated increase in jurisdictional revenues of \$15,576,115 annually above the increased jurisdictional revenues which resulted from the effectiveness of the rates suspended in docket No. RP69-6. El Paso requests an effective date of March 21, 1969.

The filing, including supporting material, indicates that El Paso is now incurring only a small portion of the potential increased purchased gas costs, which are the basis for El Paso's proposed rate increase. El Paso alleged an exposure to increased purchased gas costs of \$17,569,393 annually; but as of the date of the filing El Paso had actually experienced only \$36,628 of increase; and by further pleading of March 14, 1969, El Paso indicated an experienced increase of only \$587,346. Almost \$7 million of the claimed purchased gas cost increases have not been filed by the producers. Over \$4.5 million relate to increases that have been suspended until next May through July. The remainder relates to amounts which have been suspended and the suspension period having elapsed, may now be moved into effect; but these increases have not been so moved except for the amounts stated above. We conclude that on its face El Paso's filing shows that the proposed rate increase of 1.46 cents per Mcf should be disallowed. Accordingly, we reject the proposed revised tariff sheets.

Conceding that its proposed rate increase raised some problems, El Paso also submitted alternative tariff sheets to those identified above, which contain rates identical to its present rates, proposed and recently made effective in Docket No. RP69-6. El Paso requests that such alternative tariff sheets be suspended until March 22, 1969, 1 day

beyond their proposed effective date of March 21, 1969, and that, thereafter El Paso be permitted to file revisions in those tariff sheets from time to time to compensate it only for the increase in purchased gas costs which it actually sustains, up to an aggregate increase of 1.46 cents per Mcf.

Protests or motions to reject both the revised tariff sheets and the alternative revised tariff sheets were filed by the State of California and the Public Utilities Commission of the State of California (California), the city of Los Angeles, Southern California Gas Co., and Southern Counties Gas Company of California jointly, and Pacific Gas and Electric Co. The Public Service Commission of Nevada, the New Mexico Public Service Commission, Salt River Project Agricultural Improvement and Power District, San Diego Gas and Electric Co., and Southern Union Gas Co. all filed comments stating a preference for the alternative revised tariff sheets over the revised tariff sheets. Numerous other interested persons and governmental authorities filed petitions to intervene without specific comment about the particular features of El Paso's filing. On March 14, 1969, El Paso filed a response to the various protests and motions to reject.

The main points presented by the protesters are as follows: They state that it is uncertain whether and when El Paso will experience the increases in purchased gas costs. They also state that El Paso's filing does not include a recent cost of service as required by the Commission's regulations under the Natural Gas Act. They point out that changes in facilities, some already certificated, affect the cost of service and may offset the purchased gas costs which El Paso may experience. In addition, California points out that the alternative proposal allows filings without limit as to time, it fails to afford 30 days' notice for each increase thereunder, it calculates increases using base period volumes rather than more recent volumes consistent with the increased purchase gas costs which may occur, and no adjustment appears contemplated herein for any rate decision in Docket No. RP69-6. We note also that the alternative revised tariff sheets provide for purchased gas adjustments, contrary to § 154.38(c) of our regulations under the Natural Gas Act.

On March 14, 1969, El Paso responded to the protests. In the main, El Paso makes the following arguments: El Paso urges that the Commission's regulations do not require a whole new cost of service where a recent rate increase and cost of service are on file (Docket No. RP69-6) and there are no foreseeable material changes in costs other than purchased gas costs. El Paso also points out that several pipeline rate increases have been filed reflecting unexperienced increases in purchased gas costs, but the filings were not rejected. With regard to 30 days' notice, El Paso states that California has not suggested an alternative that would afford 30 days' notice. El

Paso denies that the Commission is foreclosed from adjusting the rates herein according to determinations in RP69-6.

In light of all the circumstances, it appears appropriate for us to waive the Commission's regulations and permit the filing of the alternative revised tariff sheets, subject to certain conditions. In light of potential offsets to any increased purchase gas costs, filings under the alternative revised tariff sheets should be permitted for only a limited time, until December 31, 1969. It should be made express herein that the rates filed will be subject to adjustment based on the determinations in Docket No. RP69-6. In effect, El Paso seeks to protect itself from exposure to major potential increases in purchased gas costs in its Permian supply area; that protection is most fairly afforded if based on recent volume data consistent with the occurrence of increases in producer rates, not based as El Paso proposes on volumes for the past period ending May 31, 1968. Finally, we have provided that rate increases under the alternative revised sheets would become effective only after 30 days' notice, as contemplated by the Natural Gas Act, so that our staff and other interested parties may review the filing and El Paso's customers will have some time to seek follow-up rate increases before their respective State commissions.

The rates and charges contained in the alternative revised tariff sheets, and all filings made under those alternative revised tariff sheets, have not been shown to be justified and may be unjust, unreasonable, unduly discriminatory, or preferential, or otherwise unlawful.

The Commission finds:

(1) Good cause exists to grant permission for the filing of the alternative revised tariff sheets tendered by El Paso on February 3, 1969.

(2) It is necessary and proper in the public interest and to aid in the enforcement of the provisions of the Natural Gas Act that the Commission accept the alternative revised tariff sheets tendered for filing on February 3, 1969, and enter upon a hearing concerning lawfulness of the rates and charges contained in El Paso's FPC Gas Tariff, Original Volume No. 1, as proposed to be amended by such alternative revised tariff sheets, and that the proposed alternative revised tariff sheets be suspended and the use thereof be deferred subject to the conditions herein provided.

The Commission orders:

(A) Pursuant to the authority of the Natural Gas Act, particularly sections 4 and 15 thereof, the Commission's rules of practice and procedure, and regulations under the Natural Gas Act (18 CFR Ch. I), the proposed alternative revised tariff sheets tendered for filing by El Paso on February 3, 1969, are hereby accepted for filing and a public hearing shall be held, on a date to be hereafter fixed, concerning the lawfulness of the rates, charges, classifications, and services contained in El Paso's FPC Gas Tariff, Original Volume No. 1, as proposed to be amended by such alternative revised tariff sheets including further filings to be made as provided in those tariff sheets.

<sup>1</sup> The proposed changes are set forth on the following proposed revised tariff sheets: 13th Revised Sheet No. 4; 15th Revised Sheet No. 6; 15th Revised Sheet No. 8; 17th Revised Sheet No. 10; 17th Revised Sheet No. 11; 12th Revised Sheet No. 11-A; 13th Revised Sheet No. 17; 13th Revised Sheet No. 18; 16th Revised Sheet No. 19; 10th Revised Sheet No. 27-B; 13th Revised Sheet No. 27-E; 11th Revised Sheet No. 27-I; 12th Revised Sheet No. 34, and 16th Revised Sheet No. 36.

<sup>2</sup> Under Rate Schedule G, applicable to contract demand service rendered by El Paso to distributor customers in the State of California, El Paso proposes to apply the 1.46-cent increase to the commodity component.

(B) Pending such hearing and decision thereon, the proposed alternative revised tariff sheets are hereby suspended and the use thereof deferred until March 22, 1969, and thereafter shall be effective upon the following conditions:

(1) El Paso may, from time to time until December 31, 1969, file with the Commission as a part of its FPC Gas Tariff, Original Volume No. 1, revised tariff sheets, in substitution for the alternative revised tariff sheets accepted hereby or for revisions therein made pursuant to this order, necessary to reflect increases or decreases in the rates thereunder based upon increases or decreases in the cost of El Paso's purchased gas, computed in accordance with the following provisions of this paragraph (B):

(2) Increases or decreases in El Paso's rates made pursuant to this order shall only reflect those changes in the cost of gas purchased by El Paso from those fields and from those sources in the Permian and adjacent areas identified in both Schedule No. N-11 of El Paso's filing herein ("Permian supply area") and under those FPC Gas Rate Schedules of suppliers now on file with this Commission and identified in Schedule No. N-11A of El Paso's filing herein ("supplier rate schedules"): *Provided, however*, that rates effective hereunder shall be adjusted to reflect any reduction of the rates effective subject to refund in Docket No. RP69-6 (which are equal to the rates initially effective in this proceeding): *Provided, further*, that otherwise only those increases under the supplier rate schedules, or any subsequent decreases thereunder, shall be used in the computation of increases or decreases in El Paso's rates made pursuant to this order; *And, provided further*, that the aggregate net increase in El Paso's rates made pursuant to this order shall not exceed 1.46 cents per Mcf (at 14.73 p.s.i.a.):

(3) No change in rates shall be made hereunder until the net change in the annualized cost of purchased gas in the Permian supply area under the supplier rate schedules, determined as herein provided, causes a total system increase in purchased gas costs of at least one-tenth of one cent (0.1¢) per Mcf (at 14.73 p.s.i.a.), based upon El Paso's total system test year gas sales for the 12-month period ending not less than 60 days and not more than 90 days preceding the effective date of El Paso's change in rate;

(4) The annualized cost of gas purchased by El Paso in the Permian supply area under each supplier rate schedule shall be determined by application of the rate then in effect thereunder to the volume of purchased gas during the 12-month period ending not less than 60 nor more than 90 days preceding the effective date of such El Paso increase or decrease, for each Permian rate schedule reflected in Schedule N-11 of El Paso's filing herein and in El Paso's filing in Docket No. RP69-6;

(5) The amount of any net change in the annualized cost of purchased gas in the Permian supply area shall be deter-

mined as the difference between the annualized cost of purchased gas, computed in accordance with the immediately preceding subparagraph (4), and the amount that would have been paid as determined by application of the last supplier rate used for a change in rates hereunder to the volume prescribed in subparagraph (4). For the purposes of the initial change in rates made hereunder, the base supplier rate to be applied to the volume prescribed above, subparagraph (4), shall be the supplier rate reflected in El Paso's Docket No. RP69-6. The amount per Mcf of any change in rates hereunder shall be determined by dividing the annual amount of the above change in costs by El Paso's total sales (Southern Division) made during the 12-month period used to determine the annualized cost of purchased gas (subparagraph (4)). Such change in rates shall be uniformly applied to all rate schedules affected by El Paso's filing herein and in the commodity component of Rate Schedule G of El Paso's FPC Gas Tariff, Original Volume No. 1, provided, however, that the aggregate net increase herein shall not exceed 1.46 cents per Mcf.

(6) Revised tariff sheets filed in accordance herewith shall become effective 30 days after filing or such later date as El Paso proposes.

(7) If, as a result of any final order of the Commission, not stayed by the Commission or the courts, El Paso shall receive refunds, including interest, under any supplier rate schedule applicable to increased rates collected thereunder which have been reflected in changes in El Paso's rates hereunder, El Paso shall refund the jurisdictional portion of all refunds received to its jurisdictional customers, without further interest, upon accumulation of \$1 million or more, except for the final refund which shall be made if, but only if, the total amount remaining refundable is fifty thousand (\$50,000) or more.

(C) As a condition of this order, El Paso shall execute and file in triplicate with the Secretary of this Commission, within twenty (20) days of the date of this order, its written agreement and undertaking to comply with the terms of paragraph (B) (7) hereof, signed by a responsible officer of the corporation, evidenced by proper authority from its board of directors, and accompanied by a certificate showing service of copies thereof upon all purchasers under the tariff sheets involved and upon all parties of record in this proceeding, as follows:

Agreement and undertaking of El Paso Natural Gas Co. to comply with the terms and conditions of paragraph (B) (7) of Federal Power Commission's order issued March 20, 1969, in Docket No. RP69-20.

In conformity with the requirements of the order issued March 20, 1969, in Docket No. RP69-20, El Paso Natural Gas Co., hereby agrees and undertakes to comply with the terms and conditions of paragraph (B) (7) of said order, and has caused this agreement and undertaking to be executed and sealed in its name by its officer, thereupon duly authorized in accordance with the terms of the resolution of its Board of Directors, a

certified copy of which is appended hereto, this day of \_\_\_\_\_, 1969.

El Paso Natural Gas Co.

By \_\_\_\_\_

Attest:

Secretary

(D) Permission is granted under § 154.66 of the Commission's regulations for the filing of the alternative revised tariff sheets accepted hereby.

(E) The other revised tariff sheets, filed herein, providing for a present increase of 1.46 cents per Mcf, are hereby rejected.

By direction of the Commission.

[SEAL] GORDON M. GRANT,  
Secretary.

[P.R. Doc. 69-3572; Filed, Mar. 26, 1969;  
8:46 a.m.]

[Docket No. CP62-154]

### EL PASO NATURAL GAS CO.

#### Notice of Petition to Further Amend

MARCH 21, 1969.

Take notice that on March 14, 1969, El Paso Natural Gas Company (Petitioner), Box 1492, El Paso, Tex. 79999, filed in Docket No. CP62-154 a petition to further amend the order of the Commission issued in said docket on October 17, 1962, as last amended October 31, 1968, to extend the period of an authorized sale of gas, all as more fully set forth in the petition which is on file with the Commission and open to public inspection.

Specifically, Petitioner was authorized to sell and deliver to Southern California Gas Company and Southern Counties Gas Company of California, under its rate schedule G-X-2, an average daily quantity of natural gas not to exceed 100,000 Mcf (14.73 psia) per day for the period continuing through April 30, 1969. Petitioner now asks that this period be extended through October 31, 1970.

Petitioner states that this authorization will enable Southern California Gas Company and Southern Counties Gas Company of California to meet their gas requirements pending commencement of deliveries authorized in the order accompanying Opinion No. 548, of October 30, 1968, in Docket No. CP67-217.

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 April 17, 1969.

GORDON M. GRANT,  
Secretary.

[P.R. Doc. 69-3578; Filed, Mar. 26, 1969;  
8:46 a.m.]

[Docket No. CP65-384]

### EL PASO NATURAL GAS CO.

#### Notice of Petition To Amend

MARCH 21, 1969.

Take notice that on March 17, 1969, El Paso Natural Gas Co. (Petitioner),

Post Office Box 1492, El Paso, Tex. 79999, filed in Docket No. CP65-384 a petition to amend the certificate of public convenience and necessity issued to it in that docket by order dated September 17, 1968, to authorize a sale of natural gas rather than an exchange, all as more fully set forth in the petition on file with the Commission and open to public inspection.

Specifically, Petitioner was authorized to exchange natural gas with Northern Natural Gas Co. (Northern) by delivering gas to Northern at the interconnection of their facilities in Grant County, Kans. Petitioner states that it desires to sell and deliver to Northern and Northern desires to purchase and receive from Applicant natural gas at the same interconnection, through June 30, 1970. Petitioner states that this will allow it to relieve its over-supply problem and at the same time will alleviate an over-production problem of Northern.

Petitioner proposes that the price paid by Northern for the gas delivered to it shall be the price that Petitioner pays its supplier, Sinclair Oil and Gas Co., from time to time, plus 4½ cents per Mcf, which Petitioner states will total 19½ cents initially.

Petitioner states it will make refunds to Northern if Sinclair Oil and Gas Co. should make refunds to Petitioner.

Petitioner also asks that the certificate be amended to authorize the installation at its Grant Compressor Station of one 4,000 horsepower compressor unit in lieu of the two 1,800 horsepower units now authorized. Petitioner states it has a 4,000 horsepower compressor unit in inventory which it proposes to use.

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 reg-

ulations under the Natural Gas Act (§ 157.10) on or before April 21, 1969.

GORDON M. GRANT,  
Secretary.

[F.R. Doc. 69-3579; Filed, Mar. 26, 1969;  
8:46 a.m.]

[Docket No. RI69-637]

### FERGUSON OIL CO. ET AL.

#### Order Providing for Hearing on and Suspension of Proposed Change in Rate, and Allowing Rate Change To Become Effective Subject to Refund

MARCH 21, 1969.

Respondent named herein has filed a proposed change in rate and charge of a currently effective rate schedule for the sale of natural gas under Commission jurisdiction, as set forth in appendix A hereof.

The proposed changed rate and charge may be unjust, unreasonable, unduly discriminatory, or preferential, or otherwise unlawful.

The Commission finds: It is in the public interest and consistent with the Natural Gas Act that the Commission enter upon a hearing regarding the lawfulness of the proposed change, and that the supplement herein be suspended and its use be deferred as ordered below.

The Commission orders:

(A) Under the Natural Gas Act, particularly sections 4 and 15, the regulations pertaining thereto (18 CFR Ch. I), and the Commission's rules of practice and procedure, a public hearing shall be held concerning the lawfulness of the proposed change.

(B) Pending hearing and decision thereon, the rate supplement herein is suspended and its use deferred until date shown in the "Date Suspended Until" column, and thereafter until made effec-

tive as prescribed by the Natural Gas Act: *Provided, however*, That the supplement to the rate schedule filed by Respondent shall become effective subject to refund on the date and in the manner herein prescribed if within 20 days from the date of the issuance of this order Respondent shall execute and file under its above-designated docket number with the Secretary of the Commission its agreement and undertaking to comply with the refunding and reporting procedure required by the Natural Gas Act and § 154.102 of the regulations thereunder, accompanied by a certificate showing service of a copy thereof upon the purchaser under the rate schedule involved. Unless Respondent is advised to the contrary within 15 days after the filing of its agreement and undertaking, such agreement and undertaking shall be deemed to have been accepted.<sup>1</sup>

(C) Until otherwise ordered by the Commission, neither the suspended supplement, nor the rate schedule sought to be altered, shall be changed until disposition of this proceeding or expiration of the suspension period.

(D) Notices of intervention or petitions to intervene may be filed with the Federal Power Commission, Washington, D.C. 20426, in accordance with the rules of practice and procedure (18 CFR 1.8 and 1.37(f)) on or before May 12, 1969.

By the Commission.

[SEAL] GORDON M. GRANT,  
Secretary.

<sup>1</sup> If an acceptable general undertaking, as provided in Order No. 377, has previously been filed by a producer, then it will not be necessary for that producer to file an agreement and undertaking as provided herein. In such circumstances the producer's proposed increased rate will become effective as of the expiration of the suspension period without any further action by the producer.

#### APPENDIX A

Docket No.	Respondent	Rate schedule No.	Supplement No.	Purchaser and producing area	Amount of annual increase	Date filing tendered	Effective date unless suspended	Date suspended until—	Cents per Mcf		Rate in effect subject to refund in Dockets Nos.
									Rate in effect	Proposed increased rate	
RI69-637..	Bill Ferguson d.b.a. Ferguson Oil Co. et al., 1505 Wichita Plaza Bldg., Wichita, Kans. 67202.	16		1 Panhandle Eastern Pipe Line Co. (Kingman County, Kans.).	\$331	2-27-69	3-30-69	3-31-69	15.0	16.0	

<sup>1</sup> Basic contract dated after Sept. 28, 1960, the date of issuance of general policy statement No. 61-1, and the proposed rate does not exceed area initial rate ceiling of 16 cents per Mcf.

<sup>2</sup> The stated effective date is the first day after expiration of the statutory notice.

<sup>3</sup> The suspension period is limited to 1 day.

<sup>4</sup> Periodic rate increase.

<sup>5</sup> Pressure base is 14.65 p.s.i.a.

Bill Ferguson doing business as Ferguson Oil Co., et al. (Ferguson) requests a retroactive effective date of January 6, 1969, for his proposed rate increase. Good cause has not been shown for waiving the 30-day notice requirement provided in section 4(d) of the Natural Gas Act to permit an earlier effective date for Ferguson's rate filing and such request is denied.

The contract related to the rate filing of Ferguson was executed subsequent to September 28, 1960, the date of issuance of the Commission's Statement of General Policy

No. 61-1, as amended, and the proposed increased rate of 16 cents per Mcf exceeds the area increased rate ceiling of 11 cents per Mcf for the Kansas Area, but does not exceed the initial service ceiling of 16 cents per Mcf established for the area involved. We believe, in this situation, Ferguson's proposed rate filing should be suspended for 1 day from March 30, 1969, the date of expiration of the statutory notice.

[F.R. Doc. 69-3570; Filed, Mar. 26, 1969;  
8:46 a.m.]

[Docket No. RP68-20]

### MICHIGAN WISCONSIN PIPE LINE CO. Notice of Request for Approval of Stipulation and Agreement and for Acceptance of Proposed Changes in Rates and Charges

MARCH 21, 1969.

Take notice that on March 20, 1969, Michigan Wisconsin Pipe Line Co.

(Michigan Wisconsin), filed a request for approval of a stipulation and agreement in Docket No. RP68-20, together with revised tariff sheets designed to effectuate rate reductions and other tariff revisions provided for in the stipulation and agreement.

The stipulation and agreement resolves all issues in Docket No. RP68-20 and generally provides for specified reduced rates to become effective as of April 1, 1969 and for contingent-refunds and/or rate reductions.

Copies of the stipulation and agreement and the proposed tariff changes were served on all of Michigan Wisconsin's customers and interested State commissions.

Comments or objections relating to the proposed stipulation and agreement may be filed with the Federal Power Commission, Washington, D.C. 20426, on or before April 10, 1969.

GORDON M. GRANT,  
Secretary.

[F.R. Doc. 69-3580; Filed, Mar. 26, 1969;  
8:46 a.m.]

[Docket No. CP69-241]

### NATURAL GAS PIPELINE COMPANY OF AMERICA

#### Notice of Application

MARCH 20, 1969.

Take notice that on March 13, 1969, Natural Gas Pipeline Company of America (Applicant), 122 South Michigan Avenue, Chicago, Ill. 60603, filed in Docket No. CP69-241 an application pursuant to section 7(c) of the Natural Gas Act for a certificate of public convenience and necessity authorizing a direct sale to Cabot Corp. in Carson and Gray Counties, Tex., all as more fully set forth in the application which is on file with the Commission and open to public inspection.

Specifically, Applicant proposes to construct and operate three new tap connections, and continue operating an existing tap connection, on its gathering lines in Carson and Gray Counties, Tex.; the taps would allow the sale of an average daily quantity of 25,000 Mcf of natural gas to the Cabot Corp.

Applicant estimates the cost of these facilities at \$7,665, which it intends to finance 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 April 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 protest or 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 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. 69-3581; Filed, Mar. 26, 1969;  
8:46 a.m.]

[Docket No. CP69-240]

### NORTHERN NATURAL GAS CO.

#### Notice of Application

MARCH 19, 1969.

Take notice that on March 12, 1969, Northern Natural Gas Co. (Applicant), 2223 Dodge Street, Omaha, Nebr. 68102, filed in Docket No. CP69-240 an application pursuant to section 7(c) of the Natural Gas Act for a certificate of public convenience and necessity authorizing the construction and operation of certain facilities at its Spearman Compressor Station, Ochiltree County, Tex., all as more fully set forth in the application on file with the Commission and open to public inspection.

Specifically, Applicant proposes to construct and operate two 2,000 horsepower compressor units at the Spearman Compressor Station to offset declining well-head pressure in the wells connected to its system in that area.

Applicant estimates the cost of the proposed facilities at \$1,695,500, which it proposes to finance from cash 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 April 14, 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 protest or 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 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. 69-3582; Filed, Mar. 26, 1969;  
8:46 a.m.]

[Docket No. CP68-193, etc.]

### NORTHERN NATURAL GAS CO. ET AL.

#### Order Consolidating Applications for Hearing Granting Petitions To Intervene, Prescribing Procedures and Fixing Date of Prehearing Conference

MARCH 21, 1969.

Northern Natural Gas Co., CP68-193; Midwest Natural Gas, Inc., Applicant, Northern Natural Gas Co., Respondent, CP68-339; American Gas Co. of Wisconsin, Inc., Applicant, Northern Natural Gas Co., Respondent, CP69-32; Iowa Electric Light and Power Co., CP69-131.

On January 10, 1968, Applicant, Northern Natural Gas Co. (Northern), filed in Docket No. CP68-193 an application for a certificate of public convenience and necessity authorizing the construction and operation of certain natural gas facilities to increase its system capacity by approximately 300,000 Mcf of natural gas per day to meet the requirements of existing customers and to initiate service to 61 communities in Iowa, Minnesota, and Wisconsin.<sup>1</sup> On June 14, 1968, and October 21, 1968, Northern was issued certificates authorizing the construction and operation of a portion of the requested facilities and to sell an additional 81,417 Mcf of gas daily to meet requirements for the 1968-69 hearing season. Facilities providing 100,000 Mcf per day of additional pipeline capacity were authorized by these certificates.

Northern's original application, filed on January 10, 1968, was amended on July 22, 1968 and October 16, 1968.<sup>2</sup> The latter amendment proposed deletion of 125,000 Mcf per day system capacity and division of remaining expansion into two phases. Phase I requested authorization to construct and operate facilities which would increase the applicant's mainline capacity by 75,000 Mcf per day and to provide an additional 21,711 Mcf per day to certain existing customers. Phase I was certificated by our order of March 10, 1969 in Docket No. CP68-193.

In Phase II, Northern proposes to construct and operate 354 miles of 2 to 6 inch branch line and 59 sales metering stations and to sell and deliver up to 17,445 Mcf per day to 60 communities, previously without natural gas service, located in Iowa, Minnesota, and Wisconsin. The proposed sales will be made pursuant to the "CD" Rate Schedules of Northern's FPC Gas Tariff, Second Revised Volume No. 1.

Midwest Natural Gas, Inc., in Docket No. CP68-339, and American Gas Co. of Wisconsin, Inc., in Docket No. CP69-32, have filed competitive proposals to serve the towns of Ettrick and Galesville, Wis., pursuant to section 7(a) of the Natural Gas Act, each seeking an order of the Commission requiring Northern to establish a physical connection with their proposed facilities and to sell and deliver

<sup>1</sup> Notice issued Jan. 25, 1968, 32 F.R. 927.

<sup>2</sup> Notice of the first amendment was issued on Aug. 24, 1968, 33 F.R. 12071; notice of the second amendment was issued on Nov. 5, 1968, 33 F.R. 16173.

volutions of natural gas for resale and distribution in the two towns.<sup>3</sup> On November 1, 1968, Iowa Electric Light and Power Co. also filed a section 7(a) application in Docket No. CP69-131 proposing to serve the communities of Garden City, McCallsburg, and Zearing, Iowa, and requesting the Commission to require Northern to construct border stations and to construct and operate 10.4 miles of 2-inch pipeline as a branch of its system.<sup>4</sup> In its answers to the three 7(a) applications, Northern has indicated no objection to the consolidation of the three dockets with the proceeding in Docket No. CP68-193.

A total of 22 interveners have been granted intervention in the proceedings in Docket No. CP68-193 by orders of the Commission issued on June 14, 1968, and October 21, 1968. In addition, the following persons, who have been permitted to intervene in Docket No. CP68-193, have filed separate petitions and notices to intervene in Docket Nos. CP68-339 and CP69-32: The Public Service Commission of Wisconsin (CP68-339, CP69-32); Iowa Public Service Co. (CP68-339, CP69-32); Midwest Natural Gas, Inc. (CP69-32). Petitions have also been filed in Docket No. CP68-193 by four additional persons: American Gas Co. of Wisconsin, Inc., Wisconsin Gas Co., Northern Illinois Gas Co., and Interstate Power Co. These petitioners will be permitted to intervene as requested, since no protest to their interventions have been filed and since their petitions indicate a substantial interest in the above-captioned proceedings.

**The Commission finds:**

(1) It is necessary and appropriate in carrying out the provisions of the Natural Gas Act that the matters in Docket Nos. CP68-193, CP68-339, CP69-32 and CP69-131 be consolidated for hearing and decision.

(2) It is desirable and in the public interest to allow all the petitioners to intervene in these consolidated proceedings in order that the petitioners may establish the facts and the law from which the nature and validity of their alleged rights and interest may be determined and show what further action may be appropriate under the circumstances in the administration of the Natural Gas Act.

(3) The expeditious disposition of these proceedings will be effectuated by providing for the filing of all direct presentations and all answering presentations prior to a prehearing conference.

**The Commission orders:**

(A) The above-captioned proceedings are hereby consolidated for the purpose of hearing and decision.

(B) The above-named petitioners are hereby permitted to intervene in these consolidated proceedings subject to the rules and regulations of the Commission: *Provided, however,* That the participation of such intervenors shall be limited

to matters affecting asserted rights and interests as specifically set forth in said petitions for leave to intervene: *And provided, further,* That the admission of such intervenors shall not be construed as recognition by the Commission that they or any of them might be aggrieved because of any order or orders of the Commission entered in this proceeding.

(C) Applicants shall file with the Commission and serve on all parties and the Examiner on or before April 16, 1969, their direct presentations. Interveners shall file with the Commission and serve on all parties and the Examiner on or before May 9, 1969, their direct presentations in support of the contentions set out in their petitions to intervene.

(D) Pursuant to the provisions of Section 1.18 of the Commission's rules of practice and procedure, a prehearing conference shall be held before a hearing examiner of the Commission to be designated by the chief examiner, in order to consider the means by which the conduct of the consolidated proceedings may be facilitated and in order to determine further procedures including the date for commencement of cross-examination. Such conference will be held in a hearing room of the Federal Power Commission, 441 G Street NW., Washington, D.C., commencing at 10 a.m., e.d.s.t., on May 20, 1969.

By the Commission.

[SEAL]

GORDON M. GRANT,  
Secretary.

[F.R. Doc. 69-3583; Filed, Mar. 26, 1969;  
8:47 a.m.]

[Project No. 2659]

**PACIFIC POWER & LIGHT CO.**

**Notice of Application for License for  
Constructed Project**

MARCH 21, 1969.

Public notice is hereby given that application for license has been filed under the Federal Power Act (16 U.S.C. 791a-825r) by Pacific Power & Light Co. (correspondence to: E. Robert DeLuccia, Senior Vice President, Pacific Power & Light Co., Public Service Building, Portland, Ore. 97204) for constructed Project No. 2659, known as Powerdale Hydroelectric Project, located on Hood River in Hood River County, Ore., near the town of Hood River.

The existing project consists of: (1) A concrete diversion dam 206 feet long and 11 feet high forming a pool on Hood River with surface elevation of 292 feet (USGS datum); (2) a 15,875 foot-long power conduit having a maximum capacity of 500 cfs composed of (a) a concrete lined canal, wood flume, and concrete settling basin intake section, (b) alternating sections of wood-stave and steel pipe, and (c) a penstock and surge tank; (3) a powerhouse containing one 6,000 kw. generator and one 8,700 horsepower turbine; and (4) appurtenant facilities. According to a revised Exhibit R of the application, while the recreational potential of the project is limited, Appli-

cant plans during the period March 1971 through December 1971 to investigate the most beneficial recreational use of a parcel of company owned land designated Site 2, located on the east bank of Hood River in the vicinity of Whiskey Creek, to include a more accurate estimate of present and potential use, preparation of a topographic map, determination of exact project boundaries and a plan to indicate the ultimate development potential of the site. A site plan and construction schedule will be submitted to the Commission within 6 months of completion of the investigation.

Any person desiring to be heard or to make any protest with reference to said application should on or before May 5, 1969, file with the Federal Power Commission, Washington, D.C. 20426, petitions or protests 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. 69-3584; Filed, Mar. 26, 1969;  
8:47 a.m.]

[Docket No. CP69-239]

**TENNESSEE GAS PIPELINE CO.**

**Notice of Application**

MARCH 20, 1969.

Take notice that on March 11, 1969, Tennessee Gas Pipeline Co., a division of Tenneco Inc. (Applicant), Tennessee Building, Houston, Tex. 77001, filed in Docket No. CP69-239 an application pursuant to section 7(c) of the Natural Gas Act for a limited term certificate of public convenience and necessity authorizing the delivery of natural gas to Algonquin Gas Transmission Co. (Algonquin), all as more fully set forth in the application on file with the Commission and open to public inspection.

Specifically, Applicant proposes to deliver to Algonquin up to 5,000 Mcf per day at an existing interconnection between the pipelines near Mahwah, N.J. Applicant states that Algonquin would transport the gas and deliver it to Consolidated Edison Company of New York, Inc., under authorization being sought in Docket No. CP69-187.

Applicant states it will construct no new facilities to provide this service.

In Docket No. CP69-86 Applicant has requested permanent authority for this service beginning November 1, 1969. The present application is for temporary authority until that date.

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 April 14, 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

<sup>3</sup> Notices of the applications were issued respectively on June 13, 1968, 33 F.R. 9099, and Aug. 23, 1968, 33 F.R. 12593.

<sup>4</sup> Notice of the application was issued on Nov. 7, 1968, 33 F.R. 16685.

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 protest or 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 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. 69-3585; Filed, Mar. 26, 1969;  
8:47 a.m.]

## FEDERAL RESERVE SYSTEM

### CITIZENS TRUST AND SAVINGS BANK

#### Order Denying Acquisition of Bank's Assets

In the matter of the application of Citizens Trust and Savings Bank for approval of acquisition of assets of The West Michigan Savings Bank.

There has come before the Board of Governors, pursuant to the Bank Merger Act (12 U.S.C. 1828(c)), an application by Citizens Trust and Savings Bank, South Haven, Mich., a State member bank of the Federal Reserve System, for the Board's prior approval of its acquisition of assets and assumption of deposit liabilities of The West Michigan Savings Bank, Bangor, Mich., and, as an incident thereto, Citizens Trust and Savings Bank has applied, under section 9 of the Federal Reserve Act, for the Board's prior approval of the establishment by that bank of a branch at the location of the main office of The West Michigan Savings Bank. Notice of the proposed acquisition of assets and assumption of deposit liabilities, in form approved by the Board, has been published pursuant to said Act.

Upon consideration of all relevant material in the light of the factors set forth in said Act, including reports furnished by the Comptroller of the Currency, the Federal Deposit Insurance Corporation, and the Attorney General on the competitive factors involved in the proposed transaction,

*It is hereby ordered*, For the reasons set forth in the Board's statement<sup>1</sup> of

<sup>1</sup> 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. Dissenting Statement of Governor Daane also filed as part of the original document and available upon request.

this date, that said applications be and hereby are denied.

Dated at Washington, D.C., this 19th day of March 1969.

By order of the Board of Governors.<sup>2</sup>

[SEAL] ROBERT P. FORRESTAL,  
Assistant Secretary.

[F.R. Doc. 69-3586; Filed, Mar. 26, 1969;  
8:47 a.m.]

### COMMERCE BANCSHARES, INC.

#### Order Approving Application Under Bank Holding Company Act

In the matter of the application of Commerce Bancshares, Inc., Kansas City, Mo., for approval of acquisition of 80 percent or more of the voting shares of The Mechanics Bank, St. Joseph, Mo.

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 Commerce Bancshares, Inc., Kansas City, Mo., 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 Mechanics Bank, St. Joseph, Mo.

As required by section 3(b) of the Act, the Board notified the Commissioner of Finance for the State of Missouri of the application and requested his views and recommendation. The Commissioner responded that he had no objection to approval of the application.

Notice of receipt of the application was published in the FEDERAL REGISTER on December 3, 1968 (33 F.R. 17934), 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<sup>1</sup> 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 Kansas City pursuant to delegated authority.

Dated at Washington, D.C., this 18th day of March 1969.

<sup>2</sup> Voting of this action: Chairman Martin and Governors Robertson, Mitchell, Maisel, and Sherrill. Voting against this action: Governor Daane. Absent and not voting: Governor Brimmer.

<sup>1</sup> 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 Kansas City.

By order of the Board of Governors.<sup>2</sup>

[SEAL] ROBERT P. FORRESTAL,  
Assistant Secretary.

[F.R. Doc. 69-3587; Filed, Mar. 26, 1969;  
8:47 a.m.]

### COMMERCE BANCSHARES, INC.

#### Order Approving Application Under Bank Holding Company Act

In the matter of the application of Commerce Bancshares, Inc., Kansas City, Mo., for approval of acquisition of 80 percent or more of the voting shares of The Citizens National Bank of Kirksville, Kirksville, Mo.

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 Commerce Bancshares, Inc., Kansas City, Mo., 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 Citizens National Bank of Kirksville, Kirksville, Mo.

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.

Notice of receipt of the application was published in the FEDERAL REGISTER on December 3, 1968 (33 F.R. 17933), 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<sup>1</sup> 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 Kansas City pursuant to delegated authority.

Dated at Washington, D.C., this 18th day of March 1969.

<sup>2</sup> Voting for this action: Chairman Martin and Governors Robertson, Maisel, Brimmer, and Sherrill. Absent and not voting: Governors Mitchell and Daane.

<sup>1</sup> 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 Kansas City.

By order of the Board of Governors.\*

[SEAL] ROBERT P. FORRESTAL,  
Assistant Secretary.

[F.R. Doc. 69-3588; Filed, Mar. 26, 1969;  
8:47 a.m.]

### LINCOLN FIRST BANKS, INC.

#### 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 Lincoln First Banks, Inc., which is a bank holding company located in Rochester, N.Y., for the prior approval of the Board of the acquisition by Applicant of 80 percent or more of the outstanding voting shares of the successor by merger to National Bank of Westchester, White Plains, N.Y.

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 anti-competitive 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 20th day of March 1969.

By order of the Board of Governors.

[SEAL] ROBERT P. FORRESTAL,  
Assistant Secretary.

[F.R. Doc. 69-3589; Filed, Mar. 26, 1969;  
8:47 a.m.]

\* Voting for this action: Chairman Martin and Governors Robertson, Maisel, Brimmer, and Sherrill. Absent and not voting: Governors Mitchell and Daane.

## INTERAGENCY TEXTILE ADMINISTRATIVE COMMITTEE

### CERTAIN COTTON TEXTILES AND COTTON TEXTILE PRODUCTS PRO- DUCED OR MANUFACTURED IN THE GOVERNMENT OF THE HUN- GARIAN PEOPLE'S REPUBLIC

#### Entry and Withdrawal From Ware- house for Consumption

MARCH 21, 1969.

On March 13, 1969, the U.S. Government, in furtherance of the objectives of, and under the terms of, the Long-Term Arrangement Regarding International Trade in Cotton Textiles done at Geneva on February 9, 1962, including Article 6(c) thereof relating to nonparticipants, informed the Government of the Hungarian People's Republic that it was renewing for an additional 12-month period beginning March 25, 1969, and extending through March 24, 1970, the restraint on imports into the United States of cotton textiles in Category 26 (other than duck), produced or manufactured in Hungary. Pursuant to Annex B, paragraph 2, of the Long-Term Arrangement the level of restraint for this 12-month period is 5 percent greater than the level of restraint applicable to Category 26 (other than duck) for the preceding 12-month period.

There is published below a letter of March 20, 1969, from the Chairman of the President's Cabinet Textile Advisory Committee to the Commissioner of Customs, directing that the amount of cotton textiles in Category 26 (other than duck), produced or manufactured in Hungary, which may be entered or withdrawn from warehouse for consumption in the United States for the 12-month period beginning March 25, 1969, be limited to the designated level.

STANLEY NEHMER,  
Chairman, Interagency Textile  
Administrative Committee,  
and Deputy Assistant Secretary  
for Resources.

THE SECRETARY OF COMMERCE  
PRESIDENT'S CABINET TEXTILE ADVISORY  
COMMITTEE

MARCH 20, 1969.

COMMISSIONER OF CUSTOMS,  
Department of the Treasury,  
Washington, D.C. 20226.

DEAR MR. COMMISSIONER: Under the terms of the Long-Term Arrangement Regarding International Trade in Cotton Textiles done at Geneva on February 9, 1962, including Article 6(c) thereof relating to nonparticipants, and in accordance with the procedures outlined in Executive Order 11052 of September 28, 1962, as amended by Executive Order 11214 of April 7, 1965, you are directed to prohibit, effective March 25, 1969, and for the 12-month period extending through March 24, 1970, entry into the United States for consumption and withdrawal from warehouse for consumption of cotton textiles in

Category 26 (other than duck<sup>1</sup>), produced or manufactured in Hungary, in excess of a level of restraint for the period of 336,000 square yards.

In carrying out this directive, entries of cotton textiles in Category 26 (other than duck), produced or manufactured in Hungary, which have been exported to the United States from Hungary prior to March 25, 1969, shall, to the extent of any unfilled balance be charged against the level of restraint established for such goods during the period March 25, 1968 through March 24, 1969. In the event that the level of restraint established for such goods for that period has been exhausted by previous entries, such goods shall be subject to the directives set forth in this letter.

A detailed description of Category 26 (other than duck) in terms of T.S.U.S.A. numbers was published in the FEDERAL REGISTER on January 17, 1968 (33 F.R. 582), and amendments thereto on March 15, 1968 (33 F.R. 4600).

In carrying out the above directions, entry into the United States for consumption shall be construed to include entry for consumption into the Commonwealth of Puerto Rico.

The actions taken with respect to the Government of the Hungarian People's Republic and with respect to imports of cotton textiles and cotton textile products from Hungary have been determined by the President's Cabinet Textile Advisory Committee to involve foreign affairs functions of the United States. Therefore, the directions to the Commissioner of Customs, being necessary to the implementation of such actions, fall within the foreign affairs exception to the notice provisions of 5 U.S.C. 553 (Supp. II, 1965-66). This letter will be published in the FEDERAL REGISTER.

Sincerely yours,

MAURICE H. STANS,  
Secretary of Commerce, Chairman,  
President's Cabinet Textile Ad-  
visory Committee.

[F.R. Doc. 69-3630; Filed, Mar. 26, 1969;  
8:50 a.m.]

### CERTAIN COTTON TEXTILE PRODUCTS PRODUCED OR MANUFACTURED IN MALAYSIA

#### Entry and Withdrawal From Ware- house for Consumption

MARCH 21, 1969.

On March 18, 1969, the U.S. Government, in furtherance of the objectives of, and under the terms of, the Long-Term Arrangement Regarding International Trade in Cotton Textiles done at Geneva on February 9, 1962, including Article 6(c) thereof relating to nonparticipants, informed the Government of Malaysia that it was renewing for an additional 12-month period beginning March 21, 1969, and extending through March 20, 1970, the restraint on imports into the United States of cotton textile products in Category 50, produced or manufactured in

<sup>1</sup> The T.S.U.S.A. Nos. for duck fabric not covered by this directive are:

320...01 through 04, 06, 08  
321...01 through 04, 06, 08  
322...01 through 04, 06, 08  
325...01 through 04, 06, 08  
327...01 through 04, 06, 08  
328...01 through 04, 06, 08

Malaysia. Pursuant to Annex B, paragraph 3, of the Long-Term Arrangement the level of restraint for this 12-month period is 5 percent greater than the level of restraint applicable to Category 50 for the preceding 12-month period.

There is published below a letter of March 20, 1969, from the Chairman of the President's Cabinet Textile Advisory Committee to the Commissioner of Customs, directing that the amount of cotton textile products in Category 50, produced or manufactured in Malaysia which may be entered or withdrawn from warehouse for consumption in the United States for the 12-month period beginning March 21, 1969, be limited to the designated levels.

STANLEY NEHMER,  
Chairman, Interagency Textile  
Administrative Committee,  
and Deputy Assistant Secretary  
for Resources.

THE SECRETARY OF COMMERCE

PRESIDENT'S CABINET TEXTILE ADVISORY  
COMMITTEE

COMMISSIONER OF CUSTOMS,  
Department of the Treasury,  
Washington, D.C. 20226.

MARCH 20, 1969.

DEAR MR. COMMISSIONER: Under the terms of the Long-Term Arrangement Regarding International Trade in Cotton Textiles done at Geneva on February 9, 1962, including Article 6(c) thereof relating to nonparticipants, and in accordance with the procedures outlined in Executive Order 11052 of September 28, 1962, as amended by Executive Order 11214 of April 7, 1965, you are directed to prohibit, effective March 21, 1969, and for the 12-month period extending through March 20, 1970, entry into the United States for consumption and withdrawal from warehouse for consumption of cotton textile products in Category 50, produced or manufactured in Malaysia, in excess of a level of restraint for the period of 5,513 dozen.

In carrying out this directive, entries of cotton textile products in Category 50, produced or manufactured in Malaysia, which have been exported to the United States from Malaysia prior to March 21, 1969, shall, to the extent of any unfiled balances be charged against the level of restraint established for such goods during the period March 21, 1968, through March 20, 1969. In the event that the level of restraint established for such goods for that period has been exhausted by previous entries, such goods shall be subject to the directives set forth in this letter.

A detailed description of Category 50 in terms of T.S.U.S.A. numbers was published in the FEDERAL REGISTER on January 17, 1968 (33 F.R. 582), and amendments thereto on March 15, 1968 (33 F.R. 4600).

In carrying out the above directions, entry into the United States for consumption shall be construed to include entry for consumption into the Commonwealth of Puerto Rico.

The actions taken with respect to the Government of Malaysia and with respect to imports of cotton textiles and cotton textile products from Malaysia have been determined by the President's Cabinet Textile Advisory Committee to involve foreign affairs functions of the United States. Therefore, the directions to the Commissioner of Customs, being necessary to the implementation of such actions, fall within the foreign affairs exception to the notice provisions of 5 U.S.C.

553 (Supp. II, 1965-66), This letter will be published in the FEDERAL REGISTER.

Sincerely yours,

MAURICE H. STANS,  
Secretary of Commerce, Chairman,  
President's Cabinet Textile Advisory  
Committee.

[F.R. Doc. 69-3631; Filed, Mar. 26, 1969;  
8:50 a.m.]

## SECURITIES AND EXCHANGE COMMISSION

### COMMERCIAL FINANCE CORPORATION OF NEW JERSEY

#### Order Suspending Trading

MARCH 21, 1969.

It appearing to the Securities and Exchange Commission that the summary suspension of trading in the common stock and all other securities of Commercial Finance Corporation of New Jersey (a New Jersey corporation), 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 March 22, 1969, through March 31, 1969, both dates inclusive.

By the Commission.

[SEAL] ORVAL L. DuBOIS,  
Secretary.

[F.R. Doc. 69-3607; Filed, Mar. 26, 1969;  
8:48 a.m.]

[File No. 1-3421]

### CONTINENTAL VENDING MACHINE CORP.

#### Order Suspending Trading

MARCH 21, 1969.

It appearing to the Securities and Exchange Commission that the summary suspension of trading in the common stock, 10 cents par value of Continental Vending Machine Corp., and the 6 percent convertible subordinated debentures due September 1, 1976, 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 March 23, 1969, through April 1, 1969, both dates inclusive.

By the Commission.

[SEAL] ORVAL L. DuBOIS,  
Secretary.

[F.R. Doc. 69-3608; Filed, Mar. 26, 1969;  
8:49 a.m.]

### TOP NOTCH URANIUM AND MINING CORP.

#### Order Suspending Trading

MARCH 21, 1969.

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 March 24, 1969, through April 2, 1969, both dates inclusive.

By the Commission.

[SEAL] ORVAL L. DuBOIS,  
Secretary.

[F.R. Doc. 69-3609; Filed, Mar. 26, 1969;  
8:49 a.m.]

[File No. 1-4371]

### WESTEC CORP.

#### Order Suspending Trading

MARCH 21, 1969.

The common stock, 10 cents par value, of Westec Corp., being listed and registered on the American Stock Exchange pursuant to provisions of the Securities Exchange Act of 1934 and all other securities of Westec Corp., being traded otherwise than on a national securities exchange; and

It appearing to the Securities and Exchange Commission that the summary suspension of trading in such securities on such Exchange and otherwise than on a national securities exchange is required in the public interest and for the protection of investors:

*It is ordered*, Pursuant to sections 15 (c) (5) and 19(a) (4) of the Securities Exchange Act of 1934, that trading in such securities on the American Stock Exchange and otherwise than on a national securities exchange be summarily suspended, this order to be effective for the period March 23, 1969, through April 1, 1969, both dates inclusive.

By the Commission.

[SEAL] ORVAL L. DuBOIS,  
Secretary.

[F.R. Doc. 69-3610; Filed, Mar. 26, 1969;  
8:49 a.m.]

## INTERSTATE COMMERCE COMMISSION

[Notice 1280]

### MOTOR CARRIER, BROKER, WATER CARRIER, AND FREIGHT FOR- WARDER APPLICATIONS

MARCH 21, 1969.

The following applications are governed by Special Rule 1.247<sup>1</sup> 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 one 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

<sup>1</sup> Copies of Special Rule 1.247 (as amended) can be obtained by writing to the Secretary, Interstate Commerce Commission, Washington, D.C. 20423.

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 2202 (Sub-No. 367), filed March 4, 1969. Applicant: ROADWAY EXPRESS, INC., 1077 Gorge Boulevard, Post Office Box 471, Akron, Ohio 44309. Applicant's representatives: William O. Turney, 2001 Massachusetts Avenue NW., Washington, D.C. 20036, and Douglas Faris, Post Office Box 471, Akron, Ohio 44309. 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, livestock, household goods as defined by the Commission, commodities in bulk and those requiring special equipment), between Cincinnati, Ohio, and junction Indiana Highway 13 and U.S. Highway 131, from Cincinnati over U.S. Highway 27 to Fort Wayne, Ind., thence over Indiana Highway 3 to junction U.S. Highway 6, at or near Kendallville, Ind., thence over U.S. Highway 6 to junction Indiana Highway 9, thence over Indiana Highway 9 to junction U.S. Highway 20, thence over U.S. Highway 20 to junction Indiana Highway 13, thence over Indiana Highway 13 to junction U.S. Highway 131, at or near the Indiana-Michigan State line, and return over the same route, as an alternate route, for operating convenience only, serving no intermediate points and serving Fort Wayne, Ind., Lagrange, Ind., and junction Indiana Highway 13 and U.S. Highway 131 for joinder purposes only, restricted against the transportation of traffic moving between points in Michigan, on the one hand, and, on the other, Cincinnati, Ohio. **NOTE:** Applicant states that it now holds authority in its Sub 214 identical to that herein requested and that this application broadens its Sub 214 authority only to the extent that it will permit joinder at Fort Wayne, Ind., and Lagrange, Ind. Applicant further states it agrees to cancellation of its present route in MC 2202 (Sub-No. 214) provided the route sought in the present application is granted in its entirety. If a hearing is deemed necessary, applicant requests it be held at Washington, D.C., or Columbus, Ohio.

No. MC 2202 (Sub-No. 368), filed February 28, 1969. Applicant: ROADWAY EXPRESS, INC., 1077 Gorge Boulevard, Post Office Box 471, Akron, Ohio 44309. Applicant's representatives: William O. Turney, 2001 Massachusetts Avenue NW., Washington, D.C. 20036, and Douglas Faris, Post Office Box 471, Akron, Ohio 44309. 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, livestock, household goods as defined by the Commission, commodities in bulk and those requiring special equipment), between Ashtabula and Warren, Ohio, from Ashtabula over U.S. Highway 20 to junction Ohio Highway 45, thence over Ohio Highway 45 to Warren, and return over the same route, as an alternate route for operating convenience only, serving no intermediate points. **NOTE:** Applicant states the proposed route will enable applicant to transport traffic between Ashtabula and Harrisburg, as well as points east of Harrisburg, over slightly shorter routes than those now used. The proposed route will also enable the applicant's Ashtabula terminal to consolidate loads with Warren and Pittsburgh for all Roadway points. If a hearing is deemed necessary, applicant requests it be held at Washington, D.C., or Columbus, Ohio.

No. MC 3062 (Sub-No. 29), filed March 3, 1969. Applicant: L. A. TUCKER TRUCK LINES INCORPORATED, Post Office Box 538, Cape Girardeau, Mo. 63701. Applicant's representative: G. M. Rebmam, 314 North Broadway, St. Louis, Mo. 63102. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: (1) *Clothing* on racks; and (2) *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), (1) between Chaffee, Mo., and Rector, Ark.; and (2) between the plantsite of Thorngate, Ltd., at Rector, Ark. **NOTE:** Applicant states it will tack at Chaffee, Mo., for service to Missouri and Illinois points and Memphis, Tenn. If a hearing is deemed necessary, applicant requests it be held at St. Louis, Mo., or Memphis, Tenn.

No. MC 4405 (Sub-No. 465), filed March 3, 1969. Applicant: DEALERS TRANSIT, INC., 7701 South Lawndale Avenue, Chicago, Ill. 60652. Applicant's representative: James W. Wrape, 2111 Sterick Building, Memphis, Tenn. 38103. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: (1) *Trailers* finished or unfinished, other than those to be drawn by passenger automobiles in initial truckaway and drive-away service, from Joliet, Ill., to points in the United States (except Alaska and Hawaii); and (2) *tractors*, in secondary movement in driveaway service only when drawing trailers in initial movements, from Joliet, Ill., to points in Arizona, Nevada, Oregon, and Vermont. **NOTE:** Applicant states it does not intend to tack, and is apparently willing to accept a restriction against tacking if warranted. If a hearing is deemed necessary, applicant requests it be held at Chicago, Ill.

No. MC 4405 (Sub-No. 467), filed March 7, 1969. Applicant: DEALERS TRANSIT, INC., 7701 South Lawndale Avenue, Chicago, Ill. 60652. Applicant's representative: James W. Wrape, 2111 Sterick Building, Memphis, Tenn. 38103. Authority sought to operate as a *common*

carrier, by motor vehicle, over irregular routes, transporting: (A) Trailers, other than those designed to be drawn by passenger automobiles in initial truck-away and driveaway service; from Kansas City and Glasgow, Mo., and Leavenworth, Kans., to points in the United States (including Alaska but excluding Hawaii); and (B) tractors in secondary movements in driveaway service only when drawing trailers in initial movements, from Kansas City and Glasgow, Mo., and Leavenworth, Kans., to points in Alaska, Arizona, Nevada, Oregon, and Vermont. NOTE: Applicant states it does not intend to tack, and is apparently willing to accept a restriction against tacking, if warranted. If a hearing is deemed necessary, applicant requests it be held at Kansas City, Mo.

No. MC 11207 (Sub-No. 281), filed March 3, 1969. Applicant: DEATON, INC., 317 Avenue West, Post Office Box 1271, Birmingham, Ala. 35201. Applicant's representative: A. Alvis Layne, Pennsylvania Building, Washington, D.C. 20004. Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: Plywood and particleboard, from the plantsite of Georgia-Pacific Corp. at or near Taylorsville, Miss., to points in Alabama, Arkansas, Florida, Georgia, Kentucky, Louisiana, Missouri, North Carolina, Oklahoma, South Carolina, Tennessee, Texas, and Virginia. NOTE: Applicant states it does not intend to tack, and is apparently willing to accept a restriction against tacking if warranted. If a hearing is deemed necessary, applicant requests it be held at Little Rock, Ark., or Shreveport, La.

No. MC 13250 (Sub-No. 102), filed February 27, 1969. Applicant: J. H. ROSE TRUCK LINE, INC., 5003 Jensen Drive, Post Office Box 16190, Houston, Tex. 77022. Applicant's representatives: Thomas E. James and James M. Doherty, The 904 Lavaca Building, Austin, Tex. 78701. Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: (1) Commodities, the transportation of which, because of their size or weight, requires the use of special equipment, and related machinery parts and related contractor's materials and supplies when their transportation is incidental to the transportation by said carrier of commodities which by reason of size or weight require special equipment; and (2) self-propelled articles, each weighing 15,000 pounds or more, and related machinery, tools, parts, and supplies moving in connection therewith (restricted to commodities which are transported on trailers); (a) between points in Arizona and Nevada; (b) between points in Arizona and Nevada, on the one hand, and, on the other, points in Utah, Colorado, Montana, and Wyoming; (c) between points in California, on the one hand, and, on the other, points in Wyoming, Colorado, North Dakota, and South Dakota; (d) between points in Idaho; and (e) between points in Idaho, on the one hand, and, on the other, points in Wyoming, Colorado,

Montana, Arizona, and Utah. NOTE: Applicant proposes to tack with present authority in order to serve points generally west of the Mississippi River. If a hearing is deemed necessary, applicant requests it be held at Salt Lake City, Utah.

No. MC 28067 (Sub-No. 12), filed March 10, 1969. Applicant: WILLIAMS MOTOR TRANSFER, INC., Vine Street, Barre, Vt. 05641. Applicant's representative: John P. Monte, 61 Summer Street, Barre, Vt. 05641. Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: (1) Stone, marble, slate, and related stone commodities; (2) panels faced with stone, marble, granite, and slate; (3) supplies, tools, machinery, and related commodities used in the manufacture and fabrication of stone and stone related products when moving with loads of stone, marble, slate, and granite, between points in Washington, Windsor, Orleans, Caledonia, and Orange Counties, Vt., and points in New Hampshire and Maine. NOTE: Applicant states it does not intend to tack, and is apparently willing to accept a restriction against tacking if warranted. If a hearing is deemed necessary, applicant requests it be held at Montpelier, Vt., Concord, N.H., or Portland, Maine.

No. MC 30844 (Sub-No. 266), filed February 28, 1969. 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: (1) 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 (except hides and commodities in bulk, in tank vehicles), from Huron, S. Dak., Fremont, Nebr., and Des Moines, Iowa, to points in Ohio, Pennsylvania, New York, New Jersey, Delaware, Maryland, Vermont, Connecticut, Massachusetts, New Hampshire, Rhode Island, Maine, and the District of Columbia. Restriction: Restricted to shipments originating at the plantsite of the Rod Barnes Packing Co. at or near Huron, S. Dak.; the plant and warehouse facilities of Geo. A. Hormel & Co., Fremont, Nebr.; and the I. C. Packing Co., Des Moines, Iowa; and (2) 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 (except hides and commodities in bulk, in tank vehicles) and foodstuffs when transported in the same vehicle with the above commodities, from Austin, Minn., to points in Pennsylvania, New York, New Jersey, Delaware, Maryland, Vermont, Connecticut, Massachusetts, New Hampshire, Rhode Island, Maine, and the District of Columbia. Restriction: Restricted to shipments originating at the plantsite and or warehouse of Geo. A. Hormel &

Co., Austin, Minn. NOTE: Applicant states it does not intend to tack, and is apparently willing to accept a restriction against tacking if warranted. If a hearing is deemed necessary, applicant requests it be held at Minneapolis, Minn., or Washington, D.C.

No. MC 31644 (Sub-No. 6), filed March 5, 1969. Applicant: H. G. BAUER MOVING & STORAGE, INC., 1111 Barracks Street, New Orleans, La. 70116. Applicant's representative: Alan F. Wohlstetter, 1 Farragut Square South, Washington, D.C. 20006. Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: Used household goods, between points in Orleans, Jefferson, St. Bernard, St. Charles, Plaquemine, Lafourche, Terrebonne, St. James, St. John the Baptist, Ascension, Livingston, East Baton Rouge, and Tangipahoa Parishes, La., restricted to the transportation of traffic having a prior or subsequent movement, in containers, and further restricted to the performance of pickup and delivery service in connection with packing, crating, and containerization, or unpacking, uncrating, decontainerization of such traffic. NOTE: Applicant states it does not intend to tack, and is apparently willing to accept a restriction against tacking if warranted. If a hearing is deemed necessary, applicant requests it be held at New Orleans, La., or Washington, D.C.

No. MC 43652 (Sub-No. 2), filed February 24, 1969. Applicant: ECKDAHL WAREHOUSE CO., a corporation, 250 North Myers Street, Los Angeles, Calif. 90033. Applicant's representative: Phil Jacobson, 510 West Sixth Street, Los Angeles, Calif. 90014. Authority sought to operate as a common carrier, by motor vehicle, over irregular routes, transporting: New furniture, in cartons, crates, and boxes, restricted to traffic having a prior movement by rail, water, or truck; (1) from Los Angeles Harbor, Calif., to points in Alhambra, Alpine, Alta Loma, Altadena, Anaheim, Arcadia, Arlanza, Arlington, Artesia, Arvin, Atwood, Azusa, Bakersfield, Baldwin Park, Ballard, Banning, Bassett, Beaumont, Bell, Bell Gardens, Bellflower, Bell Town, Belvedere Gardens, Beverly Hills, Bloomington, Bonds Corner, Boyle Heights, Brawley, Brea, Brentwood Park, Buelton, Buena Park, Burbank, Cabazon, Calexico, Camarillo, Camp Pendleton, Canoga Park, Cardiff, Carlsbad, Carpinteria, Casa Blanca, Castiac, Cathedral City, Charter Oak, Chatsworth, Chino, Chrisman, Chula Vista, Claremont, Coachella, Colton, Commerce, Compton, Corona, Costa Mesa, Covina, Cucamonga, Cudahy Ranch, Culver City, Cypress, Dana Point, Date City, Del Mar, Desert Hot Springs, Dominguez, Downey, Duarte, Eagle Rock, East Los Angeles, El Cajon, El Centro, El Monte, El Rio, El Segundo, Elsinore, Encinitas, Encino, Escondido, Etiwanda, Fallbrook, Fillmore, Florence, Fontana, Fountain Valley, Fullerton, Garden Grove, Gardena, Gaviota, Glendale;

Glendora, Goleta, Granada Hills, Grand Terrace, Greenfield, Harbor City, Hawaiian Gardens, Hawthorne, Hemet,

Hermosa Beach, Highland Park, Hollywood, Holtville, Huntington Beach, Huntington Park, Hyde Park, Imperial, Indio, Industry, Inglewood, Irwindale, Joshua Tree, La Canada, La Crescenta, La Habra, Laguna Beach, La Jolla, Lakeside, Lakewood Village, La Mirada, Lamont, Lancaster, La Puente, La Sierra Heights, Las Palmas, La Verne, Lawn-dale, Leimert Park, Lennox, Leucadia, Lemon Grove, Lomita, Lompoc, Long Beach, Los Alamitos, Los Angeles, Los Nietos, Los Olivos, Lynwood, Malibu Beach, Manhattan Beach, Marina, Maywood, Meiner Oaks, Midway City, Mira Loma, Miramonte, Monrovia, Montalvo, Monclair, Montebello, Montecito, Monterey Park, Montrose, Moorpark, Morom-ga Valley, Muscoy, National City, New-bury Park, Newhall, Newport Beach, Norco, North Hollywood, Northridge, Norwalk, Oakview, Ocean Park, Ocean-side, Oildale, Ojai, Ontario, Orange, Ox-nard, Pacific Palisades, Pacoima, Palm Desert, Palm Springs, Palmdale, Palos Verdes Ests., Paramount, Pasadena, Ped-ley, Perris, Pico Rivera, Placentia, Playa Del Rey, Pomona, Port Hueneme, Poway, Ramona, Rancho Mirage, Rancho Santa Fe, Redlands, Redondo Beach, Reseda, Rialto, Riverside, Rolling Hills, Rose-mead, Rubidoux, San Bernardino, San Clemente, San Diego, San Dimas, San Fernando, San Gabriel, San Jacinto, San Juan Capistrano, San Luis Rey, San Marcos, San Marino, San Onofre, San Pasqual, San Pedro, Santa Ana, Santa Barbara, Santa Claus, Santa Fe Springs, Santa Monica, Santa Paula, Santa Su-sana, Santa Ynez, Santee, Saticoy, Sau-gus, Seal Beach, Sepulveda, Sherman Oaks, Sierra Madre, Signal Hill, Simi, Solano Beach, Solimar Beach, Solvang, Somis, South Gate, South Pasadena, Spring Valley, Stanton, Studio City, Summerland, Sun City, Sun Valley, Sun-land, Sunset Beach, Surfside, Sylmar, Tarzana, Temple City, Terminal Island, Thousand Oaks, Thousand Palms, Tolu-ca Lake, Torrance, Tujunga, Tustin, Twenty Nine Palms, Universal City, Up-land, Valley Center, Van Nuys, Venice, Ventura, Vernon, Victorville, Villa Park, Vista, Watts, Westchester, West Covina, West Los Angeles, Westminster, West-moreland, Whitewater, Whittier, Willow Brook, Wilmington Harbor, Woodland Hills, Yorba Linda, Yucaipa, and Yucca Valley, Calif.; and

(2) From points in San Francisco, Calif., to points in Agnew, Alameda, Alamo, Albany, Alta Mesa, Alvarado, Alviso, Antioch, Aptos, Atherton, At-water, Bayshore, Belmont, Belvedere, Benicia, Berkeley, Black Point, Bodega, Bodega Bay, Boyes Hot Springs, Brent-wood, Brisbane, Burlingame, Byron, Calistoga, Campbell, Capitola, Carmel, Carmichael, Castro Valley, Centerville, Citrus Heights, Clayton, Cloverdale, Colma, Concord, Corte Madera, Cotati, Cowell, Crockett, Crow Canyon Inter-change, Cupertino, Daly City, Danville, Davis, Dixon, Dublin, Dumbarton, Dunes Beach, East Palo Alto, East Salinas, El Cerrito, El Sobrante, Emeryville, Fair Oaks, Fairfax, Fairfield, Fairfield-Suisun, Felton, Fetters Hot Springs,

Folsom, Fort Baker, Fort Barry, Fort Cronkhite, Fort Ord, Fremont, Gilroy, Greenbrae, Guerneville, Half Moon Bay, Hamilton AF Base, Hayward, Healds-burg, Hercules, Hillsborough Park, Hills-dale, Ignacio, Inverness, Irvington, Kent-field, Lafayette, Lake Berryessa Junc-tion, Larkspur, Linda Mar, Live Oak, Livermore, Lodi, Los Altos, Los Altos Hills, Los Gatos, Manteca, Mare Island, Marin City, Martinez, Menlo Park, Merced, Mill Valley, Millbrae, Milpitas, Mission San Jose, Modesto, Moffett Naval Air Station, Monterey, Monterey, Morago, Morgan Hill, Moss Beach, Moss Landing, Mount Diablo, Mountain View, Muir Beach, Muir Woods, Napa, Newark, Nicasio, Niles, Niles Junction, North Sacramento, Novato, Oakland, Oakville, Orinda, Pacheco, Pacific Grove, Pacific Manor, Pacifica, Palo Alto, Petaluma, Piedmont, Pinole, Pittsburg, Pleasant Hill, Pleasanton, Point Reyes, Port Chicago, Portola Valley, Redwood City, Rheem, Richmond, Rohnert Park, Rodeo, Roseville, Ross, Sacramento, Saint Helena, Salinas, San Anselmo, San Bruno, San Carlos, San Francisco, San Jose, San Leandro, San Lorenzo, San Mateo, San Pablo, San Rafael, San Ramon, Santa Clara, Santa Cruz, Santa Rosa, Saratoga, Sausalito, Seaside, Sebastopol, Sharp Park, Sonoma, South San Francisco, Stanford Village, Stin-son Beach, Stockton, Suisun, Suisun-Fairfield, Sunnyvale, Sunol, Terra Linda, Tiburon, Tracy, Treasure Island, Tur-lock, Union City, Vacaville, Vallejo, Val-lemar, Vichy Springs, Visitacion, Walnut Creek, Warm Springs, Watsonville, West-lake, West Sacramento, Woodacre, Woodland, Woodside, Yerba Buena Island, and (Boat Island), Calif. **NOTE:** If a hearing is deemed necessary, appli-cant requests it be held at Los Angeles or San Francisco, Calif.

No. MC 52729 (Sub-No. 21), filed March 5, 1969. Applicant: FIOROT TRUCKING, INC., West Main Street, Post Office Box 43, Pen Argyl, Pa. 18072. Applicant's representative: Morris Mindlin, 146 East Broad Street, Bethle-hem, Pa. 18018. Authority sought to op-erate as a *common carrier*, by motor vehicle, over irregular routes, transport-ing: (1) *Sand*, in bulk (except in tank vehicles), from Millville, Newport, and Old Bridge, N.J., and points within 10 miles of each of said communities, to Pen Argyle, Pa., and points within 40 miles of Pen Argyle; and (2) *sand*, in bulk, in tank vehicles, from Millville, Newport, and Old Bridge, N.J., and points within 10 miles of each of said communities, to Pen Argyl, Pa., and points within 40 miles of Pen Argyl. **NOTE:** Applicant states it does not in-tend to tack, and is apparently willing to accept a restriction against tacking if warranted. If a hearing is deemed necessary, applicant requests it be held at Easton, Allentown, or Philadelphia, Pa.

No. MC 55822 (Sub-No. 8), filed March 6, 1969. Applicant: VICTORY EXPRESS, INC., 2600 Willowburn Ave-nue, Dayton, Ohio 45427. Applicant's representative: Harold G. Hernly, 711

14th Street NW., Washington, D.C. 20005. Authority sought to operate as a *contract carrier*, by motor vehicle, over irregular routes, transporting: *General commod-ities* (except classes A and B explosives, articles of unusual value, household goods as defined by the Commission, commodities in bulk, and commodities which because of their size and weight, require the use of special equipment), be-tween points in the United States (except Alaska and Hawaii), restricted to traffic originating at or destined to the plant-sites, warehouses, and factory branches of the National Cash Register Co., under contract with National Cash Register Co. **NOTE:** If a hearing is deemed neces-sary, applicant requests it be held at Columbus or Dayton, Ohio, or Washing-ton, D.C.

No. MC 55889 (Sub-No. 31), filed March 5, 1969. Applicant: COOPER TRANSFER CO., INC., Post Office Box 496, Brewton, Ala. 36426. Applicant's representative: J. Douglas Harris, 410-412 Bell Building, Montgomery, Ala. 36104. 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, house-hold goods as defined by the Commission, commodities requiring special equip-ment), between New Orleans, La., and Geneva, Ala., from New Orleans over U.S. Highway 90 to junction U.S. High-way 31 at Mobile, Ala., thence over U.S. Highway 31 to junction U.S. Highway 29 at Flomaton, Ala., thence over U.S. High-way 29 (U.S. Highway 31) to Brewton, Ala., thence over U.S. Highway 29 to junction U.S. Highway 84 at Andalusia, Ala., thence over U.S. Highway 84 to junction Alabama Highway 52 at Opp, Ala., and thence over Alabama Highway 52 to Geneva, Ala., and return over the same route, serving the intermediate points of Bay Minette, Atmore, Flomaton, Brewton, Andalusia, and Opp, Ala. **NOTE:** Applicant holds certain restrictions un-der its MC 55889 Sub 22. The purpose of this instant application is to remove that certain restriction as follows: "Said op-erations are restricted to transportation of traffic originating at or destined to New Orleans, La." If a hearing is deemed necessary, applicant requests it be held at Mobile, Ala., or New Orleans, La.

No. MC 59396 (Sub-No. 19), filed March 6, 1969. Applicant: BUILDERS EXPRESS, INC., Rural Delivery, Laf-fayette, N.J. Applicant's representative: Bert Collins, 140 Cedar Street, New York, N.Y. 10006. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Slag*, in bags and in bulk, between Kearny, N.J., on the one hand, and, on the other, points in New York, Pennsylvania, Con-necticut, Rhode Island, Massachusetts, Delaware, Maryland, and the District of Columbia. **NOTE:** Applicant states it does not intend to tack, and is apparently willing to accept a restriction against tacking if warranted. If a hearing is deemed necessary, applicant requests it be held at Washington, D.C.

No. MC 64932 (Sub-No. 456) (Amendment), filed September 9, 1968, published FEDERAL REGISTER issue of September 26, 1968, amended and republished as amended, this issue. Applicant: ROGERS CARTAGE CO., a corporation, 1439 West 103d Street, Chicago, Ill. 60643. Applicant's representative: Carl L. Steiner, 39 South La Salle Street, Chicago, Ill. 60603. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Dry fertilizers*, in bulk, from the plantsite or storage facilities of Monsanto Co. at El Dorado, Ark., to points in Alabama, Florida, Georgia, Kentucky, Louisiana, Mississippi, Oklahoma, South Carolina, Tennessee, and Texas, restricted to traffic originating at said plantsite or storage facilities and destined to the above-named States in application. NOTE: The purpose of this republication is to re-describe the commodity description. If a hearing is deemed necessary, applicant requests it be held at Washington, D.C.

No. MC 73165 (Sub-No. 261), filed March 3, 1969. Applicant: EAGLE MOTOR LINES, INC., Post Office Box 1348, Birmingham, Ala. 35201. 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: *Metal, metal alloys, ores, and chemicals* (except commodities in bulk), between New Johnsonville, Tenn., on the one hand, and, on the other, points in Arkansas, Iowa, Louisiana, Minnesota, Missouri, and Texas and all States east thereof. NOTE: Applicant states it does not intend to tack, and is apparently willing to accept a restriction against tacking if warranted. If a hearing is deemed necessary, applicant requests it be held at Nashville, Tenn.

No. MC 74321 (Sub-No. 35), filed February 27, 1969. Applicant: B. F. WALKER, INC., 650 17th Street, Denver, Colo. 80202. Applicant's representative: Jerry Prestridge, Post Office Box 1148, Austin, Tex. 78767. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: (1) *Commodities*, which require the use of special equipment or special handling by reason of size or weight; and (2) *ordnance equipment, materials and supplies and quartermaster supplies* (except household goods and commodities in bulk); (a) between military installations or Defense Department establishments in the United States; and (b) between points in (a) above, on the one hand, and, on the other, points in the United States. NOTE: Applicant states it does not intend to tack, and is apparently willing to accept a restriction against tacking if warranted. Applicant further states no duplication of authority sought herein. If a hearing is deemed necessary, applicant requests it be held at Washington, D.C.

No. MC 83539 (Sub-No. 242), filed March 10, 1969. Applicant: C & H TRANSPORTATION CO., INC., 1935 West Commerce Street, Dallas, Tex. 75222. Applicant's representative: W. T.

Brunson, 419 Northwest Sixth Street, Oklahoma City, Okla. 73102. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Skylights, fireplaces, and parts and accessories* used in the installation thereof, from Dallas and Garland, Tex., to points in the United States (except Alaska and Hawaii). NOTE: Applicant states it does not intend to tack, and is apparently willing to accept a restriction against tacking if warranted. If a hearing is deemed necessary, applicant requests it be held at Dallas, Tex.

No. MC 92983 (Sub-No. 531) (Amendment), filed September 9, 1968, published FEDERAL REGISTER issue of September 26, 1968, amended and republished as amended this issue. Applicant: ELDON MILLER, INC., Post Office Box 2508, Kansas City, Mo. 64142. Applicant's representative: Eldon Miller (same address as applicant). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Dry fertilizer and dry fertilizer ingredients*, in bulk, from the plantsite and/or storage facilities of the Monsanto Co. at or near El Dorado, Ark., to points in Alabama, Georgia, Kentucky, Louisiana, Mississippi, Oklahoma, South Carolina, Tennessee, and Texas, restricted to traffic originating at the said plantsite and/or storage facilities, and destined to the named States. NOTE: Common control may be involved. The purpose of this republication is to change the commodity description and to delete the State of Florida. If a hearing is deemed necessary, applicant requests it be held at Washington, D.C., or Kansas City, Mo.

No. MC 95540 (Sub-No. 741), filed March 3, 1969. Applicant: WATKINS MOTOR LINES, INC., 1120 West Griffin Road, Lakeland, Fla. 33801. Applicant's representative: Paul E. Weaver (same address as above). 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 Carriers Certificates*, 61 M.C.C. 209 and 766 (except hides and commodities in bulk, in tank vehicles), from the plantsite and storage facilities utilized by Oscar Mayer & Co., Inc., at Madison, Wis., to points in Tennessee (except Memphis), restricted to the transportation of traffic originating at the described plantsite and storage facilities. NOTE: Applicant states it does not intend to tack, and is apparently willing to accept a restriction against tacking, if warranted. If a hearing is deemed necessary, applicant requests it be held at Madison, Wis., or Chicago, Ill.

No. MC 103993 (Sub-No. 370) (Amendment), filed January 17, 1969, published in the FEDERAL REGISTER issue of February 6, 1969, and republished, as amended this issue. Applicant: MORGAN DRIVE AWAY, INC., 2800 West Lexington Avenue, Elkhart, Ind. 46514. Applicant's representatives: Paul D. Borghesani and Ralph H. Miller (same address as appli-

cant). 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 when transported on their own or removable wheeled undercarriages, from points in Chavez County, N. Mex., to points in the United States excluding Alaska and Hawaii. NOTE: The purpose of this republication is to more clearly set forth the commodity description and to reflect the change of origin point. If a hearing is deemed necessary, applicant requests it be held at El Paso, Tex.

No. MC 103993 (Sub-No. 378), filed March 3, 1969. Applicant: MORGAN DRIVE-AWAY, INC., 2800 West Lexington Avenue, Elkhart, Ind. 46514. Applicant's representatives: Paul D. Borghesani and Ralph H. Miller (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 movements, from points in Crittenden County, Ark., to points in the United States (except Alaska and Hawaii). NOTE: Applicant states it does not intend to tack, and is apparently willing to accept a restriction against tacking if warranted. If a hearing is deemed necessary, applicant requests it be held at Little Rock, Ark.

No. MC 103993 (Sub-No. 379), filed March 3, 1969. Applicant: MORGAN DRIVE-AWAY, INC., 2800 West Lexington Avenue, Elkhart, Ind. 46514. Applicant's representatives: Paul D. Borghesani and Ralph H. Miller (same address as applicant). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Buildings, building sections, panels, materials, parts, and accessories*, from points in Mercer County, Pa., to points in Connecticut, Delaware, Florida, Georgia, Kentucky, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, North Carolina, Rhode Island, South Carolina, Tennessee, Vermont, Virginia, and West Virginia. NOTE: Applicant states it does not intend to tack, and is apparently willing to accept a restriction against tacking if warranted. If a hearing is deemed necessary, applicant requests it be held at Pittsburgh, Pa.

No. MC 103993 (Sub-No. 380), filed March 3, 1969. Applicant: MORGAN DRIVE-AWAY, INC., 2800 West Lexington Avenue, Elkhart, Ind. 46514. Applicant's representatives: Paul D. Borghesani and Ralph H. Miller (same address as applicant). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Metal shelving, metal store fixtures, and hardware*, from Middlebury, Ind., to points in the United States (excluding Alaska and Hawaii). NOTE: Applicant states it does not intend to tack, and apparently is willing to accept a restriction against tacking if warranted. If a hearing is deemed necessary, applicant requests it be held at Indianapolis, Ind.

No. MC 103993 (Sub-No. 381), filed March 7, 1969. Applicant: MORGAN DRIVE-AWAY, INC., 2800 West Lexington Avenue, Elkhart, Ind. 46514.

Applicant's representatives: Paul D. Borghesani and Ralph H. Miller (same address as applicant). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Sectional buildings* on wheeled undercarriages, from Baltimore, Md., to points in Connecticut, Delaware, Maine, Maryland, Massachusetts, New Hampshire, New York, Ohio, Pennsylvania, Rhode Island, Vermont, Virginia, West Virginia, and the District of Columbia. **NOTE:** Applicant states it does not intend to tack, and is apparently willing to accept a restriction against tacking if warranted. If a hearing is deemed necessary, applicant requests it be held at Baltimore, Md.

No. MC 103993 (Sub-No. 382), filed March 7, 1969. Applicant: MORGAN DRIVE-AWAY, INC., 2800 West Lexington Avenue, Elkhart, Ind. 46514. Applicant's representatives: Paul D. Borghesani and Ralph H. Miller (same address as applicant). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Buildings, building sections, building parts and materials*, from Phoenix, Ariz., to points in Washington, Oregon, California, Nevada, Idaho, Montana, Wyoming, Utah, Colorado, New Mexico, North Carolina, South Carolina, Virginia, North Dakota, and South Dakota. **NOTE:** Applicant states it does not intend to tack, and is apparently willing to accept a restriction against tacking if warranted. If a hearing is deemed necessary, applicant requests it be held at Phoenix, Ariz.

No. MC 103993 (Sub-No. 384), filed March 10, 1969. Applicant: MORGAN DRIVE-AWAY, INC., 2800 West Lexington Avenue, Elkhart, Ind. 46514. Applicant's representative: Paul D. Borghesani (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, from points in Scott County, Iowa, to points in the United States excluding Hawaii and Alaska. **NOTE:** Applicant states it does not intend to tack, and is apparently willing to accept a restriction against tacking if warranted. If a hearing is deemed necessary, applicant requests it be held at Davenport, Iowa.

No. MC 104881 (Sub-No. 6), filed March 3, 1969. Applicant: ROSS C. GAY, doing business as GAY TRUCK LINE, Post Office Box 54, Falkner, Miss. 38629. Applicant's representative: James N. Clay III, 2700 Sterick Building, Memphis, Tenn. 38103. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Reclaimed rubber, rubber compounds, and rubber compounding chemicals*, from Ripley, Miss., to Hohenwald, Tenn.; and (2) *pallets*, from Hohenwald, Tenn., to Ripley, Miss. **NOTE:** Applicant states it does not intend to tack, and is apparently willing to accept a restriction against tacking, if warranted. If a hearing is deemed necessary, applicant requests it be held at Memphis, Tenn.

No. MC 107002 (Sub-No. 353) (Amendment), filed September 19, 1968, published FEDERAL REGISTER issue of October 3, 1968, amended and republished this issue. Applicant: MILLER TRANSPORTERS, INC., Post Office Box 1123, U.S. Highway 80 West, Jackson, Miss. 39205. Applicant's representatives: John J. Borth (same address as applicant), and H. D. Miller Jr., Post Office Box 22567, Jackson, Miss. 39205. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Dry fertilizer and dry fertilizer blends*, in bulk, from the facilities of Monsanto Co. at or near El Dorado, Ark., to points in Alabama, Florida, Georgia, Kentucky, Louisiana, Mississippi, Oklahoma, South Carolina, Tennessee, and Texas, restricted to traffic originating at the facilities of Monsanto Co. and destined to the named destination States. **NOTE:** The purpose of this republication is to show a change in authority sought. Applicant states no duplicating authority sought. If a hearing is deemed necessary, applicant requests it be held at Washington, D.C.

No. MC 107295 (Sub-No. 173), filed February 26, 1969. Applicant: PRE-FAB TRANSIT CO., a corporation, 100 South Main Street, Post Office Box 146, Farmer City, Ill. 61842. Applicant's representatives: Dale L. Cox (same address as above), and Mack Stephenson, 301 Building, 301 North Second Street, Springfield, Ill. 62702. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Laminated products*, from Grand Rapids, Mich., to points in the United States (except Alaska and Hawaii). **NOTE:** Applicant states that tacking would take place in conjunction with its present authority in MC 107295 where feasible. If a hearing is deemed necessary, applicant requests it be held at Grand Rapids, Mich.

No. MC 107295 (Sub-No. 176), filed March 3, 1969. Applicant: PRE-FAB TRANSIT CO., a corporation, 100 South Main Street, Farmer City, Ill. 61842. Applicant's representatives: Dale L. Cox, Post Office Box 146, Farmer City, Ill. 61842, and Mack Stephenson, 301 Building, 301 North Second Street, Springfield, Ill. 62702. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Floor arches and contractor's equipment and materials* between Miamitown, Ohio, and points in the United States (except Alaska, Hawaii, and Ohio). **NOTE:** Applicant states it intends to tack with its present authority where feasible. If a hearing is deemed necessary, applicant requests it be held at Columbus, Ohio.

No. MC 107403 (Sub-No. 761) (Amendment), filed September 26, 1968, published FEDERAL REGISTER issue of October 10, 1968, amended and republished this issue. Applicant: MATLACK, INC., 10 West Baltimore Avenue, Lansdowne, Pa. 19050. Applicant's representative: John Nelson (same address as applicant). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Dry fer-*

*tilizer and dry fertilizer ingredients*, in bulk, from the plantsite or storage facilities of the Monsanto Co. at or near El Dorado, Ark., to points in Alabama, Florida, Georgia, Kentucky, Louisiana, Mississippi, Oklahoma, South Carolina, Tennessee, and Texas, restricted to traffic originating at the said plantsite or storage facilities and destined to the States indicated above. **NOTE:** The purpose of this republication is to show a change in authority sought. If a hearing is deemed necessary, applicant requests it be held at Washington, D.C.

No. MC 107496 (Sub-No. 684) (Amendment), filed September 9, 1968, published FEDERAL REGISTER issue of October 10, 1968, amended and republished as amended this issue. Applicant: RUAN TRANSPORT CORPORATION, Keosauqua Way at Third, Post Office Box 855, Des Moines, Iowa 50304. Applicant's representative: H. L. Fabritz (same address as applicant). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Fertilizers and fertilizer blends thereof*, in bulk, from El Dorado, Ark., to points in Alabama, Florida, Georgia, Kentucky, Louisiana, Mississippi, Oklahoma, South Carolina, Tennessee, and Texas. **NOTE:** The purpose of this republication is to change the commodity description. If a hearing is deemed necessary, applicant requests it be held at St. Louis, Mo., or Des Moines, Iowa.

No. MC 107496 (Sub-No. 704) (Amendment), filed January 21, 1969, published in FEDERAL REGISTER issue of February 20, 1969, and republished as amended this issue. Applicant: RUAN TRANSPORT CORPORATION, Keosauqua Way at Third, Post Office Box 855, Des Moines, Iowa 50304. Applicant's representative: H. L. Fabritz (same address as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Animal blood*, in bulk, (1) from Monmouth, Ill., to points in Iowa, Minnesota, Nebraska, Wisconsin, and Michigan; (2) from Cedar Rapids, Iowa, to points in Illinois, Minnesota, Nebraska, Wisconsin, and Michigan; and (3) from Minneapolis, Minn., and Milwaukee, Wis., to points in Michigan and Dubuque, Iowa. **NOTE:** The purpose of this republication is to broaden the scope of authority sought in (3) above. Applicant states that it has no present intention to tack. If a hearing is deemed necessary, applicant requests it be held at Des Moines, Iowa, or Chicago, Ill.

No. MC 107515 (Sub-No. 645), filed March 6, 1969. Applicant: REFRIGERATED TRANSPORT CO., INC., Post Office Box 10799, Station A, Atlanta, Ga. 30310. Applicant's representative: B. L. Gundlach (same address as applicant). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Frozen prepared food*, from Monroe City, Mo., to points in Alabama, Florida, Georgia, North Carolina, South Carolina, and Tennessee (except Memphis). Applicant indicated tacking possibilities at Ayden, N.C., with the present authority under MC 107515 (Sub-No. 515) to serve points in Virginia.

If a hearing is deemed necessary, applicant requests it be held at Kansas City, Mo., or Atlanta, Ga.

No. MC 109398 (Sub-No. 6), filed March 7, 1969. Applicant: CHICAGO-TRI-CITIES MOTOR FREIGHT, INC., Sixth Avenue and River Street, Rock Island, Ill. 61201. Applicant's representative: Leonard R. Kofkin, 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, and commodities in bulk), serving the plantsite of Montgomery Elevator Co. located in Henry County, Ill., as an off-route point in connection with applicant's presently authorized regular-route operations to and from Moline, Ill. NOTE: If a hearing is deemed necessary, applicant requests it be held at Moline, Ill.

No. MC 110420 (Sub-No. 582), filed February 28, 1969. Applicant: QUALITY CARRIERS, INC., 100 South Calumet Street, Burlington, Wis. 53105. Applicant's representative: Allan B. Torhorst (same address as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Corn syrup, liquid sugar, or blends thereof*, in bulk, from Lincoln, Nebr., to points in Iowa, Kansas, and Missouri. NOTE: Applicant states tacking possibilities with its presently held authority at Iowa, Kansas, and Missouri points. If a hearing is deemed necessary, applicant requests it be held at St. Louis, Mo.

No. MC 110525 (Sub-No. 880) (Amendment), filed September 3, 1968, published FEDERAL REGISTER issue September 26, 1968, amended and republished as amended this issue. Applicant: CHEMICAL LEAMAN TANK LINES, INC., 520 East Lancaster Avenue, Downingtown, Pa. 19335. Applicant's representatives: Edwin H. van Deusen (same address as above), and Leonard A. Jaskiewicz, 1155 15th Street NW., Washington, D.C. 20005. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Dry fertilizer and dry fertilizer ingredients*, in bulk, from El Dorado, Ark., to points in Alabama, Florida, Georgia, Kentucky, Louisiana, Mississippi, Oklahoma, South Carolina, Tennessee, and Texas, restricted to traffic originating at the said plantsite or storage facilities and destined to the enumerated territory. NOTE: The purpose of this republication is to more clearly set forth the commodity description and reflect the restriction. If a hearing is deemed necessary, applicant requests it be held at Washington, D.C.

No. MC 110525 (Sub-No. 896), filed March 3, 1969. Applicant: CHEMICAL LEAMAN TANK LINES, INC., 520 East Lancaster Avenue, Downingtown, Pa. 19335. Applicant's representatives: Edwin H. van Deusen (same address as applicant), and Leonard A. Jaskiewicz, 1155 15th Street NW., Washington, D.C. 20005. Authority sought to operate as a *common carrier*, by motor vehicle, over

irregular routes, transporting: *Latex*, in bulk, in tank vehicles, from Ashland, Ohio, to Milwaukee, Wis. NOTE: Applicant states it does not intend to tack, and is apparently willing to accept a restriction against tacking, if warranted. If a hearing is deemed necessary, applicant does not specify location.

No. MC 110525 (Sub-No. 897), filed March 7, 1969. Applicant: CHEMICAL LEAMAN TANK LINES, INC., 520 East Lancaster Avenue, Downingtown, Pa. 19335. Applicant's representatives: Edwin H. van Deusen (same address as applicant), and Leonard A. Jaskiewicz, 1155 15th Street NW., Washington, D.C. 20005. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Chlorosulfonic acid*, in bulk, in tank vehicles, from Lockland, Ohio, to Muskegon, Mich. NOTE: Applicant states that it does not intend to tack, and is apparently willing to accept a restriction against tacking if warranted. If a hearing is deemed necessary, applicant does not specify location.

No. MC 111045 (Sub-No. 67) (Amendment), filed February 13, 1969, published FEDERAL REGISTER issue of March 13, 1969, amended and republished this issue. Applicant: REDWING CARRIERS, INC., Post Office Box 426, Tampa, Fla. 33601. Applicant's representative: J. V. McCoy (same address as applicant). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Chemicals, liquid*, in bulk, in tank trucks, from Gainesville, Fla., to points in Alabama. NOTE: The purpose of this republication is to add "liquid" in commodity description and to show a change in territorial scope of authority sought. Applicant states it does not intend to tack, and apparently is willing to limit the proposed operation to local service if warranted. Common control may be involved. If a hearing is deemed necessary, applicant requests it be held at New York, N.Y., or Washington, D.C.

No. MC 111170 (Sub-No. 126) (Amendment), filed November 1, 1968, published FEDERAL REGISTER issue of November 28, 1968, amended and republished this issue. Applicant: WHEELING PIPE LINE, INC., Post Office Box 1718, El Dorado, Ark. 71730. Applicant's representative: Thomas Harper, Post Office Box 43, Fort Smith, Ark. 72901. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes transporting: *Fertilizer and fertilizer blends*, in bulk, from the plantsite or storage facilities of the Monsanto Co. at or near El Dorado, Ark., to points in Alabama, Florida, Georgia, Kentucky, Louisiana, Mississippi, Oklahoma, South Carolina, and Tennessee, restricted to the transportation of traffic originating at the above-described plantsite and further restricted against the tacking of this authority with any other authority now or hereafter granted applicant, either at the point of origin or points of destination, and restricted against the interlining or interchange of any traffic with other carriers at such points. NOTE: The purpose of this republication is to show a change in authority sought. If a hearing is

deemed necessary, applicant requests it be held at Washington, D.C.

No. MC 111940 (Sub-No. 47), filed February 25, 1969. Applicant: SMITH'S TRUCK LINES, a corporation, Post Office Box 88, Muncy, Pa. 17756. Applicant's representative: John M. Musselman, 400 North Third Street, Harrisburg, Pa. 17108. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Tires and tubes, materials, supplies, and equipment* for tire mounting and retreading and advertising materials, from Findlay, Ohio, to Williamsport, Pa. NOTE: Applicant states it does not intend to tack, and is apparently willing to accept a restriction against tacking, if warranted. If a hearing is deemed necessary, applicant requests it be held at Harrisburg, Pa., or Washington, D.C.

No. MC 112713 (Sub-No. 112), filed March 5, 1969. Applicant: YELLOW FREIGHT SYSTEM, INC., Post Office Box 8462, 92d at State line, Kansas City, Mo. 64114. Applicant's representative: John M. Records (same address as above). Authority sought to operate as a *common carrier*, by motor vehicle, over regular routes, transporting: *Classes A and B explosives*; (1) between Savanna, Okla., and Gallup, N. Mex., from Savanna over U.S. Highway 69, to Indian Nation Turnpike, thence over Indian Nation Turnpike to junction Interstate Highway 40, thence over Interstate Highway 40 and U.S. Highway 66 to Gallup, serving no intermediate points as an alternate route for operating convenience only; and (2) between Savanna, Okla., and Salina, Kans., from Savanna over U.S. Highway 69 to Indian Nation Turnpike, thence over Indian Nation Turnpike to junction Interstate Highway 40, thence over Interstate Highway 40 to junction Interstate Highway 35, thence over Interstate Highway 35 to the junction of Interstate Highway 235, near Wichita, Kans., thence over Interstate Highway 235 to junction U.S. Highway 81, thence over U.S. Highway 81 to junction Interstate Highway 35W, thence over Interstate Highway 35W to Salina, 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 Kansas City, Mo., or Oklahoma City, Okla.

No. MC 112801 (Sub-No. 89), filed March 10, 1969. Applicant: TRANSPORT SERVICE CO., a corporation, Post Office Box 50272, Chicago, Ill. 60650. Applicant's representative: Robert H. Levy, 29 South La Salle Street, Chicago, Ill. 60603. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: (1) *Vegetable oil*, in bulk, in tank vehicles, from Decatur, Ill., to Birmingham, Ala., and Osceola, Ark.; and (2) *cotton seed oil*, in bulk, in tank vehicles, from Birmingham, Decatur, and Huntsville, Ala.; Osceola, Ark.; Greenwood and Marks, Miss.; Kennett and Sikeston, Mo.; to Decatur, Ill. NOTE: Applicant states it does not intend to tack, and is apparently willing to accept a restriction against tacking if warranted. If a hearing is deemed necessary,

applicant requests it be held at Chicago, Ill.

No. MC 113267 (Sub-No. 211), filed March 6, 1969. Applicant: CENTRAL & SOUTHERN TRUCK LINES, INC., 312 West Morris Street, Caseyville, Ill. 62232. Applicant's representative: Lawrence A. Fischer (same address as applicant). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Lime, limestone, and limestone products*, from Gibsonburg, Ohio, to points in Missouri and points in Illinois within the commercial zone of St. Louis, Mo. NOTE: Applicant states it does not intend to tack, and is apparently willing to accept a restriction against tacking if warranted. Common control may be involved. If a hearing is deemed necessary, applicant requests it be held at St. Louis, Mo.

No. MC 113325 (Sub-No. 126) (Amendment), filed September 9, 1968, published in the FEDERAL REGISTER issue of September 26, 1968, and republished as amended this issue. Applicant: SLAY TRANSPORTATION CO., INC., 2001 South Seventh Street, St. Louis, Mo. 63104. Applicant's representative: T. M. Tahan (same address as applicant). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Dry fertilizer and dry fertilizer ingredients*, in bulk, from the plantsite or storage facilities of the Monsanto Co. at or near El Dorado, Ark., to points in Alabama, Florida, Georgia, Kentucky, Louisiana, Mississippi, Oklahoma, South Carolina, Tennessee, and Texas, restricted to traffic originating at the said plantsite or storage facilities and destined to the States indicated above. NOTE: The purpose of this republication is to more clearly set forth the commodity description and to reflect the above restriction. If a hearing is deemed necessary, applicant requests it be held at Washington, D.C.

No. MC 113434 (Sub-No. 34), filed February 28, 1969. Applicant: GRA-BELL TRUCK LINE, INC., 679 Lincoln Street, Holland, Mich. 49423. Applicant's representative: Wilhelmina Boersma, 1600 First Federal Building, Detroit, Mich. 48226. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Foodstuffs*, other than frozen, and *empty containers*, from Holland, Mich., to the facilities of H. J. Heinz Co. at or near Toledo, Fremont, and Bowling Green, Ohio. NOTE: Applicant states it does not intend to tack, and is apparently willing to accept a restriction against tacking if warranted. If a hearing is deemed necessary, applicant requests it be held at Detroit, Mich., or Pittsburgh, Pa.

No. MC 113495 (Sub-No. 39), filed March 4, 1969. Applicant: GREGORY HEAVY HAULERS, INC., 51 Oldham Street, Post Office Box 5266, Nashville, Tenn. Applicant's representative: Wilmer B. Hill, 529 Transportation Building, Washington, D.C. 20006. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Aluminum lamp posts and accessories*, from Nashville, Tenn., to

points in the United States (except those in Alaska, Hawaii, Washington, Oregon, Idaho, Montana, Utah, Wyoming, California, Arizona, Nevada, and New Mexico). NOTE: Applicant states it does not intend to tack, and is apparently willing to accept a restriction against tacking, if warranted. If a hearing is deemed necessary, applicant requests it be held at Nashville, Tenn., Washington, D.C., or Chicago, Ill.

No. MC 113666 (Sub-No. 32), filed February 28, 1969. Applicant: FREEPORT TRANSPORT, INC., 1200 Butler Road, Freeport, Pa. 16229. Applicant's representative: Leonard A. Jaskiewicz, 1155 15th Street NW., Washington, D.C. 20005. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: (1) *Refractories, refractory products, clay products, tile, brick, and sewer pipe*, from points in Pennsylvania and West Virginia to points in Ohio, Michigan, West Virginia, Virginia, Maryland, New York, New Jersey, Delaware, Rhode Island, Connecticut, Massachusetts, Indiana, Illinois, Kentucky, Kansas, Missouri, Wisconsin, and the District of Columbia; and (2) *materials and supplies* used in the manufacture of the products described in (1) above on return. NOTE: Applicant states it does not intend to tack, and is apparently willing to accept a restriction against tacking if warranted. If a hearing is deemed necessary, applicant requests it be held at Washington, D.C., or Chicago, Ill.

No. MC 113974 (Sub-No. 32), filed March 5, 1969. Applicant: PITTSBURGH & NEW ENGLAND TRUCKING CO., a corporation, 211 Washington Avenue, Post Office Box 67, Dravosburg, Pa. 15034. Applicant's representative: W. H. Schlottman (same address as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Ventilators, ventilator parts, ventilator equipment, ventilator systems, including accessories used in the installation thereof*, from Philadelphia, Pa., to points in Alabama, Arkansas, Florida, Georgia, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maine, Michigan, Minnesota, Mississippi, Missouri, New Hampshire, Ohio, Oklahoma, Tennessee, Texas, Vermont, West Virginia, and Wisconsin. NOTE: Applicant states that it does not intend to tack, and is apparently willing to accept a restriction against tacking if warranted. If a hearing is deemed necessary, applicant requests it be held at Philadelphia, Pa., or Washington, D.C.

No. MC 114533 (Sub-No. 184), filed March 10, 1969. Applicant: BANKERS DISPATCH CORPORATION, 4970 South Archer Avenue, Chicago, Ill. 60632. Applicant's representative: W. W. Wallin, 330 South Jefferson Street, Chicago, Ill. 60606. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Radio-pharmaceuticals, radioactive drugs, medical isotopes, and related products*, (1) between Portland, Oreg., on the one hand, and, on the other, points in California, Washington, Montana, Wyoming, Idaho, Utah, and Nevada; and (2) be-

tween points in California, Washington, Montana, Wyoming, Idaho, Utah, Nevada, and Oregon, restricted to shipments having an immediately prior or subsequent movement by air. NOTE: Applicant states it does not intend to tack, and is apparently willing to accept a restriction against tacking if warranted. Applicant has a pending application for contract carrier authority under Docket No. MC 128616, therefore, dual operations may be involved. Common control may be involved. If a hearing is deemed necessary, applicant requests it be held at Chicago, Ill., or St. Louis, Mo.

No. MC 114533 (Sub-No. 185), filed March 10, 1969. Applicant: BANKERS DISPATCH CORPORATION, 4970 South Archer Avenue, Chicago, Ill. 60632. Applicant's representative: Warren W. Wallin, 330 South Jefferson Street, Chicago, Ill. 60606. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Small parts, electronic components and supplies*, as used in the repair, maintenance, and operation of photocopying equipment; (1) between Chicago, Ill., on the one hand, and, on the other, points in Wisconsin, Michigan, Indiana, Missouri, and Toledo, Ohio; and (2) between St. Louis, Mo., on the one hand, and, on the other, Coffeyville, Emporia, Great Bend, Hutchinson, Junction City, Kansas City, Lawrence, Leavenworth, Manhattan, Overland Park, Pittsburg, Salina, Topeka, and Wichita, Kans. NOTE: Applicant states it does not intend to tack, and is apparently willing to accept a restriction against tacking if warranted. Applicant has a pending application for contract carrier authority under Docket No. MC 128616, therefore, dual operations may be involved. Common control may be involved. If a hearing is deemed necessary, applicant requests it be held at Chicago, Ill.

No. MC 114632 (Sub-No. 19), filed February 27, 1969. Applicant: APPLE LINES, INC., 225 South Van Epps, Madison, S. Dak. 57042. Applicant's representative: Einar Viren, 904 City National Bank Building, Omaha, Nebr. 68102. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Meats, meat products, and meat byproducts and articles* described in sections A and C of appendix to the report in *Descriptions in Motor Carriers Certificates*, 61 M.C.C. 209 and 766 (except hides and commodities in bulk, in tank vehicles), from the plantsites and storage facilities of Iowa Beef Packers, Inc., at or near Denison, Iowa; Dakota City, Nebr.; Emporia, Kans.; Fort Dodge and Le Mars, Iowa; Luverne, Minn.; Mason City, Iowa; West Point, Nebr.; to points in Illinois, Kansas, Missouri, and Oklahoma. NOTE: Applicant states that it does not intend to tack, and is apparently willing to accept a restriction against tacking if warranted. Applicant holds contract carrier authority under MC 129706, therefore, dual operations may be involved. If a hearing is deemed necessary, applicant requests it be held at Sioux City, Iowa, or Omaha, Nebr.

No. MC 115840 (Sub-No. 38), filed March 3, 1969. Applicant: COLONIAL FAST FREIGHT LINES, INC., 1215 West Bankhead Highway, Post Office Box 2169, Birmingham, Ala. 35201. Applicant's representative: C. E. Wesley (same address as applicant). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Salt and salt products, and products used in the agricultural water treatment, food processing, wholesale groceries and institutional supply industries* (except in bulk), from points on the Warrior-Tombigbee-Alabama River System, located at Alabama, to points in Tennessee, Georgia, North Carolina, South Carolina, Florida, and Alabama. NOTE: Applicant states it does not intend to tack, and is apparently willing to accept a restriction against tacking, if warranted. If a hearing is deemed necessary, applicant does not specify location.

No. MC 114848 (Sub-No. 42) (Amendment), filed September 19, 1968, published FEDERAL REGISTER issue of October 10, 1968, amended and republished this issue. Applicant: WHARTON TRANSPORT CORPORATION, 1498 Channel Avenue, Memphis, Tenn. 38106. Applicant's representative: James N. Clay III, 2700 Sterick Building, Memphis, Tenn. 38103. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Dry fertilizer and dry fertilizer ingredients*, in bulk, from El Dorado, Ark., to points in Alabama, Florida, Georgia, Kentucky, Louisiana, Mississippi, Oklahoma, South Carolina, Tennessee and Texas. NOTE: The purpose of this republication is to show a change in commodity description. If a hearing is deemed necessary, applicant requests it be held at Memphis, Tenn.

No. MC 115331 (Sub-No. 260) (Amendment), filed September 24, 1968, published FEDERAL REGISTER issue of October 10, 1968, amended February 25, 1969, and republished as amended this issue. Applicant: TRUCK TRANSPORT, INCORPORATED, 1931 North Geyer Road, St. Louis, Mo. 63111. Applicant's representative: Thomas F. Kilroy, Suite 913, Colorado Building, 1341 G Street NW., Washington, D.C. 20005. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Dry fertilizer and dry fertilizer ingredients*, in bulk, from El Dorado, Ark., to points in Alabama, Florida, Georgia, Kentucky, Louisiana, Mississippi, Oklahoma, South Carolina, Tennessee, and Texas. NOTE: Common control may be involved. The purpose of this republication is to change the commodity description. If a hearing is deemed necessary, applicant requests it be held at St. Louis, Mo., or Washington, D.C.

No. MC 115331 (Sub-No. 268), filed March 3, 1969. Applicant: TRUCK TRANSPORT, INCORPORATED, 1931 North Geyer Road, St. Louis, Mo. 63131. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Lime and limestone products*, from Manitowoc County, Wis., to points in Iowa, Illinois, Indiana, Minnesota, Missouri, and Wisconsin. NOTE:

Applicant states it does not intend to tack, and is apparently willing to accept a restriction against tacking if warranted. If a hearing is deemed necessary, applicant requests it be held at St. Louis, Mo., or Chicago, Ill.

No. MC 116063 (Sub-No. 112) (Amendment), filed September 10, 1968, published in FEDERAL REGISTER issue October 3, 1968, and republished as amended this issue. Applicant: WESTERN-COMMERCIAL TRANSPORT, INC., 2400 Cold Springs Road, Post Office Box 270, Fort Worth, Tex. 76101. Applicant's representative: W. H. Cole (same address as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Dry fertilizer and dry fertilizer ingredients*, in bulk, from El Dorado, Ark., to points in Alabama, Florida, Georgia, Kentucky, Louisiana, Mississippi, Oklahoma, South Carolina, Tennessee, and Texas. NOTE: The purpose of this republication is to redescribe the commodity description. If a hearing is deemed necessary, applicant requests it be held at Washington, D.C.

No. MC 116077 (Sub-No. 247) (Amendment), filed September 16, 1968, published in FEDERAL REGISTER issue of October 3, 1968, amended January 30, 1969, and republished as amended this issue. 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: *Dry fertilizer and dry fertilizer ingredients*, in bulk, from El Dorado, Ark., to points in Alabama, Florida, Georgia, Kentucky, Louisiana, Mississippi, Oklahoma, South Carolina, Tennessee, and Texas. NOTE: The purpose of this republication is to redescribe the commodity description. If a hearing is deemed necessary, applicant requests it be held at Washington, D.C.

No. MC 116254 (Sub-No. 85) (Amendment), filed September 25, 1968, published FEDERAL REGISTER issue of October 24, 1968, amended and republished as amended this issue. Applicant: CHEM-HAULERS, INC., Post Office Drawer M, Sheffield, Ala. 35660. Applicant's representative: Walter Harwood, 515 Nashville Bank & Trust Building, Nashville, Tenn. 37201. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Dry fertilizers and dry fertilizer blends*, originating at the plantsite and storage facilities of the Monsanto Co. at or near El Dorado, Ark., to points in Alabama, Florida, Georgia, Kentucky, Louisiana, Mississippi, Oklahoma, South Carolina, Tennessee, and Texas. NOTE: Applicant states it proposes to tack the authority sought herein, if and when required, at Sheffield, Ala., with its presently held authority in MC 116254 Sub 5, to provide service to points in Illinois, Indiana, North Carolina, and Virginia. The purpose of this republication is to more clearly set forth the commodity description and to reflect the restriction. If a hearing is deemed necessary, applicant

requests it be held at Washington, D.C., St. Louis, Mo., Memphis, Tenn., or Birmingham, Ala.

No. MC 116254 (Sub-No. 93), filed March 3, 1969. Applicant: CHEM-HAULERS, INC., Post Office Drawer M, Sheffield, Ala. 35660. Applicant's representative: Walter Harwood, 1822 Parkway Towers, Nashville, Tenn. 37219. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Liquid fertilizer*, in bulk, in tank vehicles, from Port Birmingham, Ala., to points in Alabama, Georgia, Mississippi, and Tennessee. NOTE: Applicant states it does not intend to tack, and is apparently willing to accept a restriction against tacking if warranted. Applicant further states that no duplicating authority is sought. If a hearing is deemed necessary, applicant requests it be held at Birmingham, Ala., Nashville, Tenn., or Atlanta, Ga.

No. MC 116254 (Sub-No. 94), filed March 3, 1969. Applicant: CHEM-HAULERS, INC., Post Office Drawer M, Sheffield, Ala. 35660. Applicant's representative: Walter Harwood, 1822 Parkway Towers, Nashville, Tenn. 37219. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Chemicals*, in bulk, from Memphis, Tenn., and West Memphis, Ark., to points in Alabama, Arkansas, Georgia, Illinois, Kentucky, Louisiana, Mississippi, Missouri, New Jersey, Pennsylvania, Tennessee, Texas, and Wisconsin. NOTE: Applicant states it intends to tack with its Sub 5 at Sheffield, Ala., and Sub 52 at Barfield, Ark., and points within 10 miles thereof. Applicant further states no duplicating authority sought. If a hearing is deemed necessary, applicant requests it be held at Memphis, Nashville, Tenn., or Birmingham, Ala.

No. MC 116763 (Sub-No. 147), filed February 28, 1969. Applicant: CARL SUBLER TRUCKING, INC., North West Street, Versailles, Ohio 45380. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Carpet; and items, materials, and supplies* used or useful in the manufacturing, installation, and/or distribution of carpet, between Lawrenceburg, Ky., on the one hand, and, on the other, points in the United States (except Alaska and Hawaii). NOTE: Applicant states no duplicating authority is sought. It further states that it does not intend to tack, and is apparently willing to accept a restriction against tacking, if warranted. If a hearing is deemed necessary, applicant requests it be held at Tampa, Fla.

No. MC 116763 (Sub-No. 148), filed February 28, 1969. Applicant: CARL SUBLER TRUCKING, INC., North West Street, Versailles, Ohio 45380. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Prepared foodstuffs*, not frozen (except meat, meat products, and meat byproducts, and commodities in bulk), and *items used or useful in the production, processing, packaging, and/or distribution of such foodstuffs*, between the plantsite and/or warehouse

facilities of the J. M. Smucker Co., located at Memphis, Tenn., on the one hand, and, on the other, points in Alabama, Arkansas, Colorado, Florida, Georgia, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Michigan, Minnesota, Mississippi, Missouri, Nebraska, New Mexico, North Carolina, Ohio, Oklahoma, Pennsylvania, South Carolina, Tennessee, Texas, Virginia, West Virginia, and Wisconsin. **NOTE:** Applicant states it does not intend to tack, and is apparently willing to accept a restriction against tacking. No duplicating authority sought. If a hearing is deemed necessary, applicant requests it be held at Memphis, Tenn.

No. MC 118159 (Sub-No. 64), filed March 5, 1969. Applicant: EVERETT LOWRANCE, INC., 4918 Jefferson Highway, New Orleans, La. Applicant's representative: David D. Brunson, Post Office Box 671, Oklahoma City, Okla. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Prepared food-stuffs*, from the plantsite and warehouse facilities of the Pillsbury Co., at or near Denison, Tex., to points in Colorado, Kansas, Missouri, Nebraska, Oklahoma, and Tennessee. **NOTE:** Applicant states it does not intend to tack, and is apparently willing to accept a restriction against tacking if warranted. If a hearing is deemed necessary, applicant requests it be held at Oklahoma City, Okla., Dallas, Tex., or Washington, D.C.

No. MC 118282 (Sub-No. 23) (Correction), filed February 6, 1969, published FEDERAL REGISTER issue of March 6, 1969, corrected and republished this issue. Applicant: JOHNNY BROWN'S, INC., 6801 Northwest 74th Avenue, Miami, Fla. 33166. Applicant's representatives: Guy H. Postell and Archie B. Culbreth, 1273 West Peachtree Street NE., Atlanta, Ga. 30309. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Antennas; antenna accessories; audios; audio accessories; batteries; electronic components and accessories; intercoms; public address equipment; phonographs; phonograph accessories; radios; receivers; hobby kits; recording tape; tape recorders; tape accessories; test equipment; transceivers; tubes; musical instruments; office and store supplies, furnishings, fixtures, and equipment; timers and timing devices; tools and tool kits; hardware cabinets; lamps; books; catalogs; and uncrated furniture*, from Fort Worth, Tex., to points in Florida. Restriction: Restricted to traffic originating at or destined to facilities or franchise stores of the Radio Shack Division of the Tandy Corp. **NOTE:** The purpose of this republication is to separate "phonograph accessories" and "radios" by a semicolon in lieu of a comma, also, supplies and furnishings in the listing "office and store supplies, furnishings, fixtures, and equipment" by a comma in lieu of a semicolon, so as to remove any doubt as to the authority sought by applicant. Applicant states it does not intend to tack, and is apparently willing to accept a restriction against tacking if

warranted. Applicant holds contract carrier authority in MC-125811 and Subs thereto, therefore, dual operations may be involved. If a hearing is deemed necessary, applicant requests it be held at Miami, Fla., or Fort Worth, Tex.

No. MC 118936 (Sub-No. 1) (correction), filed February 24, 1969, published FEDERAL REGISTER issue of March 13, 1969, and republished as corrected this issue. Applicant: JAMES A. MARINARI AND JOSEPH A. MARINARI, a partnership, doing business as MARINARI BROTHERS, 9 Colwell Lane, Conshohocken, Pa. 19428. Applicant's representative: Richard V. Zug, Whitcomb, Clark and Moerser, Woolson Building, Springfield, Vt. 05156. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Scrap metals and other scrap materials* in connection therewith, between points in New York, New Jersey, Pennsylvania, Delaware, Maryland, and Virginia. **NOTE:** The purpose of this republication is to show correct address of applicant's representative. Applicant states no duplicating authority is being sought. Applicant further states it does not intend to tack, and is apparently willing to accept a restriction against tacking if warranted. If a hearing is deemed necessary, applicant requests it be held at Philadelphia, Pa.

No. MC 119670 (Sub-No. 14), filed March 3, 1969. Applicant: THE VICTOR TRANSIT CORPORATION, 5250 Este Avenue, Cincinnati, Ohio 45232. Applicant's representative: Robert H. Kinker, Post Office 464, Frankfort, Ky. 40601. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: (1) *Paper stock*, in rolls, from Kaukauna, Wis., to Tullahoma, Tenn.; (2) *solid bleach sulphate*, in sheets, from Brewton, Ala., to Tullahoma, Tenn.; and (3) *pulpboard*, not corrugated, from Alton, Ill., to Tullahoma, Tenn. **NOTE:** Applicant states it does not intend to tack, and is apparently willing to accept a restriction against tacking if warranted. If a hearing is deemed necessary, applicant requests it be held at Nashville, Tenn.

No. MC 119777 (Sub-No. 141), filed February 27, 1969. Applicant: LIGON SPECIALIZED HAULER, INC., Post Office Drawer 1, 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: (1) *Pulp board* (except commodities which because of size or weight require the use of special equipment or special handling), from points in Hancock County, Ky., to points in Minnesota, Wisconsin, Michigan, Missouri, Illinois, Arkansas, Indiana, Ohio, Pennsylvania, New York, Massachusetts, Connecticut, West Virginia, Virginia, Kentucky, Tennessee, North Carolina, South Carolina, Alabama, and Georgia; and (2) *wood pulp and fiber pulp* (except commodities which because of size or weight require the use of special equipment or special handling), from points in Hancock

County, Ky., to points in Minnesota, Wisconsin, Missouri, Illinois, Michigan, Indiana, Ohio, Pennsylvania, New York, Vermont, New Hampshire, Maine, Massachusetts, Rhode Island, Connecticut, New Jersey, Delaware, Maryland, West Virginia, Virginia, Kentucky, Tennessee, North Carolina, and South Carolina. **NOTE:** Applicant states it does not intend to tack, and is apparently willing to accept a restriction against tacking if warranted. Applicant holds contract carrier authority in MC 126970 and Subs, therefore, dual operations may be involved. If a hearing is deemed necessary, applicant requests it be held at Louisville, Ky.

No. MC 123048 (Sub-No. 150), filed February 28, 1969. Applicant: DIAMOND TRANSPORTATION SYSTEM, INC., 1919 Hamilton Avenue, Post Office Box A, Racine, Wis. 53401. Applicant's representatives: Paul L. Martinson (same address as applicant), and Paul C. Gartzke, 1212 West Doty Street, Madison, Wis. 53703. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: (1) *Agricultural implements, storage bins, unmounted front end loaders and scraper blades*; and (2) *parts and attachments* for the commodities, described in (1) above, from Richmond, Ind., to points in the United States (excluding Hawaii); and (3) *materials, equipment, and supplies* used or useful in the manufacture and distribution of the commodities described in (1) and (2) above, from points in the United States (excluding Hawaii) to Richmond, Ind. **NOTE:** Applicant states it does not intend to tack, and is apparently willing to accept a restriction against tacking if warranted. If a hearing is deemed necessary, applicant requests it be held at Chicago, Ill.

No. MC 123407 (Sub-No. 48), filed March 7, 1969. Applicant: SAWYER TRANSPORT, INC., 2424 Minnehaha Avenue, Minneapolis, Minn. 55404. Applicant's representative: Alan Foss, 502 First National Bank Building, Fargo, N. Dak. 58102. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Furring, studding, lathing, and ribbing and accessories and related articles, and materials and supplies* used in the installation thereof, from Chicago, Ill., to points in Arkansas, Alabama, Florida, Georgia, Iowa, Minnesota, Louisiana, Upper Peninsula of Michigan, Mississippi, Missouri, Nebraska, North Dakota, South Dakota, Tennessee, Wisconsin, Wyoming, and Texas. **NOTE:** Applicant states it does not intend to tack, and is apparently willing to accept a restriction against tacking if warranted. If a hearing is deemed necessary, applicant requests it be held at Chicago, Ill.

No. MC 123603 (Sub-No. 3), filed March 3, 1969. Applicant: DONALD ICE BLDG. STONE, INC., 1146 Stanley Avenue, Evansville, Ind. 44711. Applicant's representative: Walter F. Jones, Jr., 601 Chamber of Commerce Building, Indianapolis, Ind. 46204. Authority sought to operate as a *contract carrier*, by motor vehicle, over irregular routes, transporting: *Concrete pipe, forms, rings, headers, and vibrators*; (1) between Evansville,

Ind., and East St. Louis, Ill., and (2) between Evansville, Ind., and Cham-paign, Ill., under contract with Concrete Pipe, Inc., Evansville, Ind. **NOTE:** If a hearing is deemed necessary, applicant requests it be held at Indianapolis, Ind., or Springfield, Ill.

No. MC 123819 (Sub-No. 19) (Amend-ment), filed October 21, 1968, published FEDERAL REGISTER issue November 7, 1968, amended and republished this issue. Applicant: ACE FREIGHT LINE, INC., 261 East Webster, Memphis, Tenn. 38102. Applicant's representative: Paul M. Daniell, 1600 First Federal Building, Atlanta, Ga. 30303. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Dry fertilizer and dry fertilizer ingredients*, from El Dorado, Ark., to points in Florida, Georgia, Kentucky, South Carolina, Texas, and Oklahoma. **NOTE:** The purpose of this republication is to reflect a change in authority sought. Applicant states it does not intend to tack, and is apparently willing to accept a restriction against tacking if warranted. If a hearing is deemed necessary, applicant requests it be held at Memphis, Tenn.

No. MC 124078 (Sub-No. 364), filed March 3, 1969. Applicant: SCHWERTMAN TRUCKING CO., a corporation, 611 South 28th Street, Milwaukee, Wis. 53246. Applicant's representative: Richard H. Prevet (same address as applicant). Authority sought to operate as a *common carrier*, by motor vehicle over irregular routes, transporting: *Calcium phosphate*, dry, in bulk, in tank or hopper-type vehicles, from Nashville, Tenn., to points in Illinois, Kansas, and Missouri. **NOTE:** Applicant states it will tack with its MC 124078 Sub 219 at Niota, Ill., to serve points in Iowa, Minnesota, Nebraska, and South Dakota. If a hearing is deemed necessary, applicant requests it be held at Chicago, Ill.

No. MC 124078 (Sub-No. 366), filed March 7, 1969. Applicant: SCHWERTMAN TRUCKING CO., a corporation, 611 South 28th Street, Milwaukee, Wis. 53246. Applicant's representative: James R. Ziperski (same address as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Urea*, from Fosteria, Ohio, to points in Indiana, Michigan, and Ohio. **NOTE:** Applicant states it intends to tack with its present authority under MC 124078 (Sub-No. 225) at Fort Wayne, Ind., to serve points in Illinois. If a hearing is deemed necessary, applicant requests it be held at Chicago, Ill.

No. MC 124377 (Sub-No. 11), filed March 3, 1969. Applicant: REFRIGERATED FOODS, INC., 3200 Blake Street, Post Office Box 1018, Denver, Colo. 80201. Applicant's representative: John H. Lewis, The 1650 Grant Street Building, Denver, Colo. 80203. Authority sought to operate as a *contract carrier*, by motor vehicle, over irregular routes, transporting: *Meat, meat products, meat byproducts, and articles distributed by meat packinghouses* as described in sections A and C, to appendix I, to report in *Descriptions in Motor Carrier Certificates*,

61 M.C.C. 209 and 766 (except hides and commodities in bulk, in tank vehicles) from plantsite of Sigman Meat Co., Inc., at or near Brush, Colo., to plantsite of Glover Packing Co. at or near Roswell, N. Mex., under contract with Sigman Meat Co., Inc., Denver, Colo. **NOTE:** If a hearing is deemed necessary, applicant requests it be held at Denver or Brush, Colo.

No. MC 124692 (Sub-No. 57) (Amend-ment), filed December 13, 1968, published FEDERAL REGISTER issue of December 28, 1968, amended March 3, 1969, and republished as amended this issue. 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 Indiana, 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:** The purpose of this republication is to add the State of Indiana. If a hearing is deemed necessary, applicant requests it be held at Washington, D.C.

No. MC 124775 (Sub-No. 4), filed February 27, 1969. Applicant: HRIBAR TRUCKING, INC., 1521 Waukesha Road, Caledonia, Wis. 53108. Applicant's representative: Frank M. Coyne, 1 West Main Street, Madison, Wis. 53703. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: (1) *Sand and gravel*, from points in Rock County, Wis., to points in Minnesota, Iowa, Illinois, and Indiana; (2) *asphalt mix*, in dump vehicles; (a) from Milwaukee County, Wis., to points in Minnesota, Iowa, Illinois, Indiana, and Michigan; and (b) from Racine County, Wis., to points in Illinois. **NOTE:** Applicant states it does not intend to tack, and is apparently willing to accept a restriction against tacking, if warranted. If a hearing is deemed necessary, applicant requests it be held at Chicago, Ill.

No. MC 125168 (Sub-No. 13), filed March 4, 1969. Applicant: OIL TANK LINES, INC., Box 190, Darby, Pa. 19023. Applicant's representative: G. Donald Bullock, 128 Greenwood Avenue, Wyncote, Pa. 19095. Authority sought to operate as a *contract carrier*, by motor vehicle, over irregular routes, transporting: *Petroleum products*, in bulk, in tank vehicles, between Falling Rock, W. Va., Bradford, Pittsburgh, Reno, Rouseville, Philadelphia, and York Haven, Pa.; Brainards, Camden, Kenvil, Parlin, Paulsboro, and Seewaren, N.J.; and New York, N.Y. **NOTE:** If a hearing is deemed

necessary, applicant requests it be held at Philadelphia, Pa.

No. MC 126791 (Sub-No. 4), filed March 4, 1969. Applicant: BEAR VAN LINES, 1855 East Avenue, Sand City, Calif. 93955. Applicant's representative: Alan F. Wohlstetter, 1 Farragut Square South, Washington, D.C. 20006. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Used household goods*, restricted to traffic having a prior or subsequent movement in containers and to the performance of pickup and delivery service in connection with packing, crating, and containerization, or unpacking, uncrating, and decontainerization, between points in Napa, Alameda, Sonoma, Contra Costa, San Francisco, Marin, Solano, Santa Clara, San Mateo, Stanislaus, Yolo, San Joaquin, and Sacramento Counties, Calif. **NOTE:** If a hearing is deemed necessary, applicant requests it be held at San Francisco, Calif.

No. MC 127319 (Sub-No. 3), filed March 6, 1969. Applicant: VERNON C. TINTINGER, doing business as VERNON TINTINGER TRUCKING, Box 7, Frenchtown, Mont. 59834. Applicant's representative: William P. Mufich, Fourth Floor, Montana Club Building, Post Office Box 1014, Helena, Mont. 59601. Authority sought to operate as a *contract carrier*, by motor vehicle, over irregular routes, transporting: *Beer*, from Portland, Ore., to Coeur D'Alene, Idaho, and Butte, Conrad, Dillon, Great Falls, Helena, Kalispell, Libby, Livingston, Missoula, and Shelby, Mont., under contract with Blitz-Weinhard Co., Portland, Ore. **NOTE:** If a hearing is deemed necessary, applicant requests it be held at Portland, Ore., or Missoula, Mont.

No. MC 127505 (Sub-No. 23), filed March 6, 1969. Applicant: RALPH H. BOELK, doing business as BOELK TRUCK LINES, 1201 14th Avenue, Mendota, Ill. 61342. Applicant's representative: Ralph H. Boelk (same address as applicant). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Iron and steel articles*, from Sterling and Rock Falls, Ill., to points in Minnesota. **NOTE:** Applicant states it does not intend to tack, and is apparently willing to accept a restriction against tacking if warranted. If a hearing is deemed necessary, applicant requests it be held at Chicago or Springfield, Ill.

No. MC 127668 (Sub-No. 3), filed March 6, 1969. Applicant: WILLIAM WELCH AND JOHN WELCH, a partnership, doing business as WELCH TRUCKING COMPANY, 1105 South Boulder, Portales, N. Mex. 88130. Applicant's representative: Edwin E. Piper, Jr., 715 Simms Building, Albuquerque, N. Mex. 87101. Authority sought to operate as a *contract carrier*, by motor vehicle, over irregular routes, transporting: *Lumber*, from points in Arizona, Colorado, and New Mexico, to points in Texas; under contract with Red River Lumber Co., Oklahoma City, Okla. **NOTE:** If a hearing is deemed necessary, applicant requests it be held at Albuquerque, N. Mex.

No. MC 127681 (Sub-No. 5), filed March 4, 1969. Applicant: JOE JONES, JR., doing business as JOE JONES TRUCKING CO., 2340 Bankhead Highway, Atlanta, Ga. 30318. Applicant's representative: Morris J. Levin, 910 17th Street, NW, Suite 917, Washington, D.C. 20006. Authority sought to operate as a *contract carrier*, by motor vehicle, over irregular routes, transporting: *Liquid chemicals*, packaged in containers and drums; (1) From the plantsite of Oxford Chemicals Division of Consolidated Foods, in Chamblee, Ga., to customers of Oxford Chemicals, located at points in the United States (excluding Alaska and Hawaii); and (2) from suppliers of Oxford Chemicals Division of Consolidated Foods, located at points in Ohio, Michigan, Pennsylvania, Massachusetts, Connecticut, New Jersey, New York, Delaware, Maryland, West Virginia, Texas, Indiana, Illinois, Missouri, and Louisiana, to the plantsite of Oxford Chemicals, at Chamblee, Ga., and to customers of Oxford Chemicals, located at points in the United States (excluding Alaska and Hawaii), under contract with Oxford Chemicals Division of Consolidated Foods. **NOTE:** If a hearing is deemed necessary, applicant requests it be held at Atlanta, Ga.

No. MC 127834 (Sub-No. 31), filed March 3, 1969. Applicant: CHEROKEE HAULING & RIGGING, INC., 540-42 Merritt Avenue, Nashville, Tenn. 37203. 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: (1) *Skylights and fire domes*; and (2) *parts, attachments, and accessories* for skylights and fire domes, from Dallas and Garland, Tex., to points in the United States (except Alaska and Hawaii). **NOTE:** Applicant states it does not intend to tack, and is apparently willing to accept a restriction against tacking if warranted. If a hearing is deemed necessary, applicant requests it be held at Dallas, Tex.

No. MC 128058 (Sub-No. 4) (Amendment), filed December 30, 1968, published *FEDERAL REGISTER*, issue of January 24, 1969, under MC 128633 (Sub-No. 7), and republished as amended this issue. Applicant: LAUREL HILL TRUCKING COMPANY, a corporation, 614 New County Road, Secaucus, N.J. 07094. Applicant's representative: George A. Olsen, 69 Tonnele Avenue, Jersey City, N.J. 07306. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *General commodities* (except commodities in bulk), between Pittsburgh, Pa.; Cleveland, Columbus, Cincinnati, and Dayton, Ohio; Detroit, Mich.; Louisville, Ky.; Indianapolis, Ind.; Chicago, Ill.; St. Louis, Mo.; Nashville, Tenn.; Atlanta, Ga.; Tampa and Miami, Fla.; restricted to the transportation of shipments having either an origin or destination at a terminal of Trans-World Airlines, Inc. **NOTE:** Applicant states it does not intend to tack, and is apparently willing to accept a restriction against

tacking if warranted. The purpose of this republication is to show that the application has been amended to seek authority to operate as a *common carrier* rather than as that of a *contract carrier* and to show the amended territory proposed to be served. If a hearing is deemed necessary, applicant requests it be held at Washington, D.C., or New York, N.Y.

No. MC 128707 (Sub-No. 4), filed February 27, 1969. Applicant: LLOYD W. PORSBORG, doing business as PORSBORG TRUCK LINE, 1405 6th Avenue NW, Great Falls, Mont. 59401. Applicant's representative: William P. Muffich, Fourth Floor, Montana Club Building, Post Office Box 1014, Helena, Mont. 59601. Authority sought to operate as a *contract carrier*, by motor vehicle, over irregular routes, transporting: *Beer*, from Portland, Oreg., to Billings, Glasgow, Glendive, Havre, Lewistown, Miles City, Plentywood, Mont., to Sheridan, Wyo., and Williston, N. Dak., under contract with Blitz-Weinhard Co., Portland, Oreg. **NOTE:** If a hearing is deemed necessary, applicant requests it be held at Portland, Oreg., or Great Falls, Mont.

No. MC 128856 (Sub-No. 4), filed March 3, 1969. Applicant: LINZIE DOWNING, doing business as LIN DOWNING & SONS, Post Office Box 1771, Yuma, Ariz. 85364. Applicant's representative: A. Michael Bernstein, 1327 United Bank Building, Phoenix, Ariz. 85012. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Dry fertilizer*, from railheads or sidings in Yuma County, Ariz., and Winterhaven, Calif., to points in Yuma and Maricopa Counties, Ariz.; Imperial County and Blythe, Calif., and points in that part of California within 25 miles of Blythe. **NOTE:** Applicant states it does not intend to tack, and is apparently willing to accept a restriction against tacking if warranted. If a hearing is deemed necessary, applicant requests it be held at Phoenix or Yuma, Ariz.

No. MC 128878 (Sub-No. 9) (Amendment), filed November 25, 1968, published in the *FEDERAL REGISTER* issue of December 19, 1968, and republished, as amended, this issue. Applicant: SERVICE TRUCK LINE, INC., Post Office Box 961, Shreveport, La. 71102. Applicant's representatives: Ewell H. Muse, Jr., 415 Perry-Brooks Building, Austin, Tex. 78701 and Wade Shemwell (same address as applicant). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Dry fertilizer and dry fertilizer ingredients*, in bulk, from the plantsite or storage facilities of the Monsanto Co. at or near El Dorado, Ark., to points in Alabama, Florida, Georgia, Kentucky, Louisiana, Mississippi, Oklahoma, South Carolina, Tennessee, and Texas, restricted against tacking and interlining. **NOTE:** The purpose of this republication is to more clearly set forth the commodity description. If a hearing is deemed necessary, applicant does not specify location.

No. MC 128898 (Sub-No. 3), filed March 12, 1969. Applicant: STANDARD TRANSPORTATION, INC., 2450 Wall Avenue, Ogden, Utah. Applicant's representative: Irene Warr, 419 Judge Building, Salt Lake City, Utah 84111. Authority sought to operate as a *contract carrier*, by motor vehicle, over irregular routes, transporting: *Plastic pipe and fittings*, from Morgan, Utah, to points in California, Nevada, Oregon, Washington, Colorado, and Arizona, under a continuing contract with Four D West, Inc. **NOTE:** If a hearing is deemed necessary, applicant requests it be held at Salt Lake City, Utah.

No. MC 129046 (Sub-No. 7), filed February 3, 1969. Applicant: BURKS-PELZ TRANSFER, INC., 1751 West Ohio Street, Post Office Box 6014, Station B, Evansville, Ind. 47710. 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: *Meat, meat products, and meat byproducts, dairy products and articles distributed by meat packinghouses* (as defined in *Modification of Permits-Packing House Product 46 M.C.C. 23*); (1) from the plantsite and/or cold storage facilities utilized by Wilson & Co., Inc., at or near Logansport, Ind., to points in Kentucky, restricted to the transportation of traffic originating at the above-specified plantsite and/or cold storage facilities and destined to the above specified destinations; (2) from Evansville, Ind., to points in Kentucky on and east of U.S. Highway 231 extending from the Indiana-Kentucky State line near Owensboro, Ky., to Bowling Green, Ky., and on and east of U.S. Highway 31W extending from Bowling Green to the Kentucky-Tennessee State line; and (3) from Evansville, Ind., to points in Indiana beginning at the Illinois-Indiana State line on and south of U.S. Highway 50 to U.S. Highway 31, to the Indiana-Kentucky State line. Applicant states it does not intend to tack, and apparently is willing to accept a restriction against tacking if warranted. Applicant holds contract carrier authority under MC 69876 and subs thereunder, therefore, dual operations may be involved. If a hearing is deemed necessary, applicant requests it be held at St. Louis, Mo., or Nashville, Tenn.

No. MC 129537 (Sub-No. 5), filed March 7, 1969. Applicant: OLIVER W. REEVES AND BOBBY G. REEVES, a partnership, doing business as REEVES TRANSPORTATION, 5144 West Idlewild, Tampa, Fla. Mailing address: Post Office Box 153, Valrico, Fla. Applicant's representative: John C. Vogt, Jr., Post Office Box 21, Tampa, Fla. 33601. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Carpets and rugs*, (1) from points in Carroll, Troupe, and Muscogee Counties, Ga., to points in Sarasota, Hillsborough, Pinellas, Manatee, Polk, Pasco, Brevard, Orange, Dade, Broward, Palm Beach, Volusia, Indian River, Seminole, St. Lucie, Martin, Charlotte, Lee, and Collier Counties, Fla.; (2)

from points in Floyd, Bartow, Chattooga, Gordon, Whitfield, Murray, Catoosa, Walker, Carroll, Troupe, and Muscogee Counties, Ga., to points in Volusia, Seminole, Indian River, St. Lucie, Martin, Charlotte, Lee, and Collier Counties, Fla.; (3) from points in Floyd, Bartow, Chattooga, Gordon, Whitfield, Catoosa, and Walker Counties, Ga. (except Dalton, Rome, Calhoun, and Cartersville, Ga.), to points in Hillsborough and Pinellas Counties, Fla.; and return of all rejected and returned goods of the commodities described in (1), (2), and (3) above. **NOTE:** Applicant states it does not intend to tack, and is apparently willing if warranted. If a hearing is deemed necessary, applicant requests it be held at Dalton, Ga., or Tampa, Fla.

No. MC 129863 (Sub-No. 3), filed March 3, 1969. Applicant: FREDERICK L. BULTMAN, INC., 3140 West Fond Du Lac Avenue, Milwaukee, Wis. 53210. Applicant's representative: William C. Dineen, 710 North Plankinton Avenue, Milwaukee, Wis. 53203. Authority sought to operate as a *contract carrier*, by motor vehicle, over irregular routes, transporting: *Oils, lubricants, and chemicals*, in drums, from Milwaukee, Wis., to points in Illinois on and north of Highway 176 and on and east of Highway 23 from its junction with Highway 176 to its junction with Highway 14 and on and east of Highway 14 from said junction to the Wisconsin-Illinois State line, for the account of Topp Oil & Chemical Co. **NOTE:** If a hearing is deemed necessary, applicant requests it be held at Milwaukee, Wis.

No. MC 129945 (Sub-No. 2), filed December 2, 1968. Applicant: HENRY BOUWMA, doing business as H. BOUWMA TRUCKING, 3604 Four Mile Road, Racine, Wis. 53404. Applicant's representative: Paul B. Lange, Post Office Box 336, Racine, Wis. 53401. Authority sought to operate as a *contract carrier*, by motor vehicle, over irregular routes, transporting: *Castings, forgings, and semifinished metal parts*, between Racine, Wis., on the one hand, and on the other, points in Illinois on and east or north of a line beginning at the intersection of Illinois Highway 26 and the Illinois-Wisconsin border, and extending southerly along Illinois Highway 26 to junction with Illinois Highway 72, thence westerly along Illinois Highway 72 to junction with U.S. Highway 51, thence southerly along U.S. Highway 51 to junction with U.S. Highway 30, thence westerly along U.S. Highway 30 to junction with Illinois Highway 23, thence southerly along Illinois Highway 23 to junction with U.S. Highway 34, thence easterly along U.S. Highway 34 to junction with Illinois Highway 47, thence southerly along Illinois Highway 47 to junction with U.S. Highway 52, thence easterly to junction of U.S. Highway 52 with Kankakee-Will County line, thence easterly along said Kankakee-Will County line to junction of said county line with Illinois-Indiana border line, under contract with Harris Metals, Inc. **NOTE:** If a hearing is

deemed necessary, applicant requests it be held at Milwaukee, Wis., Madison, Wis., or Chicago, Ill.

No. MC 133307 (Sub-No. 1), filed March 3, 1969. Applicant: LEE HENDERSON, Route 4, Buhl, Idaho 83316. Applicant's representative: Kenneth G. Bergquist, Post Office Box 1775, Boise, Idaho 83701. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Seed, feed and feed ingredients, fertilizers* (liquid and dry, bulk and sacked), *burlap and paper bags and twine and agricultural commodities and fish* which are partially exempt under section 203(b)(6) of the Interstate Commerce Act when transported with the above-listed regulated commodities, between points in Idaho, south of the southern boundary of Idaho County, on the one hand, and, on the other, points in California, Oregon, Washington, Arizona, Utah, Nevada, New Mexico, Colorado, Wyoming, and Montana. **NOTE:** If a hearing is deemed necessary, applicant requests it be held at Boise, Idaho.

No. MC 133466 (Amendment), filed February 5, 1969, published FEDERAL REGISTER issue of March 6, 1969, amended and republished as amended, this issue. Applicant: WILKINSON TRANSPORTATION CO., a corporation, 13th and Madison, Fort Calhoun, Nebr. 68023. Applicant's representative: J. Max Harding, 605 South 14th Street, Post Office Box 2028, Lincoln, Nebr. 68501. Authority sought to operate as a *contract carrier*, by motor vehicle, over irregular routes, transporting: (1) *Aluminum foil products, and aluminum scrap*; and (2) *mortar fuses and fms*, from the plantsite of Wilkinson Manufacturing Co., at or near Fort Calhoun, Nebr., to points in the United States (except Alaska and Hawaii), and *materials, supplies, and equipment* used in the manufacture and distribution of the above, on return, under a continuing contract with Wilkinson Manufacturing Co., Fort Calhoun, Nebr. **NOTE:** The purpose of this republication is to broaden the commodity description. If a hearing is deemed necessary, applicant requests it be held at Omaha, Nebr.

No. MC 133488, filed February 17, 1969. Applicant: R. F. P. TRUCKING, INC., 89 State Street, Boston, Mass. 02109. Applicant's representative: E. Stephen Heisley, 529 Transportation Building, Washington, D.C. 20006. Authority sought to operate as a *contract carrier*, by motor vehicle, over irregular routes, transporting: (1) *Iron and steel and iron and steel products; aluminum and aluminum products; rubber closures; insulation, roofing, building sidings and floorings; and paints* (except commodities in bulk), and *parts of and accessories* for the above mentioned commodities. (A) from the plantsite of and/or facilities utilized by Roll Form Products, Inc., at or near Malvern, Pa., to points in Maine, New Hampshire, Vermont, Rhode Island, Connecticut, Massachusetts, New York, New Jersey, Pennsylvania, Ohio, Michigan, Wisconsin, Minnesota, Iowa, Illinois, Indiana, Missouri, Nebraska, Kentucky, Tennessee, West Virginia, Virginia, Dis-

trict of Columbia, Maryland, Delaware, North Carolina, South Carolina, Georgia, Florida, Alabama, Mississippi, Louisiana, Arkansas, Texas, Oklahoma, and Kansas; (B) from the plantsite of and/or facilities utilized by Roll Form Products, Inc., of North Carolina at or near Wilmington, N.C., to points in the same States as set forth in (1)(A) above; and (C) from the plantsite of and/or facilities utilized by Roll Form Products of New England, Inc., at or near Hingham, Mass., to points in the same States as set forth in (1)(A) above; and (2) *Materials, equipment, and supplies* used or useful in or incidental to the production, manufacture, distribution and assembly of the above named commodities in (1) above (except commodities in bulk), (A) from points in Maine, New Hampshire, Vermont, Rhode Island, Connecticut, Massachusetts, New York, New Jersey, Pennsylvania, Ohio, Michigan, Wisconsin, Minnesota, Iowa, Illinois, Indiana, Missouri, Nebraska, Kentucky, Tennessee, West Virginia, Virginia, District of Columbia, Maryland, Delaware, North Carolina, South Carolina, Georgia, Florida, Alabama, Mississippi, Louisiana, Arkansas, Texas, Oklahoma, and Kansas to the plantsite of and/or facilities utilized by Roll Form Products, Inc., at or near Malvern, Pa.; (B) from points as specified in (2)(A) above to the plantsite and/or facilities utilized by Roll Form Products, Inc., of North Carolina, at or near Wilmington, N.C.; and (C) from points as specified in (2)(A) above to the plantsite of and/or facilities utilized by Roll Form Products of New England, Inc., at or near Hingham, Mass. **Restriction:** The above authority is restricted to the transportation of traffic moving under a continuing contract or contracts with Roll Form Products, Inc.; Roll Form Products, Inc., of North Carolina; and Roll Form Products of New England, Inc. **NOTE:** If a hearing is deemed necessary, applicant requests it be held at Boston, Mass.

No. MC 133511, filed February 20, 1969. Applicant: SECURITIES TRANSPORTATION CO., INC., 287 Kenberma Street, Manchester, N.H. Applicant's representative: Kenneth B. Williams, 111 State Street, Boston, Mass. 02109. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Commercial papers, documents, and written instruments, including originals and copies of checks, drafts, notes, money orders, travelers checks, and canceled checks and bonds, and accounting papers relating thereto, including originals and copies of cash letters, letters of transmittal, summary sheets, adding machine paper, deposit records, withdrawal slips, and debit and credit records*, between Boston, Mass., on the one hand, and, on the other, points in New Hampshire. **NOTE:** Applicant has contract carrier authority pending in MC-129824, therefore, dual operations may be involved. If a hearing is deemed necessary, applicant requests it be held at Concord, N.H., or Boston, Mass.

No. MC 133512, filed February 24, 1969. Applicant: THREE WAY TRUCKING

CO., INC., 802 Richmond Avenue, Staunton, Va. 24401. Applicant's representative: Benham M. Black, Barristers Row, Post Office Box 1206, Staunton, Va. 24401. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Toilet preparations, soap, cosmetics, premiums and related advertising materials* in cartons with the weight of articles in any one delivery to any one individual not to exceed 500 pounds, from Staunton, Va., to points in Augusta, Rockingham, Rockbridge, and Albermarle Counties, Va., and all independent cities located within said counties. NOTE: Common control may be involved. If a hearing is deemed necessary, applicant requests it be held at Roanoke, Richmond, Va., and Washington, D.C.

No. MC 133530, filed March 7, 1969. Applicant: C. & C. DELIVERY, INC., 1026 Gold SW., Albuquerque, N. Mex. 87102. Applicant's representative: Leslie R. Kehl, 420 Denver Club Building, Denver, Colo. 80202. Authority sought to operate as a *contract carrier*, by motor vehicle, over irregular routes, transporting: *New furniture and new home furnishings*, from Raton, N. Mex., and Trinidad, Colo., to points in Arizona, Colorado, New Mexico and El Paso, Tex., under contract with Chittenden & Eastman Co. NOTE: Applicant states that no duplicating authority is being sought. If a hearing is deemed necessary, applicant requests it be held at Denver, Colo., or Albuquerque, N. Mex.

#### APPLICATIONS FOR BROKERAGE LICENSES

No. MC 130080, filed February 19, 1969. Applicant: LAURENCE O. BROWN, doing business as AAMERICAN MOVING CONTRACTORS, 10501 Greenwood Avenue North, Seattle, Wash. 98133. For a license (BMC 4) to engage in operations as a *broker* at Seattle, Wash., in arranging for the transportation in interstate or foreign commerce of *household goods*, between points in the United States.

By the Commission.

[SEAL] H. NEIL GARSON,  
Secretary.

[P.R. Doc. 69-3559; Filed, Mar. 26, 1969;  
8:45 a.m.]

[Notice No. 802]

#### MOTOR CARRIER TEMPORARY AUTHORITY APPLICATIONS

MARCH 24, 1969.

The following are notices of filing of applications for temporary authority under section 210a(a) of the Interstate Commerce Act provided for under the new rules of Ex Parte No. MC-67 (49 CFR Part 340), published in the FEDERAL REGISTER, issue of April 27, 1965, effective July 1, 1965. These rules provide that protests to the granting of an application must be filed with the field official named in the FEDERAL REGISTER publication, within 15 calendar days after the date of notice of the filing of the application is published in the FEDERAL REGISTER. One copy of such protest must be

served on the applicant, or its authorized representative, if any, and the protests must certify that such service has been made. The protests must be specific as to the service which such protestant can and will offer, and must consist of a signed original and six copies.

A copy of the application is on file, and can be examined at the Office of the Secretary, Interstate Commerce Commission, Washington, D.C., and also in the field office to which protests are to be transmitted.

#### MOTOR CARRIERS OF PROPERTY

No. MC 30319 (Sub-No. 136 TA), filed March 17, 1969. Applicant: SOUTHERN PACIFIC TRANSPORT COMPANY, 733 South Poydras, Post Office Box 6187, Dallas, Tex. 75202. Applicant's representative: Lloyd M. Roach, 1517 West Front Street, Tyler, Tex. 75701. 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, commodities requiring special equipment, and those injurious or contaminating to other lading, from Lufkin, Tex., to Nacogdoches, Tex., over U.S. Highway 59, serving no intermediate points. NOTE: Applicant intends to tack with existing authority. Supporting shippers: Moore Business Forms, Inc., Nacogdoches, Tex.; Nacogdoches County Chamber of Commerce, Post Office Box 974, Nacogdoches, Tex.; Burgess Poultry Market, Inc., Post Office Drawer 907, Nacogdoches, Tex. 75961; Candy House, Inc., Post Office Drawer 1421, Nacogdoches, Tex. 75961. Send protests to: E. K. Willis, Jr., District Supervisor, Interstate Commerce Commission, Bureau of Operations, 513 Thomas Building, 1314 Wood St., Dallas, Tex. 75202.

No. MC 76177 (Sub-No. 321 TA), filed March 19, 1969. Applicant: BAGGETT TRANSPORTATION COMPANY, a corporation, 2 South 32d Street, Birmingham, Ala. 35233. Applicant's representative: H. E. Durden (same address as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Class B propellant explosives for Cannon*, from Badger Army Ammunition Plant, Wis., to Aberdeen Proving Grounds, Md., for 150 days. Supporting shipper: Department of Defense, Washington, D.C. Attn: Leonard Hines, Military Traffic Management Terminal Service. Send protests to: B. R. McKenzie, District Supervisor, Interstate Commerce Commission, Bureau of Operations, Room 814, 2121 Building, Birmingham, Ala. 35203.

No. MC 82337 (Sub-No. 1 TA), filed March 17, 1969. Applicant: MOELLER TRANSFER AND STORAGE CO., a corporation, 212 Coosa Street, Montgomery, Ala. 36104. Applicant's representative: Harris & Harris, 410-412 Bell Building, Montgomery, Ala. 36104. 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 de-

finied by the Commission, commodities injurious or contaminating to other lading, from points in Dallas County, Ala. to Montgomery, Ala.; restricted to shipments having an immediately prior or subsequent movement by rail, for 180 days. NOTE: Applicant intends to interline with rail service at Montgomery, Ala. Supporting shipper: Alament Division, Post Office Box 348, Selma, Ala. 36701. Send protests to: B. R. McKenzie, District Supervisor, Bureau of Operations, Interstate Commerce Commission, Room 814, 2121 Building, Birmingham, Ala. 35203.

No. MC 107227 (Sub-No. 103 TA), filed March 19, 1969. Applicant: INSURED TRANSPORTERS, INC., 1944 Williams Street, Post Office Box 1697, San Leandro, Calif. 94577. Applicant's representative: L. H. Berry (same address as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Tree and livestock sprayers*, on wheels, from Gilroy, Calif., to Salem and Hood River, Oreg., and Wenatchee and Yakima, Wash., for 180 days. Supporting shipper: Kraus & Noonan Distributors, Post Office Box 3032, Modesto, Calif. 95353. Send protests to: District Supervisor Wm. E. Murphy, Interstate Commerce Commission, Bureau of Operations, 450 Golden Gate Avenue, Box 36004, San Francisco, Calif. 94102.

No. MC 107403 (Sub-No. 772 TA), filed March 18, 1969. Applicant: MATLACK, INC., 10 West Baltimore Avenue, Lansdowne, Pa. 19050. Applicant's representative: John Nelson (same address as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Isopropyl percarbonate*, unstabilized, from Lake Charles, La., to points in Connecticut, Delaware, Florida, Illinois, Indiana, Kansas, Kentucky, Louisiana, Maine, Maryland, Michigan, Massachusetts, Missouri, New Hampshire, New Jersey, New York, North Carolina, Ohio, Pennsylvania, Rhode Island, Texas, Vermont, Virginia, and West Virginia, for 150 days. Supporting shipper: PPG Industries, Inc., One Gateway Center, Pittsburgh, Pa. 15222. Send protests to: Ross A. Davis, District Supervisor, Interstate Commerce Commission, Bureau of Operations, 900 U.S. Custom House, Second and Chestnut Streets, Philadelphia, Pa. 19106.

No. MC 112822 (Sub-No. 97 TA), filed March 17, 1969. Applicant: BRAY LINES INCORPORATED, Post Office Box 1191, 1401 North Little Street, Cushing, Okla. 74023. Applicant's representative: Joe W. Ballard, Post Office Box 1191, Cushing, Okla. 74023. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Anhydrous ammonia*, in bulk, in tank vehicles; *fertilizer and fertilizer materials*, dry, in bulk and in bags, from the plantsite of Sinclair Oil Corp. at or near Fort Madison, Iowa to points in Arkansas, Illinois (except points in the Chicago, Ill., and East St. Louis, Ill. commercial zones), Indiana (except points in the Chicago, Ill. commercial zone), Kansas,

Kentucky, Michigan, Minnesota, Missouri (except points in the St. Louis, Mo. commercial zone), Nebraska, North Dakota, Ohio, South Dakota, Tennessee, and Wisconsin, restricted traffic originating at the plantsite of Sinclair Oil Corp. at or near Fort Madison, Iowa, and destined to points in the named destination States, for 180 days. Supporting shipper: A. T. Weaver, Asst. Traffic Mgr., Agri. Dept., Chemical Div. Sinclair Oil Corp., 120 South Riverside Plaza, Chicago, Ill. 60606. Send protests to: C. L. Phillips, District Supervisor, Interstate Commerce Commission, Bureau of Operations, Room 240, Old Post Office, 215 Northwest Third, Oklahoma City, Okla. 73102.

No. MC 114106 (Sub-No. 72 TA), filed March 19, 1969. Applicant: MAYBELLE TRANSPORT COMPANY, 1820 South Main Street, Post Office Box 573, Lexington, N.C. 27292. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Vinegar*, in bulk, in tank vehicles, from Charlotte, N.C., to Greenville, S.C., for 150 days. Supporting shipper: Speas Co., Post Office Box 5511, Charlotte, N.C. 28205. Send protests to: Jack K. Huff, District Supervisor, Interstate Commerce Commission, Bureau of Operations, 316 E. Morehead St., Suite 417 (BSR Bldg.), Charlotte, N.C. 28202.

No. MC 114949 (Sub-No. 3 TA), filed March 18, 1969. Applicant: APPOMATTOX TRUCKING COMPANY, INCORPORATED, Post Office Box 714, Appomattox, Va. 24522. Applicant's representative: Eston H. Alt, Post Office Box 81, Winchester, Va. 22601. Authority sought to operate as a *contract carrier*, by motor vehicle, over irregular routes, transporting: *Lumber* (except plywood), from Drakes Branch, Va., to points in Connecticut, Kentucky, Illinois, Indiana (except Bargersville), Michigan, and Tennessee, under a continuing contract with Stanley Land and Lumber Corp. of Drakes Branch, Va., for 180 days. Supporting shipper: Stanley Land and Lumber Corp., Drakes Branch, Va. 23937. Send protests to: Clatin M. Harmon, Acting District Supervisor, Interstate Commerce Commission, Bureau of Operations, 215 Campbell Avenue SW., Roanoke, Va. 24011.

No. MC 115826 (Sub-No. 192 TA), filed March 19, 1969. Applicant: W. J. DIGBY, INC., 1960 31st Street, Post Office Box 5088, T.A., Denver, Colo. 80217. Applicant's representative: James Digby (same address as above). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Frozen foods*, from Denver, Colo., and its commercial zone, to points in Missouri, Arkansas, Kentucky, Virginia, West Virginia, North Carolina, South Carolina, Georgia, Tennessee, Alabama, and Mississippi, for 150 days. Supporting shipper: Chef Quik, 7033 49th Avenue, Commerce City, Colo. 80022. Send protests to: Herbert C. Ruoff, Interstate Commerce Commission, Bureau of Operations, 2022 Federal Building, Denver, Colo. 80202.

No. MC 117565 (Sub-No. 16 TA), filed March 18, 1969. Applicant: MOTOR SERVICE COMPANY, INC., 237 South Fifth Street, Coshocton, Ohio 43812. Applicant's representative: Louis J. Amato, Central Building, 1033 State Street, Bowling Green, Ky. 42101. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Travel trailers, and campers* designed for installation in or on trucks from the plantsite of The Snyder Trailer Co., Butler, Ohio, to points in Minnesota, Iowa, Missouri, Oklahoma, and Texas, and all States east thereof, for 180 days. Supporting shipper: The Snyder Trailer Co., 100 Elm Street, Butler, Ohio 44822. Send protests to: Arthur M. Culver, Jr., District Supervisor, Interstate Commerce Commission, Bureau of Operations, 255 New Post Office Building, 85 Marconi Boulevard, Columbus, Ohio 43215.

No. MC 128814 (Sub-No. 17 TA), filed March 19, 1969. Applicant: TRI-STATE MOTOR TRANSIT CO., Operator of H. Mesick, Inc., Post Office Box 113, East on Interstate Business Route 44, Joplin, Mo. 64801. Applicant's representative: Max G. Morgan, 600 Leininger Building, Oklahoma City, Okla. 73112. Authority sought to operate as a *contract carrier*, by motor vehicle, over irregular routes, transporting: *Class B smokeless powder*, from the plantsite of Hercules, Inc., at Kenil, N.J., to the Sunflower Ordnance Depot at Eudora and/or De Soto, Kans., for 180 days. Supporting shipper: Hercules, Inc., Wilmington, Del. 19899. Send protests to: John V. Barry, District Supervisor, Interstate Commerce Commission, Bureau of Operations, 1100 Federal Office Building, 911 Walnut Street, Kansas City, Mo. 64106.

No. MC 133555 TA, filed March 17, 1969. Applicant: BELL OIL COMPANY OF OCEAN DRIVE, INC., U.S. Highway No. 17, North Myrtle Beach, S.C., Post Office Box 161, 29577. Applicant's representative: John W. Jenrette, Jr., Ocean Drive Beach, S.C. 29582. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Dry fertilizer* in bags, and in bulk, from points in New Hanover and Brunswick Counties, N.C., to points in Horry, Marion, Georgetown, Williamsburg, Florence, and Charleston Counties in South Carolina, for 180 days. Supporting shippers: Washam, Warlick, and Harrelson Co., Shallotte, N.C.; W. R. Grace & Co., Post Office Box 630, Wilmington, N.C.; Wilmington Fertilizer Co., Post Office Box 700, Wilmington, N.C.; Swift Agricultural Chemicals Corp., Post Office Box 210, Wilmington, N.C. Send protests to: Arthur B. Abercrombie, District Supervisor, Interstate Commerce Commission, Bureau of Operations, 601A Federal Building, 901 Sumter Street, Columbia, S.C. 29201.

No. MC 133558 TA, filed March 17, 1969. Applicant: HARRY CROW & SON, INC., 1808 52d Street, Kenosha, Wis. 53140. Applicant's representative: William C. Dineen, 412 Empire Building, 710 North Plankinton Avenue, Milwaukee, Wis. 53203. Authority sought to operate

as a *contract carrier*, by motor vehicle, over irregular routes, transporting: *Ferrous oxide*, used in the manufacture of ferric chloride, in bulk, in dump vehicles, from West Milwaukee, Wis., to Lemont, Ill., for the account of Steelco Chemical Co., Division of K. A. Steel Chemicals, Inc., for 180 days. Supporting shipper: K. A. Steel Chemicals, Inc., Suite 242, O'Hare Office Center North, 2720 Des Plaines Avenue, Des Plaines, Ill. 60018 (Kenneth A. Steel, President). Send protests to: District Supervisor Lyle D. Helfer, Interstate Commerce Commission, Bureau of Operations, 135 West Wells Street, Room 807, Milwaukee, Wis. 53203.

By the Commission.

[SEAL] H. NEIL GARSON,  
Secretary.

[F.R. Doc. 69-3645; Filed, Mar. 26, 1969;  
8:51 a.m.]

[Notice 317]

### MOTOR CARRIER TRANSFER PROCEEDINGS

MARCH 24, 1969.

Synopses of orders entered pursuant to section 212(b) of the Interstate Commerce Act, and rules and regulations prescribed thereunder (49 CFR Part 1132), appear below:

As provided in the Commission's special rules of practice any interested person may file a petition seeking reconsideration of the following numbered proceedings within 20 days from the date of publication of this notice. Pursuant to section 17(8) of the Interstate Commerce Act, the filing of such a petition will postpone the effective date of the order in that proceeding pending its disposition. The matters relied upon by petitioners must be specified in their petitions with particularity.

No. MC-FC-71147. By order of March 18, 1969, the Motor Carrier Board approved the transfer to Aero Special Delivery Service, Inc., San Francisco, Calif., of the operating rights in Certificate No. MC-58486 (Sub-No. 4), issued July 29, 1964, to Peninsula Delivery Service, a corporation, doing business as Peninsula Delivery & Drayage Service, 548 Seventh Street, San Francisco, Calif. 94103, authorizing the transportation of general commodities, except petroleum products in bulk, in tank vehicles, Classes A and B explosives, commodities in bulk, household goods as defined by the Commission, livestock, commodities in vehicles equipped with mechanical refrigeration, and articles of unusual value, between Oakland and San Jose, Calif., serving all intermediate points; between Mt. Eden and San Mateo, Calif., serving no intermediate points, and between Newark and Menlo Park, Calif., serving no intermediate points. Lempres and Seyranian, 1801 Harrison Street, Oakland, Calif. 94612, attorneys for transferee.

No. MC-FC-71173. By order of March 18, 1969, the Motor Carrier Board approved the transfer to David's Express, Inc., Worcester, Mass., of Certificate of

Registration No. MC-58845 (Sub-No. 2), issued April 7, 1964, to David Nitka, doing business as David's Express, Worcester, Mass., authorizing transportation pursuant to Massachusetts Regular Route Common Carrier Certificate No. 80, dated October 15, 1957. Arthur A. Wentzell, registered practitioner. Post Office Box 720, Worcester, Mass. 01601, representative for applicants.

No. MC-FC-71184. By order of March 18, 1969, the Motor Carrier Board approved the transfer to Rocky Mountain Trucking Co., a corporation, Casper,

Wyo., of the operating rights in Certificate No. MC-98527 (Sub-No. 1), issued July 8, 1959, to Gauvey Rig & Trucking, Inc., Williston, N. Dak., authorizing the transportation of: Machinery, materials, equipment and supplies used in, or in connection with, the discovery, development, production, refining, manufacture, processing, storage, transmission, and distribution of natural gas and petroleum, and their products and byproducts, and machinery, materials, equipment and supplies used in, or in connection with, the construction, operation, repair, servicing, maintenance,

and dismantling of pipelines, including the stringing and picking-up thereof, except the stringing and picking-up of pipe in connection with main or trunk pipelines, between points in North Dakota, and points in described areas of South Dakota, and Montana. Marion F. Jones, 420 Denver Club Building, Denver, Colo. 80202, attorney for applicants.

[SEAL]

H. NEIL GARSON,  
Secretary.[F.R. Doc. 69-3646; Filed, Mar. 26, 1969;  
8:51 a.m.]

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# FEDERAL REGISTER

VOLUME 34 • NUMBER 59

Thursday, March 27, 1969 • Washington, D.C.

PART II

## SMALL BUSINESS ADMINISTRATION

Small Business Investment Companies

Records and Reports, and Audits



# Title 13—BUSINESS CREDIT AND ASSISTANCE

## Chapter I—Small Business Administration

[Amdt. 4 (Rev. 4)]

### PART 107—SMALL BUSINESS INVESTMENT COMPANIES

#### Records and Reports, and Audits

On February 20, 1969, the Small Business Administration published in the FEDERAL REGISTER (34 F.R. 2422) proposed amendments to 13 CFR Part 107 which would amend Appendixes 1, 2, and 3 and make certain conforming amendments.

Interested persons were invited to submit written comments and suggestions for consideration within 15 days after publication of the notice of proposed rule making in the FEDERAL REGISTER. After consideration of the comments received and other factors involved, it has been decided to adopt the proposed amendments with certain modifications. The text of the amendments set out below is identical with that of the proposed amendments published February 20, 1969, except that Addendum I (Fidelity Bond) and Addendum II (Realization and Use of Income and Gains) to Appendix 1 (Audit and Examination Guide for Small Business Investment Companies) are also carried over intact into the finalized amendment so as to continue them as part of the regulations; in §§ 107.2 (footnote), 107.202(b); 107.901(e), 107.1002(c), 107.1102(e) and (f), 107.1104(a) and (c), references have been conformed to the references of the amended appendixes and forms; and the following changes have been made in the Program Evaluation Report (SBA Form 684) and in Appendix 3 (Instructions for Preparation of the Program Evaluation Report):

(a) Items have been added for recording information as to whether any outstanding stock of the financed small business concern has been registered under the Securities Act of 1933, and, if so, whether such registration occurred prior to the initial financing by the Licensee and whether the stock is listed on a stock exchange; (b) the item for advising as to whether or not the SBIC financing was fully secured at the time of disbursement has been eliminated; and (c) items have been added in the "Current Information" section to show dividends (if any) paid by the financed small business concern during the fiscal year and the unrealized appreciation of the assets of such concern at the end of the fiscal year.

Accordingly, pursuant to authority contained in section 308 of the Small Business Investment Act of 1958, Public Law 85-699, 72 Stat. 694, as amended, Part 107 of Subchapter B, Chapter I, of Title 13 of the Code of Federal Regulations, as revised in 33 F.R. 326, and amended in 33 F.R. 11147, 33 F.R. 20035,

and 34 F.R. 1234, is hereby amended as set forth below:

**Effective date.** In view of the determination made that it is in the public interest that these amendments be applied promptly to the Small Business Investment Company program, they shall become effective on the date of their publication in the FEDERAL REGISTER.

Dated: March 18, 1969.

HILARY SANDOVAL, Jr.,  
Administrator.

1. The footnote to § 107.2 is amended to read as follows:

§ 107.2 Information, forms, and instructions.

<sup>1</sup> Instructions for Preparation of the Financial Report, SBA Form 468 (3-69), and Instructions for Preparation of the Program Evaluation Report, SBA Form 684 (3-69) are printed in Appendixes 2 and 3 to Part 107.

2. Paragraph (b) of § 107.202 is amended to read as follows:

§ 107.202 SBA funds available under section 303(b)(2) of the Act based on venture capital financing.

(b) The term, "total funds available for investment," shall mean total short-term assets and total loans and investments of a Licensee required (in accordance with the Instructions for Preparation of the Financial Report, SBA Form 468 (3-69)) to be set forth as Items 8 and 15, respectively, on Page 1 of the Financial Report, SBA Form 468 (3-69), submitted by such Licensee. Venture capital investments, as defined in § 107.3, shall be valued on the same basis as Licensee's assets comprising its "total funds available for investment."

3. Paragraph (e) of § 107.901 is amended to read as follows:

§ 107.901 Control of small business concern.

(e) The Licensee shall furnish to SBA with its annual Financial Report (SBA Form 468 (3-69)), a statement (in triplicate) setting forth current prospects for the implementation of the divestiture plan, and additional factors, if any, affecting the status or feasibility of relinquishing control.

4. Paragraph (c) of § 107.1002 is amended to read as follows:

§ 107.1002 Capital impairment.

(c) For capital impairment purposes, gains may be recognized by SBA only to the extent permitted in Addendum II (Realization and Use of Income and Gains) to SBA's Audit and Examination Guide (Revised March 1969) printed in Appendix 1 as part of the regulations of this part.

5. Paragraphs (e) and (f) of § 107.1102 are amended to read as follows:

§ 107.1102 Records and reports.

(e) Forms for financial reports: The financial reports required by this section to be filed with SBA by Licensees shall be on the prescribed form constituting the Financial Report, SBA Form 468 (3-69), which shall be filed in triplicate with the Office of Investment, SBA, Washington, D.C. 20416, on or before the last day of the month immediately following the close of the period covered by the report (in the case of an unaudited report), and on or before the last day of the third month following the close of the period covered by the report (in the case of an audited report).

(1) Licensees which are 1940 Act companies, as defined in § 107.3, should refer to the rules promulgated by the Securities and Exchange Commission, 500 North Capitol Street, Washington, D.C. 20549, for the requirements as to financial reports to be filed with SEC and the time allowed for filing.

(2) The Financial Report filed by each Licensee shall present fairly the financial position of the Licensee as of the close of the period covered by the report and the results of the Licensee's operations for such period, and shall be prepared in accordance with the Instructions for Preparation of the Financial Report, SBA Form 468 (3-69), which are printed in Appendix 2 as part of the regulations in this part. Copies of SBA Form 468 (3-69) and of the Instructions may be obtained from SBA.

(f) Program Evaluation Reports:

(1) The Program Evaluation Report, SBA Form 684 (3-69), shall be prepared by each Licensee as of March 31 of every calendar year and filed in triplicate with SBA not later than June 30 of such year, to reflect all transactions involving Licensee's debt or equity financing of small business concerns which were outstanding at any time during the preceding 12-month period ending March 31. The report shall be prepared in accordance with Instructions for Preparation of the Program Evaluation Report, SBA Form 684 (3-69), which are printed in Appendix 3 as part of the regulations of this part. Copies of SBA Form 684 (3-69) and of the instructions may be obtained from SBA.

(2) Each Licensee shall, as a condition of all financing agreements consummated or renegotiated with small business concerns after March 25, 1966, require such concerns to furnish to the Licensee all information needed by such Licensee for the preparation and filing of SBA Form 684.

(3) The provisions of Part 102 of this chapter prohibiting the disclosure of information contained in SBA's files, documents and records, apply to Program Evaluation Reports filed with SBA. Information submitted on SBA Form 684 (3-69) is for SBA's official use in the performance of its statutory responsibilities, and not for public disclosure. It will not be published or released, as a matter of public information, except in the form of statistical totals or summaries which

will not divulge the identity of the Licensee or its portfolio of small business concerns.

6. Paragraphs (a) and (c) of § 107.1104 are amended to read as follows:

§ 107.1104 Fidelity insurance.

(a) Each Licensee shall maintain a fidelity bond in the form and amount set forth by SBA in its Audit and Examination Guide for Small Business Investment Companies (revised March 1969) which must be executed by a surety holding a certificate of authority from the Secretary of the Treasury pursuant to sections 6-13 of title 6 of the United States Code as an acceptable surety on Federal bonds. Each officer and employee who has control over or access to cash, securities or other property of the Licensee, shall be covered by such fidelity bond.

(c) The Audit and Examination Guide for Small Business Investment Companies (revised March 1969) is printed in Appendix 1 as part of the regulations of this part.

7. Appendices 1, 2, and 3 of Part 107 are amended to read as follows:

APPENDIX 1—AUDIT AND EXAMINATION GUIDE FOR SMALL BUSINESS INVESTMENT COMPANIES

FOREWORD

The Small Business Investment Act of 1958, as amended, expresses the declared policy of the Congress and purpose of the Act to improve and stimulate the national economy, and particularly the small business segment thereof, by establishing a program to stimulate and add to the flow of private equity capital and long-term loan funds which small business concerns need to finance their operations and assist in their growth, expansion, and modernization, and which are not available in the amounts required: "Provided, however, That this policy shall be carried out in such manner as to insure the maximum participation of private financing sources."

The Small Business Administration, in carrying out this policy, requests the cooperation of independent public accountants engaged in the practice of public accounting to participate in their own localities in the audit (financial examination) program for small business investment companies. It is desired that the audits of such companies performed by independent public accountants selected by the individual companies will be conducted with the uniformly high degree of competency which the profession has so long striven to maintain. Through the efficient, thorough, and economical performance of the audits, the best interests of the Licensees, the Small Business Administration, and the accounting profession will be served.

This Audit and Examination Guide for Small Business Investment Companies was initially prepared by the Small Business Administration with the advice of a committee of independent certified public accountants. It has been revised primarily to take account of amendments of the Small Business Investment Act and of the regulations governing small business investment companies. Any inquiries or comments relating to the examination of financial statements of small business investment companies, or to the auditing and reporting procedure as set forth in this Audit and Examination Guide, should

be directed to the Staff Accountant, Investment Division, Small Business Administration, 1441 L Street NW., Washington, D.C. 20416.

GENERAL CONSIDERATIONS

The Small Business Administration, under authority granted by the Small Business Investment Act of 1958, as amended, requires small business investment companies licensed by SBA under the Act to have an audit (financial examination) made of their accounts and records annually by independent public accountants selected or approved by SBA. SBA requires that the engagement cover a "financial examination" type of audit described hereinafter. The annual audit shall be performed as of the close of each Licensee's approved fiscal year for SBA purposes, ending March 31, unless prior written approval of SBA has been obtained for a different 12-month period to be covered by such audit. Three copies of the annual audit report should be submitted to SBA as soon as practicable after completion and no later than the last day of the third month following the close of the period covered by the audit.

Any public accountant, certified or licensed by a regulatory authority of a State or other political subdivision of the United States, who is independent and who is duly authorized to practice as a public accountant, and is in good standing under the laws of the State or other comparable authority in which so authorized, may be considered qualified to render an opinion as an independent public accountant on behalf of an SBIC whose principal office is located in such State or authority. Also considered to be similarly qualified to audit certain Licensees in States or other political subdivisions of the United States which do not license public accountants are those independent public accountants of recognized standing with 10 or more years of public accounting experience, selected or approved by SBA prior to September 8, 1967, to audit the particular Licensees, provided such public accountants fulfill to SBA's satisfaction the requirements established by SBA.

The Small Business Administration will not recognize any public accountant as independent who is not in fact independent. For example, an accountant will be considered not independent with respect to any small business investment company with which he has, or had during the period covered by the audit (financial examination), any direct financial interest or any material indirect financial interest; or with which he is, or was during such period, connected as a promoter, underwriter, voting trustee, investment adviser, director, officer, or employee, or in the capacity of rendering bookkeeping services. In determining whether an accountant may in fact be not independent with respect to a particular SBIC, SBA will give appropriate consideration to all relevant circumstances, including evidence bearing on all relationships between the accountant and such SBIC or any affiliate thereof, and will not confine itself to the relationships existing in connection with the filing of reports with this Agency.

The responsibility for the selection of the independent public accountant by the SBIC is vested in the board of directors. Any accountant qualifying as an independent public accountant, as explained above, may be considered as having SBA approval to perform the annual audit (financial examination) upon selection by the board, and the filing with SBA by such accountant of an executed IPA Statement, I Form 56, certifying as to his qualification and independence, unless the SBIC is otherwise advised by SBA. It is strongly recommended that the board give thorough consideration each year to the matter of selecting

the public accountant to perform that year's audit. The board under this policy selects an accountant with whom it agrees as to the engagement and basis of compensation. The SBIC then furnishes notification of the board's selection to the Staff Accountant, Investment Division, Small Business Administration, 1441 L Street NW., Washington, D.C. 20416. Notification to SBA is not necessary when the same accountant or accountants are retained for successive years.

This guide has been prepared, and made a part of the regulations, to inform Licensees under the Small Business Investment Act of 1958, as amended, and independent public accountants engaged by them as to SBA's minimum requirements concerning fidelity bonds, valuation of portfolio assets, and audits (financial examinations) of SBICs. It is not intended to be a complete manual of audit (financial examination) procedure, nor is it intended to supplant the accountant's judgment as to any additional work required to meet generally accepted auditing standards and to render adequate and appropriate reports. Through use of this guide by independent public accountants the Administration expects audits (financial examinations) of uniformly high quality to be made of all small business investment companies licensed by SBA.

The procedures set forth herein apply generally to a type of audit technically termed a "financial examination."

A financial examination is to be made in accordance with generally accepted auditing standards. The auditing procedures employed should include: (1) Review of the system of internal control and of the accounting principles followed; (2) independent sampling (through inspection, correspondence, etc.) to ascertain the existence of assets; (3) application of audit tests to determine that all liabilities are reflected in the balance sheet in actual or approximate amounts; (4) review and testing of the income and expense accounts; (5) review of the accounting records, with application of appropriate testing procedures, to determine the authenticity and general reliability of the financial statements prepared from the accounts; and (6) such other auditing procedures as the independent public accountant considers necessary in the circumstances.

SBA expects the review and testing of operating transactions during the audit to be of sufficient scope to assure disclosure and correction of any erroneous recording or classification of income and expense items in the SBIC's books that would materially distort the statement of income and expense.

SBA has prescribed a system of account classifications which is required to be used by licensed small business investment companies. The Agency requires uniform reporting and contemplates that generally accepted auditing standards will be maintained. The attainment of accounting and reporting uniformity and the maintenance of auditing standards will provide reliable information for use by SBIC management and SBA. Accountants engaged by SBICs should become familiar with:

Small Business Investment Act of 1958, as amended.

Regulations governing small business investment companies issued pursuant to the Small Business Investment Act of 1958, as amended.

System of Account Classifications for Small Business Investment Companies (Part 111, SBA Rules and Regulations), Financial Report, SBA Form 468.

REPORT OF AUDIT (FINANCIAL EXAMINATION)

General

The financial statements referred to in this guide are those constituting the Financial Report, SBA Form 468, and should be

prepared on such form. The accountant's examination should be directed toward the expression of an opinion as to whether the statements of (a) financial condition, (b) surplus reconciliations, (c) income and expense, and (d) realized gains and losses on investments, present fairly the financial position of the SBIC as of the audit date and the results of its operations for the period then ended in conformity with generally accepted accounting principles. The schedules called for on pages 5 through 17 of SBA Form 468 should be subjected to the audit procedures applied in the accountant's examination of the basic financial statements to enable him to express an opinion as to whether these schedules are fairly stated in all material respects in relation to the basic financial statements.

If the SBIC prefers, it may have the accountant express an opinion on condensed financial statements consisting, as a minimum, of a statement of financial condition, a statement of surplus reconciliations, a statement of income and expense, and a statement of realized gains or losses on investments, and such other data as are considered necessary to disclose the SBIC's financial position at the close of the period under audit and the results of its operations for the period then ended in conformity with generally accepted accounting principles, all presented in a manner consistent with the presentation of accounts in SBA Form 468. If this optional audit report is prepared, it should be made to accompany the Financial Report, SBA Form 468, filed with SBA.

The accountant's report accompanying the Financial Report should contain narrative comments summarizing the findings on each significant balance sheet account, and on the results of operations; they should also contain an explanation of any deviation from generally accepted auditing standards. (See the scope paragraph of "Accountant's Report.")

The accountant should, when possible, provide an unqualified opinion. In cases in which he considers it necessary to qualify or disclaim an opinion, the accountant should cite, when applicable the specific loans, investments or other items causing such qualification or disclaimer, and also state the specific factors involved which led to the qualification or disclaimer.

It is expected that all audit adjustments will be recorded in the SBIC's records before completion of the audit report, so that financial statements included in the audit report will agree with the books as adjusted to the balance sheet date, giving consideration to reclassifications of account balances for report purposes. Adjustments reflected in the audited statements, but not agreed to by the SBIC and not recorded on its books, must be commented upon in the report.

The accountant's comments should be concise and meaningful. Comments stereotyped as to expression on the basis of previous reports are to be avoided.

The agreement between the SBIC and the accountant with respect to the audit (financial examination) should provide that any information in the accountant's working papers will be made available upon request to the SBIC or to SBA.

Three copies of the audit report, with SBA Form 468, properly executed by the appropriate officers of the SBIC shall be submitted to SBA by the SBIC or by the accountant if so requested by the SBIC. Any matters for SBA attention not included in the audit report are to be set forth in an accompanying letter by the Accountant.

A copy of all adjusting journal entries recommended by the accountant should be attached to the inside of the back cover of each copy of the audit report submitted to

SBA. Also attached to the inside of the back cover of each copy of the audit report should be a copy of any transmittal letter, special report, or similar communication furnished to the SBIC.

All SBIC audit reports submitted to SBA should be sent to: Investment Division, Small Business Administration, 1441 L Street NW., Washington, D.C. 20416.

#### Accountant's Report (Certificate)

The accountant's report shall be dated, signed, and shall identify without detailed enumeration the financial statements covered by the report. The accountant's report shall state whether the audit was made in accordance with generally accepted auditing standards; and shall designate any auditing procedures generally recognized as acceptable or deemed necessary by the accountant under the circumstances of the particular case, which have been omitted, and the reasons for their omission. Nothing herein shall be construed to imply authority for the omission of any procedures which independent public accountants would ordinarily employ in the course of an audit made for the purpose of expressing the opinion required as stated hereinafter. The accountant's report shall (a) state clearly the opinion of the accountant as to the fairness with which the financial statements present the financial position of the Licensee at the audit date and the results of its operations for the period then ended in conformity with generally accepted accounting principles; (b) state whether the supplemental data contained in the schedules of SBA Form 468 have been subjected to the audit procedures applied in the examination of the basic financial statements and whether, in the accountant's opinion, these data are fairly stated in all material respects in relation to the basic financial statements; and (c) make reference to the consistent application of such principles or to any material changes in accounting principles or practices or method of applying the accounting principles or practices, which affect comparability of such financial statements with those of prior and future periods. Any matter to which the accountant takes exception shall be clearly identified, the exception thereto specifically and clearly stated, and, to the extent practicable, the effect of each such exception on the related financial statements given.

The independent public accountant is expected to satisfy himself as to the reasonableness of the bases used by SBIC's Board of Directors in determining the valuation of loans and investments as presented under the pertinent headings of this Guide. The independent public accountant should determine and report in the narrative comments of his long-form report, whether the SBIC appears to have followed the valuation techniques and standards set forth in SBA Policy and Procedure Release No. 2006 dated December 31, 1965, in making the valuation. Except insofar as the valuations may affect the carrying values of investments shown on the financial statements, it shall be understood that the accountant's opinion on the financial statements contained in SBA Form 468 does not extend to the valuation of loans and investments given in the memorandum item after the end of the Statement of Financial Condition and in the memorandum columns of the applicable schedules.

#### Procedure for Reporting Irregularities

To meet its responsibilities SBA requires that the Investment Division be notified immediately in the event any apparent defalcation or other apparent criminal violation is disclosed. The examining accountant should determine that this has been done in every applicable case.

The audit (financial examination) referred to herein shall be conducted in accordance with generally accepted auditing standards and therefore shall include such tests of the accounting records and such other procedures as deemed necessary to enable the independent public accountant to render an opinion on the statements reported upon. Among the procedures to which particular attention should be given are the following:

#### Internal Control

It is expected that the independent public accountant will review the company's procedures and form an opinion on the effectiveness of the internal control. In determining the extent and nature of the testing and checking of certain accounts consideration should be given to existing internal control. It is important that the accountant set forth his observations on the effectiveness of internal control in the general comments section of his report, together with any suggestions he may have for improvement. The accountant may if he considers it more appropriate, report on internal control in a supplementary letter report rather than commenting thereon in the general comment section on this report.

Each Licensee is required to establish and maintain effective control arrangements covering its portfolio of investment securities, funds, and equipment. Dual control over disbursements of funds and withdrawals of securities from safekeeping, and the segregation of duties of employees represent key features of such arrangements.

#### Fidelity Bond

The independent public accountant should check the provisions of the SBIC's fidelity bond against the requirements of SBA as stated in Addendum I of this guide, and should comment in his report regarding the conformity of the bond to such requirements.

#### Minutes

The accountant should review the minutes, observe that they are up-to-date, and determine that appropriate actions of the SBIC are adequately covered by the minutes and that items covered in the minutes have been reflected in the financial statements to the extent applicable. Where, in the accountant's opinion, material actions of the SBIC are not adequately covered by the minutes and items covered in the minutes are not reflected in the financial statements, appropriate disclosure should be made in the accountant's report.

#### Cash

Cash on hand should be counted. Cash in banks should be reconciled with book balances and confirmed by correspondence. In addition to bank statements at balance sheet date of the audit, the independent public accountant should request and utilize cutoff statements as of a subsequent date to permit determination of the disposition of outstanding checks, deposits in transit, and other reconciling items.

#### U.S. Government Obligations, Insured Savings, and Time Deposits

Temporary investments made from the company's general cash funds in direct and/or fully guaranteed U.S. Government obligations should be verified by inspection or, when applicable, by confirmation from custodians. Verification should include ascertainment that proper interest coupons are attached to bearer bonds. The recorded cost or, in the case of U.S. bonds, the current redemption value should be verified. The accountant should ascertain that registered

bonds are in the name of the SBIC or endorsed so as to be transferable to the company, or are accompanied by powers of attorney.

Temporary investments of the company's general cash funds in savings institutions should be reconciled with book balances and confirmed by correspondence. Time certificates of deposits should be examined to verify the SBIC's ownership of time deposits and to ascertain correctness of the balances per books.

*Notes and Accounts Receivable, and Allowance for Uncollectibles*

Miscellaneous notes on hand should be examined and the details compared with the company's records. A representative number should be confirmed by correspondence with the makers.

Accounts receivable for services rendered participating companies, for commitment fees, for declared dividends and sharings in income, and for management consulting, investigation, appraisal, and related services rendered, as shown by subsidiary records, should be reconciled to control accounts. The same should be done with respect to receivables representing participating companies' portions of principal and accrued interest receivable from financed small business concerns.

The collectibility of notes and accounts receivable should be considered on the basis of the most reliable information the auditor can obtain. Such amounts due should be discussed with the executive officers of the company. Any contractual delinquency in payments to date should be given due consideration. Items considered uncollectible should be recommended for writeoff, and those of doubtful collectibility should be adequately provided for in the allowance for uncollectible notes and accounts receivable. If considered desirable, an adjusting entry to the allowance account should be recommended by the accountant for adoption by the SBIC. Comments concerning the adequacy of the allowance account should be included in the audit report.

*Accrued Interest Receivable and Allowance for Uncollectibles*

Determination should be made that interest receivable is currently and correctly accrued on the SBIC's records. This involves interest accrued on U.S. Government obligations, loans to and debt securities of small business concerns, notes receivable, sales contracts, and other interest-bearing amounts due from debtors.

Comments concerning the adequacy of the allowance for uncollectible interest receivable should be included in the audit report.

*Due From Directors, Officers, and Employees*

Advances made to directors, officers, and employees should be reviewed for proper authorization and recording, and should be commented on if not authorized or has been outstanding more than 6 months.

*Funds in Escrow and Other Current Assets*

Funds in escrow pending closing of financing for small business concerns should be confirmed. Miscellaneous current assets should be reviewed for authenticity and appropriateness of classification.

*Loans, Debt Securities, Loans and Debt Securities Sold with Recourse, Allowances for Uncollectibles and Losses, and Unearned Discount, Fees, and Other Charges*

The independent public accountant should review notes, mortgages, and other obligation documents evidencing loans granted under section 305 of the Small Business Investment Act, as amended, and should

confirm directly with the makers the amount of the unpaid balances. Debt securities of small business concerns, purchased by the SBIC under provisions of section 304 of the Act, as amended, should be subjected to a similar review and confirmation. Either type of financing instruments obtained from other SBICs through purchase or through exchange of portfolio securities should likewise be examined and confirmed with the issuers. All obligation documents should be checked for signing by authorized parties, including proper witnessing and acknowledgment, and for stated interest rate and term. Loans and debt securities pledged should be confirmed by correspondence with the holders. Determine if securities pledged are subject to SBA earmarking or non-hypothecation requirements and if so, that SBA has furnished written approval.

The System of Account Classifications provides for carrying loans and debt securities at their unpaid principal balances, including any related uncollected discounts, fees, or other charges. In the case of any such financings in which participations are sold to others, only the portion retained by the selling company is shown in the seller's books. Loans and debt securities are to be reported in the Statement of Financial Condition of SBA Form 468 on the same basis as recorded in the accounts.

Determination should be made that mortgages required to be recorded bear proper notation of such recording. The accountant should ascertain from such sources as the loan and debt security ledger cards or sheets, the collateral register, document files, minutes of board of directors' meetings, and statements of executive officers, what collateral documents should be on hand evidencing security for loans and debt securities, and should check for the presence of such collateral documents.

The accountant should inspect each participation agreement under which the company has purchased a participation interest in a loan or debt security, should inspect the documents evidencing such participation and should request confirmation from seller to the extent considered necessary. Similarly, amount reflected in subsidiary records as participations of others in loans and debt securities of the company under audit should be reviewed in relation to the pertinent participation agreements and confirmed with the purchasers to the extent warranted.

The amounts of loans and debt securities sold with recourse should be checked to the records of such sales and to the advices received from the purchasers as to payments made by the financed small business concerns.

The independent public accountant should review the current financial statements of the concerns which are financed by the SBIC and provide comments when considered significant relative to the financial position of the concern financed. When such financial statements of the concerns are not available the accountant shall so state in his report.

The board of directors of the SBIC has the responsibility of determining in good faith a realistic valuation for each specific loan and debt security, which shall be arrived at after consideration of all pertinent factors. Valuation techniques and standards for guidance of the board are set forth in SBA Policy and Procedural Release No. 2006. The independent public accountant should satisfy himself as to the reasonableness of the bases employed by the board of directors in making determinations of the value of loans and debt securities. No appreciation in value of debt securities is to be recorded in the books of account. The valuations as determined by the board of directors are to be shown in the memorandum column of

the applicable schedule of the Financial Report, SBA Form 468.

The accountant should discuss all marginal loans and debt securities with the executive officers of the SBIC. Writeoffs should be recommended in instances in which the unpaid balances of loans and debt securities are considered uncollectible. The allowance for uncollectible loans and the allowance for losses on debt securities should be reviewed as to adequacy and commented upon in the report. If considered desirable, adjusting entries to the allowance accounts should be recommended by the accountant for adoption by the SBIC.

Special attention should be given by the accountant to verification of all amounts of unearned discount, fees, and other charges shown as deducted from the unpaid balances of loans and debt securities.

*Capital Stock of Small Business Concerns; Warrants, Options, and Other Stock Rights Acquired from SBCs; and Allowances for Losses*

All capital stock of small business concerns in the possession of the SBIC should be verified by inspection of the stock certificates. Similar capital stock on the books which is not in the possession of the company should be confirmed by direct correspondence with those having possession thereof. Capital stock of small business concerns is to be recorded on the books of the SBIC at cost. In the case of any such financings in which participations are sold to others, only the portion retained by the selling company is shown in the seller's books.

The independent public accountant should review the cost determinations made with respect to warrants, options, or other stock rights carried on the books at a monetary value. Only the selling company's portion of such stock rights is shown in its books when participations in the stock rights are sold to others.

The accountant should inspect the agreement and other documents evidencing each participation purchased, and should request confirmation from sellers to the extent considered necessary. Similarly, amounts reflected in subsidiary records as participations of others in capital stock and warrants, options, or other stock rights acquired by the company under audit should be reviewed in relation to the pertinent participation agreements and confirmed with the purchasers to the extent warranted.

It is the responsibility of the SBIC's board of directors to determine in good faith a realistic valuation for each capital stock investment and for warrants, options, or other stock rights for which a separate cost has been determined. This valuation shall be arrived at after consideration of all pertinent factors. Valuation techniques and standards for guidance of the board are set forth in SBA Policy and Procedural Release No. 2006. The independent public accountant should satisfy himself as to the reasonableness of the bases employed by the board of directors in making the value determinations. No appreciation in the value of capital stock or stock rights investments is to be recorded in the books of account. The valuations of the stock and stock rights as determined by the board of directors are to be shown in the memorandum column of the applicable schedule of the Financial Report, SBA Form 468.

The financial position and earnings of the financed small business concerns are important factors in the board of director's determination of the real value of the stock and stock rights issued by such concerns. The independent public accountant should review the current financial statements of the concerns which are financed by the SBIC and provide comments when considered

significant relative to the financial position of the concern financed. When financial statements of the concerns are not available the accountant shall so state in his report. Any material decrease in value of capital stock or stock rights, as determined by the board of directors, that is not obviously of a transitory nature should be compensated for by an increase in the allowance for losses on capital stock of small business concerns, or in the allowance for losses on their warrants, options, and other stock rights, as appropriate. These allowance accounts should be reviewed as to adequacy by the accountant and commented upon in his report. An adjusting entry to effect any necessary increase should be recommended by the accountant for adoption by the company. Likewise, entries should be recommended to write off any established loss on capital stock of small business concerns or on stock rights of such concerns.

#### Venture Capital

Under the Small Business Investment Act of 1958, as amended, SBICs are entitled to borrow additional funds from SBA if they have a qualifying amount of combined paid-in capital and paid-in surplus and maintain a minimum percentage of total funds available for investment in small business concerns invested or committed in "venture capital," as defined in §1073 of the regulations. The independent public accountant, referring to the official definition of venture capital and reviewing the lending instruments and related documents, should determine that the total amount of venture capital as indicated in the Financial Report, SBA Form 468, is substantially correct.

#### Assets Acquired in Liquidation of Loans and Debt Securities, Accumulated Depreciation, Mortgages Payable, and Allowance for Losses

These assets may include a wide variety of things of value, as, for example, collateral notes receivable, accounts receivable, judgments, sheriffs' certificates, and various types of real and personal property. Property taken in liquidation should be recorded at an amount determined by the board of directors on the basis of bid-in-price, agreed consideration, or fair appraised value, as deemed most suitable: *Provided*, That the net amount recorded shall not exceed the total amount of the related loan or equity security indebtedness involved. In the case of mortgaged real property acquired in liquidation of loans and debt securities, the property should be recorded at gross value as determined by the board of directors, reduced as necessary to bring the net recorded value within the above-stated limitation. The amount of the existing mortgage or mortgages on such property should be included among the SBIC's liabilities. The accountant should verify each asset through application of procedures generally accepted for audit of the particular class of assets involved. Board authorization for recording these assets at the amounts shown should be ascertained. The amount recorded will correctly represent only the selling company's portion of any such assets in which participations are sold to others.

It is the board of directors' responsibility to determine in good faith a realistic valuation for each security or other item of property comprising assets acquired through liquidation of loans and debt securities. Such valuation shall be arrived at after consideration of all pertinent factors. Valuation techniques and standards for guidance of the board are set forth in SBA Policy and Procedural Release No. 2006. The independent public accountant should satisfy himself as to the reasonableness of the bases employed by the board in determining the values. No

appreciation in the original recorded value of assets acquired in liquidation of loans and debt securities is to be recorded in the books of account. The valuations as determined by the board of directors are to be shown in the memorandum column of the applicable schedule of the Financial Report, SBA Form 468.

The accumulated depreciation on assets acquired in liquidation of loans and debt securities should be reviewed by the accountant to assure that it is not less in amount than a conservative estimate of the expired service life of such property while owned by the SBIC. Insurance coverage should be reviewed.

Such acquired assets should be discussed with the executive officers of the company. Writeoff should be recommended for items considered worthless. The allowance for losses on assets acquired in liquidation of loans and debt securities should be reviewed as to adequacy and commented upon in the report. If considered desirable, adjusting entries to the allowance account should be recommended by the accountant for adoption by the SBIC.

#### Amounts Due from Debtors on Sale of Assets Acquired in Liquidation of Loans and Debt Securities, Participation by Others, and Allowance for Uncollectibles

Accounts and notes receivable, sales contracts, mortgages, and similar evidences of indebtedness to the SBIC arising from the sale of assets acquired in liquidation of loans and debt securities, as shown by subsidiary records, should be reconciled to the control account. Current and past-due accounts receivable should be confirmed as the independent public accountant may deem appropriate, considering the relative significance of such accounts in the financial statements. The accountant should check all notes, sales contracts, mortgages, and other documents evidencing amounts due from debtors on sale of assets acquired in liquidation of loans and debt securities, and should confirm directly with the makers the unpaid balances of such of these obligations as he considers necessary. Sales contracts and mortgages should be examined to ascertain that such documents required to be recorded bear proper notation of recording.

The collectibility of the amounts due should be estimated on the basis of the most reliable information the auditor can obtain. Such amounts due should be discussed with the executive officers of the company. Any contractual delinquency in payments to date should be given due consideration. Items considered uncollectible should be recommended for write-off, and those of doubtful collectibility should be adequately provided for in the allowance for uncollectible amounts due from debtors on sale of assets acquired in liquidation of loans and debt securities. If considered desirable, an adjusting entry to the allowance account should be recommended by the accountant for adoption by the SBIC. Comments concerning the adequacy of the allowance account should be included in the audit report.

#### Corporate Premises Owned, Furniture and Equipment, and Accumulated Depreciation

The independent public accountant, during the first audit of the SBIC, should examine the documents showing title to the property owned as corporate premises. It should be ascertained that the land is carried at acquisition cost, plus the cost of subsequent benefit assessments and improvements (other than buildings and improvements related thereto), and that the charging of such additional costs to the land account has been proper. The building owned as a part of the corporate premises should be recorded at acquisition cost plus cost of subsequent improvements thereto. Improvements to leased

property used as the company's office quarters should be recorded at cost. The basis for recorded cost should be verified and capital additions should be checked to ascertain that only properly capitalizable items have been added to book cost. Vouchers and invoices covering such additions should be examined. Retirements and sales should be reviewed to see that all transactions have been properly reflected in the accounts. Insurance coverage should be reviewed.

The accumulated depreciation on the building and related improvements owned as a part of the corporate premises should be reviewed to assure that it is not less in amount than a conservative estimate of the expired service life of such building and improvements. The basis for amortization of leasehold improvements should be examined for appropriateness.

On occasion, an SBIC may be found operating in the same or communicating office or building with a bank or other financial institution. Sometimes both institutions are managed by the same individuals and the same facilities may be used for transacting business. The accountant should satisfy himself that safeguards are maintained which effectively segregate the books, records, and assets of the separate institutions at all times.

The accountant should ascertain that furniture and equipment, including automobiles, are recorded on the books at cost. Documents showing ownership of automobiles by the company should be inspected and invoices for all major additions to furniture and equipment during the audit period should be examined. Sales and trade-ins of furniture and equipment should be tested to determine that they have been appropriately recorded. Insurance coverage should be reviewed.

The accumulated depreciation on furniture and equipment, including automobiles, should be reviewed for adequacy.

The report should contain comments concerning unusual conditions, if any, found with respect to these assets.

#### Organization Costs

Legal fees, promotional expense, stock certificate costs, incorporation fees, taxes, and other charges which may comprise organization costs on the books should be audited for propriety as capital charges pending amortization or writeoff to the organization expense account. Following the first audit, the review of organization costs will ordinarily be concerned chiefly with a determination and evaluation of the basis for amortization and the consistency with which the planned elimination of this balance sheet item is being accomplished. The audit report comments on organization costs (at the first audit) should describe the components of this asset.

#### Other

Insurance prepayments, and other prepayments and deferred items should be reviewed. All significant items should be examined for propriety, for applicability to future periods, and for appropriateness of the basis for writeoff. Particular note should be taken of any amounts deferred as the result of improper accounting or failure to identify the correct purposes of the charges.

In reviewing insurance prepayments the independent public accountant should prepare for inclusion in his report a summary of insurance coverage.

The audit report should contain adequate description of prepayments and deferred charges and should contain comments concerning any large or unusual amounts.

Miscellaneous assets of the company not included under other captions should be shown here. Miscellaneous assets should be reviewed for validity and for propriety of their retention on the books.

*Accounts Payable*

Accounts payable for participating companies' portions of principal and accrued interest receivable from financed small business concerns, compensation for services rendered on participations purchased, for commitment fees on deferred participations by others, and for other values received, as shown by subsidiary records, should be verified and reconciled to control accounts. The accruals of compensation payable and commitment fees payable should be reviewed with reference to the related participation agreements. Unusually large amounts and a reasonable proportion of other amounts due on open account should be confirmed by correspondence with the creditors.

*Other Current and Accrued Liabilities*

Subsidiary records on other current and accrued liabilities, including those for interest, salaries, taxes, dividends, unapplied receipts, trust receipts, amounts due directors, officers, and employees (other than salaries), and other deferred credits, should be checked and reconciled with the control accounts. A certificate, signed by an executive officer of the company, should be obtained stating that all actual liabilities have been entered in the books and that all existing contingent liabilities have been reported to the auditor. The accountant should communicate with the SBIC's attorney to determine the existence of any claims in litigation or pending against the company for the purpose of reporting any contingent liability.

The accountant should (following upon the fact) state in the report that certificates were received from the executive officer and the attorney concerning the recording of actual liabilities and the existence of any claims in litigation or pending against the company.

The report should also present pertinent information concerning unusual current and accrued liabilities. Special attention and comment should be directed to any amounts due directors, officers, and employees, and to any contingent liabilities, including commitments and guarantees.

*Funds Borrowed and Other Liabilities*

Indebtedness to SBA should be reconciled to the current statements from the Small Business Administration. Direct confirmation from SBA is required and should be requested on the basis of a statement, submitted in triplicate to the Director, Office of Budget and Finance, Small Business Administration, 1441 L Street NW., Washington, D.C. 20416, showing the unpaid balances of principal and interest at the balance sheet date of the audit. Adequate identification of each obligation, using execution date and SBA loan symbols, should be given.

Debt to others than SBA for funds borrowed likewise should be confirmed by correspondence. Loan agreements, contracts and mortgages, and minutes of board meetings pertaining thereto should be examined in relation to SBA financing and loans from others to determine whether there has been compliance with such of their terms as have direct bearing on the financial position as represented in the audited statements.

The other liabilities and deferred credits should be checked for validity. If these items are material in amount, appropriate comments thereon should be included in the report. Special attention and comment should be directed to any amounts due directors, officers, and employees, and to any contingent liabilities, including commitments and guarantees.

The independent public accountant should ascertain that the appropriate schedule of the Financial Report, SBA Form 468, reflects all commitments, guaranteed obliga-

tions, and other contingent liabilities, and that the total of all contingent liabilities is shown as a footnote at the bottom of page 2 of SBA Form 468.

*Capital Stock and Surplus*

Verification of capital stock should be carried out by examination of the stock records and the stock certificate books, or by direct confirmation from the registrar and transfer agent, if applicable. Cash records or other records showing the consideration received for capital stock should be reviewed in connection with capital stock transactions during the period. Authorizations of the board of directors and also the charter and bylaws should be referred to. Determination should be made as to the existence of stock options, warrants, rights, conversion privileges, sales of stock on special terms, or reservations of shares of stock for sale to particular groups or for options and other rights. It should also be determined that all such transactions have been appropriately recorded and set forth in the statement of financial condition, notes thereto, or schedules as applicable. The independent public accountant should look for and disclose the existence of any arrearages in the payments on capital stock subscribed or in the payment of dividends on outstanding capital stock. Treasury stock transactions should be analyzed and determination made that appropriate accounting has been effected.

The audit report should contain thorough informative comments regarding capital stock transactions during the period.

Changes in the surplus accounts during the period should be reviewed for propriety of the accounting entries effecting the changes. Although all earnings for the year are ultimately transferred to a single retained earnings account, it should be determined that appropriate distinction has been made in classifying items in the Profit and Loss Summary and the Realized Gain and Loss Summary accounts as between (1) income and expense from operations and (2) realized gains and losses on investments. Paid-in surplus debits and credits must also be checked for appropriateness of classification.

*Loans and Investments at Market or Fair Value*

Review should be made of the valuation of loans and investments. The independent public accountant should determine whether the SBIC has followed the instructions for the memorandum item following the Statement of Financial Condition in SBA Form 468 in making the valuation.

*Income and Expense and Gain and Loss Accounts*

Appropriate tests should be made of income and expense and gain and loss accounts for the period under review. The tests should be sufficient, when combined with information obtained in other phases of the audit, to satisfy the accountant that transactions summarized in these accounts are genuine and have been properly authorized and accurately recorded.

The verification procedures applied to income and expense and gain and loss accounts should be based on the same test-check principles as are applied to the balance sheet accounts. After examining representative transactions for the period or periods he has selected for testing, the accountant should scan the accounts and examine any entries which appear unusual. Special attention should be given to transactions contributing to the recorded gain or loss realized on sale of investments. In this connection, reference should be made to SBA requirements concerning the realization and

use of income and gains, as set forth in Addendum II of this guide. The accountant should include in his comments information as to the latest year through which Federal income tax returns of the SBIC have been audited by the Internal Revenue Service.

ADDENDUM I—FIDELITY BOND

1. NEED FOR BOND

Each Licensee shall obtain and maintain a fidelity bond which must be executed by a surety holding a certificate of authority from the Secretary of the Treasury pursuant to sections 6-13 of title 6 of the United States Code as an acceptable surety on Federal bonds. Each officer and employee who has control over or access to cash, securities or other property of the Licensee shall be covered by such fidelity bond. The form of bond must meet the provisions of paragraphs 2 and 6 below.

2. TYPE OF BOND

Each Licensee shall be covered by a Brokers Blanket Bond, Standard Form No. 14, revised March 28, 1949. A Licensee may be covered by Bankers Blanket Bond, Standard Form No. 24, if it meets the provisions of paragraph 3 following. In general, riders to such standard form bonds are unacceptable and should not be used unless they patently increase the benefits under the policy. SBA has held the following riders to be unacceptable with respect to Brokers Blanket Bond, Standard Form No. 14:

- SR 5307, Valuation Clause Rider;
- SR 5568, Discovery Rider (Form 14);
- SR 5571, Rider-Discovery Form, or
- SR 5771, Rights after Termination or Cancellation;
- SR 5301, Delete Misplacement Rider.

3. BANKS

A Licensee, the majority (more than 50 percent) of whose voting stock is owned by one or more commercial banks that are members of the Federal Deposit Insurance Corporation, or the majority of whose voting stock is owned by a single bank holding company whose subsidiary banks are members of the Federal Deposit Insurance Corporation, may be included as a joint insured under a Bankers Blanket Bond, Standard Form No. 24, which insures the parent commercial bank(s) or the parent bank holding company. In those instances when and to the extent that coverage under Bankers Blanket Bond, Standard Form No. 24, has been restricted by the use of one or more deductible insuring clauses which would apply to the Licensee also, a Brokers Blanket Bond, Standard Form No. 14, must be employed to furnish coverage for the deductible amounts.

4. APPROVAL OF BANK DIRECTORS

In order for the provisions of paragraph 3 above to be applicable, the board of directors of the commercial bank(s) or the bank holding company must approve extending the Bankers Blanket Bond, Standard Form No. 24, to include the Licensee as a joint insured. They also must approve any Brokers Blanket Bond, Standard Form No. 14, needed to furnish the coverage restricted by deductible insuring clauses as set forth in paragraph 3. A certified copy of the minutes of the meeting(s) of the board of directors of such parent organization(s) at which such bond or bonds were approved shall be retained in the permanent records of the Licensee.

5. APPROVAL OF LICENSEE'S DIRECTORS

The board of directors of the Licensee must approve the fidelity bond or bonds of the Licensee. A certified copy of the minutes of

the meeting(s) of the board of directors at which such approval was given must be retained in the permanent files of the Licensee. In addition, the Licensee must obtain from the issuer of such fidelity bond a statement in writing certifying that the bond or bonds, as provided, fulfill the requirements set forth herein to the best of the issuer's knowledge and belief.

#### 6. CANCELLATIONS AND CLAIMS

Each Licensee, at least 30 days prior to making any request to the surety to terminate or cancel such bond, shall notify SBA in writing of its intent to terminate or cancel the bond. Each Licensee shall have as a part of its verified bond a rider or endorsement providing that the surety will notify SBA of its intent to cancel the fidelity bond at least 30 days in advance of the effective date of the cancellation. Each Licensee shall notify SBA immediately in writing of any claim for loss filed under the bond with the surety. Such notifications to SBA shall be by certified mail addressed to the Associate Administrator for Investment, Small Business Administration, 1441 L Street NW., Washington, D.C. 20416.

#### 7. AMOUNTS

The minimum amount of fidelity bond for each Licensee acceptable to SBA shall be based upon the total amount of the assets of the Licensee plus the unpaid balance of loans and investments which the Licensee has contracted to service for others, as follows:

Assets plus loans and investments serviced for others:	Minimum coverage
Up to \$400,000.....	\$25,000
\$400,001 to \$500,000.....	30,000
\$500,001 to \$750,000.....	40,000
\$750,001 to \$1,000,000.....	50,000
\$1,000,001 to \$2,000,000.....	75,000
\$2,000,001 to \$3,000,000.....	100,000
\$3,000,001 to \$4,000,000.....	125,000
\$4,000,001 to \$5,000,000.....	150,000
\$5,000,001 to \$7,500,000.....	175,000
\$7,500,001 to \$10,000,000.....	200,000
\$10,000,001 and over.....	( <sup>1</sup> )

<sup>1</sup> \$200,000 plus \$10,000 for each \$1 million or fraction thereof over \$10 million, except that no Licensee shall be required to provide and maintain a fidelity bond in an amount greater than \$1 million.

#### 8. BANK CUSTODIAN

Notwithstanding the provisions of paragraph 7 above, if a Licensee's portfolio securities are held by a commercial bank, which is a member of the Federal Deposit Insurance Corporation, as custodian under a custodianship agreement, such commercial bank's fidelity bond may be construed as furnishing the Licensee with adequate surety protection for securities and funds in its custody: *Provided*, That the amount of assets, as defined in paragraph 7, in the possession of the Licensee at any one time, or \$400,000, whichever is greater, is covered by a Brokers Blanket Bond, Standard Form No. 14.

#### ADDENDUM II—REALIZATION AND USE OF INCOME AND GAINS

##### 1. PURPOSE

This addendum provides guidance to SBICs for the determination of the realization of operating income and gains on investments and the use of such profits for various corporate purposes.

##### 2. RECOGNITION OF PROFIT

a. *Income From Operations.* Licensees may, provided the collection of such income is reasonably assured:

(1) Treat income from dividends and fees as realized when a transaction is effected in the ordinary course of business, and

(2) Treat commitment income and interest income as realized when a transaction is effected, or through the passage of time.

b. *Gains From Sales of Assets.* Assets here considered include portfolio securities, assets acquired in liquidation of loans and debt securities (including successor assets to those originally acquired in such liquidation), and those classified as other assets.

(1) Gain on the sale of assets when the sale represents a final transaction may be recognized as realized gain immediately when received by a Licensee in cash (money, checks, or negotiable money orders), demand certificates of deposit issued by banks which are members of the Federal Deposit Insurance Corporation, and/or negotiable direct obligations of the U.S. Government.

(2) That portion of cash installment payments representing gain may also be recognized as realized gain immediately as such payments are received when the installment feature is all that prevents characterization of the transaction as final.

(3) Any transaction with recourse upon the Licensee or involving any understanding, agreement, option, privilege, or other rights to repurchase by and/or resell to the Licensee shall not be considered a final transaction.

(4) Any reacquisition of the assets by the Licensee, whether or not the result of prior agreement or rights, shall be construed by SBA as a nullification of the finality of the original sale transaction.

(5) Any gain on sale of assets which does not qualify as realized gain in accordance with the foregoing shall be deferred pending such realization.

##### 3. USE OF PROFITS

a. Only profits realized in accordance with the foregoing may be:

(1) Used for obtaining loan funds from SBA.

(2) Used for payment of dividends, or

(3) Treated as realized profits for improvement of bargaining position in mergers.

b. Profits realized as above may be used also for correcting capital impairment. In addition, noncash gain on the sale of assets to a bona fide purchaser, which gain has been deferred, may be recognized by SBA for the purpose of correcting capital impairment. This recognition will not be granted if uncertainty as to the ultimate realization of profit is so great that business prudence, as well as generally accepted accounting principles, would preclude such recognition of gain. Circumstances such as any of the following would raise a serious question as to the propriety of the current recognition of any gain:

(1) Consideration received in exchange for assets disposed of consists of capital stock having no quoted market value, or other noncash real or personal property which cannot be reasonably evaluated.

(2) Evidence of financial weakness of the purchaser.

(3) Substantial uncertainty as to the amount of costs and expenses to be incurred.

(4) Substantial uncertainty as to the amount of proceeds to be realized because of form of consideration or method of settlement; for example, nonrecourse notes, non-interest-bearing notes, purchaser's stock, and notes with optional settlement provisions, all of indeterminate value.

(5) Amount and/or time of payment indeterminate, being dependent upon future sales or other action.

(6) Retention of effective control of the asset by the Licensee.

(7) Limitations and restrictions on the purchaser's profits and on development or disposition of the asset.

(8) Simultaneous sale and repurchase by the same or affiliated interests.

(9) Concurrent loan to or other financing of the purchaser.

(10) Small, or no down payment.

(11) Simultaneous sale and leaseback of asset.

#### 4. PROCEDURE FOR OBTAINING SBA RECOGNITION OF NONCASH GAIN FOR THE PURPOSE OF CORRECTING CAPITAL IMPAIRMENT

The Licensee should submit to SBA, in triplicate, a summary statement identifying each sale transaction involved, giving the following particulars:

a. Portfolio securities, acquired (or successor) assets, or other assets parted with and their cost less allowance for losses, proceeds obtained, and net gain or loss.

b. Name of purchaser and affiliation (if any) with Licensee.

c. Description and value of consideration received, including terms and collateral (if any) of any debt instruments, and

d. Provisions of any rights or privileges obtained or granted by the Licensee.

#### 5. ACCOUNTING REQUIREMENTS

a. *Income From Operations.* Restrictions on the classification of income as realized and procedures to be followed when such amounts are not to be considered as realized are found in the notes to income accounts Nos. 500, 512, 516, 532, in the System of Account Classifications for Small Business Investment Companies (Part III of the regulations).

b. *Gains From Sales of Assets.*

(1) Any profit on the sale of assets which does not qualify as realized gain in accordance with section 2.b. of this addendum should be credited to account No. 383, Other Deferred Credits, pending such realization.

(2) SBA recognition of noncash gain on sales of assets shall not constitute approval to transfer the amount involved from account No. 383 to the appropriate gain accounts, as such action shall remain dependent on meeting the qualifications in section 2.b. of this addendum.

#### APPENDIX 2—INSTRUCTIONS FOR PREPARATION OF THE FINANCIAL REPORT, SBA FORM 468 (3-69)

##### GENERAL

There are set forth herein the instructions for preparation of the Financial Report, SBA Form 468, which report is required by Small Business Administration regulations to be filed with SBA by each licensed small business investment company at the end of the first 6-month period of each fiscal year and at the end of each fiscal year, such fiscal year being, for SBA purposes, the period beginning April 1 and ending March 31, and at such other times as SBA may request. The Financial Report filed by each Licensee shall present fairly the financial position of the Licensee as of the close of the period covered by the report and the results of the Licensee's operations for such period, and shall be prepared in accordance with these instructions. The accounts referred to by account number in these instructions are those prescribed by SBA in the System of Account Classifications for Small Business Investment Companies as set forth in Part III of this chapter.

The Financial Report, SBA Form 468, shall be filed in triplicate with the Investment Division, Small Business Administration, 1441 L Street NW., Washington, D.C. 20416, on or before the last day of the month immediately following the close of the period covered by the report (in the case of an unaudited report), and on or before the last

day of the third month following the close of the period covered by the report (in the case of an audited report).

Licenses which are registered investment companies should refer to the rules promulgated by the Securities and Exchange Commission, 500 North Capitol Street, Washington, D.C. 20549, for the official requirements as to financial reports to be filed with SEC and the time allowed for filing.

The Financial Report, SBA Form 468, requires a statement of financial condition, statement of surplus reconciliations, statement of income and expense, statement of realized gain or loss on investments, and supporting schedules 1 through 15. If any statement or schedule is not applicable, it is still required to be filed but should be marked "N/A" or "Not Applicable."

When the Licensee has a wholly owned subsidiary organized solely for the purpose of rendering management consulting services, financial reports submitted to SBA by the parent Licensee shall reflect consolidated figures covering the activities of both the parent Licensee and its subsidiary corporation.

When the Licensee has one or more branch offices, the data contained in the basic financial statements and all supporting schedules shall comprise a combination of the figures for the principal office and all branches. All money amounts required to be shown in the financial statements and schedules shall be expressed in whole dollars. Appropriate adjustments of individual amounts shall be made for the fractional part of a dollar so that the items will add to the totals shown.

HEADING

Set forth in the appropriate spaces the information called for representing the identification and the principal office address of the Licensee. As the employer identification number, enter the number assigned to the Licensee by the U.S. Treasury Department. If such number has not yet been assigned, an Application for Employer Identification Number, Form SS-4, shall be submitted to the U.S. Director of Internal Revenue with whom the Licensee's Federal tax and employee withholding returns are filed.

STATEMENT OF FINANCIAL CONDITION

Assets

Items:

1. *Cash*. State the total of the balances contained in accounts Nos. 100 through 120.
2. *U.S. Government obligations, insured savings, and time certificates of deposits*. State the total of the balances contained in accounts Nos. 130 through 137.
3. *Notes receivable*. State the balance contained in account No. 140.
4. *Accounts receivable*. State the balance contained in account No. 150.
  - (a) *Less: Allowance for uncollectibles* (applicable to items 3 and 4). State the balance contained in account No. 151.
5. *Accrued interest receivable*. State the balance contained in account No. 160.
  - (a) *Less: Allowance for uncollectibles*. State the balance contained in account No. 161.
6. *Due from directors, officers, and employees*. State the balance contained in account No. 255.
7. *Funds in escrow and other current assets*. State the balance contained in account No. 179 and the current portion of account No. 220.
8. *Total short-term assets*. Enter the total of the appropriate amounts opposite items 1, 2, 4(a), 5(a), 6, and 7.
9. *Loans (section 305)*. State the balance contained in account No. 170.

- (a) *Less: Amount sold with recourse*. State the balance contained in account No. 310.
  - (b) *Less: Allowance for uncollectibles*. State the balance contained in account No. 171.
  - (c) *Less: Unearned discount, fees, etc.* State the balance contained in account No. 173.
10. *Debt securities of SBCs (section 304)*. State the total of the balances contained in accounts Nos. 180 and 184.
    - (a) *Less: Amount sold with recourse*. State the total of the balances contained in accounts Nos. 312 and 314.
    - (b) *Less: Allowance for losses*. State the balance contained in account No. 185.
    - (c) *Unearned discount, fees, etc.* State the balance contained in account No. 187.
  11. *Capital stock of SBCs (section 304)*. State the total of the balances contained in accounts Nos. 190 and 192.
    - (a) *Less: Allowance for losses*. State the balance contained in account No. 193.
  12. *Warrants, options, and other stock rights, acquired from SBCs (section 304)*. State the balance contained in account No. 196.
    - (a) *Less: Allowance for losses*. State the balance contained in account No. 197.
  13. *Assets acquired in liquidation of loans and debt securities*. State the balance contained in account No. 200.
    - (a) *Less: Accumulated depreciation*. State the balance contained in account No. 203.
    - (b) *Less: Mortgages payable*. State the balance contained in account No. 318.
    - (c) *Less: Allowance for losses*. State the balance contained in account No. 201.
  14. *Amounts due from debtors on sale of assets acquired in liquidation of loans and debt securities*. State the balance contained in account No. 210.
    - (a) *Less: Allowance for uncollectibles*. State the balance contained in account No. 211.
  15. *Total Loans and Investments*. Enter the total of the appropriate amounts opposite items 9(c), 10(c), 11(a), 12(a), 13(c), and 14(a).
  16. *Corporate premises owned and furniture and equipment*. State the total of the balances contained in accounts Nos. 230, 240, and 242.
    - (a) *Less: Accumulated depreciation*. State the total of the balances contained in accounts Nos. 231 and 241.
  17. *Organization costs*. State the balance contained in account No. 256.
  18. *Other*. State the total of the balances contained in accounts Nos. 140, 220 (non-current portions), and 257.
  19. *Total Other Assets*. Enter the total of the appropriate amounts opposite items 16(a), 17, and 18.
  20. *Total*. Enter the total of items 8, 15, and 19.
- Liabilities, Capital Stock, and Surplus*
21. *Accounts payable*. State the balance contained in account No. 340.
  22. *Accrued interest payable*. State the balance contained in account No. 350.
  23. *Accrued taxes on income*. State the total of the balances contained in accounts Nos. 354.1, 354.2, etc.
  24. *Other accrued expenses*. State the balance contained in account No. 358.
  25. *Dividends payable*. State the total of the balances contained in accounts Nos. 360 through 364.
  26. *Employee taxes withheld*. State the balance contained in account No. 370.
  27. *Unapplied receipts and trust receipts*. State the total of the balances contained in accounts Nos. 374 and 378.
  28. *Other*. State the total of the balances contained in accounts Nos. 320, 381, and 383 (portions applicable).

29. *Total Short-Term Liabilities*. Enter the total of items 21 through 28.
  30. *Notes payable to SBA*. State the balance contained in account No. 300.
  31. *Notes payable to other than SBA, guaranteed by SBA*. State the balance contained in account No. 315.
  32. *Notes payable to other than SBA, not guaranteed by SBA*. State the balance contained in account No. 316.
  33. *Mortgages payable for funds borrowed*. State the balance contained in account No. 317.
  34. *Other*. State the total of the balances contained in accounts Nos. 320, 381, and 383 (portions applicable).
  35. *Debentures payable issued to SBA*. State the balance contained in account No. 301.
  36. *Total Liabilities*. Enter the total of the appropriate amounts opposite items 29, 30, 33, 34, and 35.
  37. *Capital stock*. State the total of the balances contained in accounts Nos. 400 through 404 minus the balances contained in accounts Nos. 405 through 409.
  38. *Paid-in surplus*. State the balance contained in account No. 420.
  39. *Less: ----- shares of treasury stock at cost*. State the total of the balances contained in accounts Nos. 415 through 419.
  40. *Total*. Enter the total of items 37 and 38 minus item 39.
  41. *Capital stock subscribed*. State the total of the balances contained in accounts Nos. 410 and 411.
    - (a) *Less: Subscriptions receivable*. State the total of the balances contained in accounts Nos. 413 and 414.
  42. *Total Stockholders' Paid-In Capital and Paid-In Surplus*. Enter the total of the appropriate amounts opposite items 40 and 41(a).
  43. *Retained earnings*. State the balance contained in the account No. 425.
  44. *Appropriated retained earnings*. State the balance contained in account No. 427.
  45. *Total Capital Stock and Surplus*. Enter the total of the appropriate amounts opposite items 42 and 44.
  46. *Total*. Enter the total of items 36 and 45.
- Memorandum footnote*. Show in the space provided the market or fair value of loans and investments (shown at cost less allowance for losses in item 15 of the Statement of Financial Condition). In determining the market or fair value of portfolio securities (including securities which may be readily acquired through exercise of rights), securities for which market quotations are readily available shall be valued at the market bid price, provided the securities are registered, or readily registrable, and salable; *And further provided*, That, in the opinion of the board of directors, the bid price could be realized on immediate liquidation of the investment.
- Securities other than those referred to above shall be at cost less allowance for probable losses unless, because of steady progress in the affairs of the portfolio company, an increase above cost to the small business investment company is clearly indicated in the SBIC's equity in the book value of the portfolio company's securities as shown on the portfolio company's books. In the latter case the securities may be valued at fair value as determined in good faith by the board of directors.
- The value of loans and investments determined in accordance with the foregoing shall be reduced for purposes of this report by the amount of what would be an appropriate provision for taxes in respect of the unrealized appreciation included in the determined value.
- In column (13) of Schedule 1, column (12) of Schedule 2, and column (8) of Schedule 5, identify with an asterisk each

security which was valued above cost in arriving at the amount shown as market or fair value of loans and investments.

**Footnote on contingent liabilities.** Complete the footnote on page 2, at the end of the Statement of Financial Condition, which indicates the total amount of all contingent liabilities of the company. This amount shall be the same as the grand total of Schedule 9 of the report.

#### STATEMENT OF SURPLUS RECONCILIATIONS

Set forth in this statement all activities in accounts for paid-in surplus, retained earnings, and appropriated retained earnings during the fiscal year to date, showing opening balances, additions and deductions, and balances at close of the period. State separately the various additions and deductions, describing clearly the nature of the transactions out of which the items arose. Net income or loss from page 3 should be labeled "from net income," and realized gain or loss on investments from page 4 should be labeled "from net realized gain (or loss) on investments."

#### STATEMENT OF INCOME AND EXPENSE FOR THE FISCAL YEAR TO DATE

##### Income

##### Item:

1. **Commitment income.** State the balance contained in account No. 500.
2. **Interest on loans.** State the balance contained in account No. 512.
3. **Interest on debt securities.** State the balance contained in account No. 516.
4. **Interest on invested idle funds.** State the balance contained in account No. 510.
5. **Interest income—other.** State the balance contained in account No. 520.
6. **Management consulting service fees.** State the balance contained in account No. 532.
7. **Investigation and service fees charged other lenders.** State the balance contained in account No. 534.
8. **Application and appraisal fees.** State the balance contained in account No. 536.
9. **Dividends on capital stock of SBCs.** State the balance contained in account No. 540.
10. **Sharings in income or revenue of SBCs.** State the balance contained in account No. 541.
11. **Income less expense of \$..... from assets acquired in liquidation of loans and debt securities.** State the balance in account No. 582 minus the balance in account No. 710. Show the balance contained in account No. 710 as a separate item in the space provided for the expense.
12. **Other income.** State the balance contained in account No. 584.
13. **Total income.** Enter the total of the appropriate amounts opposite items 1, 5, 8, 10, and 12.

##### Expenses

14. **Commitment expense.** State the balance contained in account No. 600.
15. **Interest on obligations payable to SBA.** State the balance contained in account No. 610.
16. **Interest on obligations payable to other than SBA.** State the balance contained in account No. 622.
17. **Stock record and other financial expenses.** State the balance contained in account No. 642.
18. **Total Financial Expenses.** Enter the total of items 14 through 17.
19. **Advertising and promotional costs.** State the balance contained in account No. 650.
20. **Appraisal and investigation costs.** State the balance contained in account No. 651.
21. **Auditing and examination costs.** State the balance contained in account No. 652.
22. **Communications.** State the balance contained in account No. 653.

23. **Cost of space occupied.** State the balance contained in account No. 654.

24. **Depreciation of corporate premises owned, furniture, and equipment.** State the balance contained in account No. 655.

25. **Directors' and stockholders' meetings costs.** State the balance contained in account No. 657.

26. **Insurance.** State the balance contained in account No. 658.

27. **Investment adviser costs.** State the balance contained in account No. 660.

28. **Legal services.** State the balance contained in account No. 661.

29. **Salaries of officers.** State the balance contained in account No. 663.1.

30. **Salaries of employees.** State the balance contained in account No. 663.2.

31. **Taxes, excluding income taxes.** State the balance contained in account No. 664.

32. **Travel.** State the balance contained in account No. 665.

33. **Employee benefits expense.** State the balance contained in account No. 670.

34. **Organization expense.** State the balance contained in account No. 672.

35. **Miscellaneous operating expenses.** State the balance contained in account No. 679.

36. through 39. (For unclassified items.)

40. **Total Operating Expenses.** Enter the total of items 19 through 39.

41. **Other expenses.** State the balance contained in account No. 715.

42. **Total Expenses.** Enter the total of items 18, 40, and 41.

43. **Net Operating Income before provision for probable losses and income taxes.** Enter the balance resulting from the deduction of item 42 from item 13.

44. **Provision for probable losses on receivables.** State the balance contained in account No. 680.

45. **Provision for probable losses on portfolio securities.** State the balance contained in account No. 682.

46. **Provision for probable losses on assets acquired in liquidation of loans and debt securities.** State the balance contained in account No. 684.

47. **Provision for probable losses on amounts due from debtors on sale of assets acquired in liquidation of loans and debt securities.** State the balance contained in account No. 686.

48. **Net Operating Income before provision for income taxes.** Enter the balance resulting from the deduction of the appropriate amount opposite item 47 from item 43.

49. **Provision for Federal income taxes—net income.** State the balance contained in account No. 720.1.

50. **Provision for State and other income taxes.** State the balance contained in account No. 720.2.

51. **Net Income (Loss) From Operations.** Enter the balance resulting from the deduction of the appropriate amount opposite item 50 from item 48.

52. **Net Income (Loss) From Operations.** Enter the balance resulting from the deduction of the appropriate amount opposite item 50 from item 48.

53. **Net Income (Loss) From Operations.** Enter the balance resulting from the deduction of the appropriate amount opposite item 50 from item 48.

54. **Net Income (Loss) From Operations.** Enter the balance resulting from the deduction of the appropriate amount opposite item 50 from item 48.

55. **Net Income (Loss) From Operations.** Enter the balance resulting from the deduction of the appropriate amount opposite item 50 from item 48.

56. **Net Income (Loss) From Operations.** Enter the balance resulting from the deduction of the appropriate amount opposite item 50 from item 48.

57. **Net Income (Loss) From Operations.** Enter the balance resulting from the deduction of the appropriate amount opposite item 50 from item 48.

58. **Net Income (Loss) From Operations.** Enter the balance resulting from the deduction of the appropriate amount opposite item 50 from item 48.

59. **Net Income (Loss) From Operations.** Enter the balance resulting from the deduction of the appropriate amount opposite item 50 from item 48.

60. **Net Income (Loss) From Operations.** Enter the balance resulting from the deduction of the appropriate amount opposite item 50 from item 48.

61. **Net Income (Loss) From Operations.** Enter the balance resulting from the deduction of the appropriate amount opposite item 50 from item 48.

62. **Net Income (Loss) From Operations.** Enter the balance resulting from the deduction of the appropriate amount opposite item 50 from item 48.

63. **Net Income (Loss) From Operations.** Enter the balance resulting from the deduction of the appropriate amount opposite item 50 from item 48.

64. **Net Income (Loss) From Operations.** Enter the balance resulting from the deduction of the appropriate amount opposite item 50 from item 48.

65. **Net Income (Loss) From Operations.** Enter the balance resulting from the deduction of the appropriate amount opposite item 50 from item 48.

66. **Net Income (Loss) From Operations.** Enter the balance resulting from the deduction of the appropriate amount opposite item 50 from item 48.

67. **Net Income (Loss) From Operations.** Enter the balance resulting from the deduction of the appropriate amount opposite item 50 from item 48.

68. **Net Income (Loss) From Operations.** Enter the balance resulting from the deduction of the appropriate amount opposite item 50 from item 48.

69. **Net Income (Loss) From Operations.** Enter the balance resulting from the deduction of the appropriate amount opposite item 50 from item 48.

sale or other disposition of warrants, options, and other stock rights acquired by the company from small business concerns.

5. **Assets acquired in liquidation of loans and debt securities.** Show the aggregate cost less allowance for losses and mortgages payable, aggregate net proceeds, and net gain or loss on the sale or other disposition of assets acquired in liquidation of loans and debt securities of small business concerns.

The aggregate cost shown for this item shall be the same as that recorded in the books of account on the basis determined by the board of directors from among (1) bid-in price of the property, (2) agreed consideration for the property, and (3) fair appraised value of the property, but not to exceed the total amount of the related loan or debt security involved.

6. **Other.** Show the aggregate cost less allowance for losses, aggregate net proceeds, and net gain or loss on the sale or other disposition of any investments not included in items 1 through 5.

7. **Net Gain and/or Loss on Investments.** Enter the net total of items 1 through 6.

8. **Combined Net Gain (Loss) on Investments.** Enter the balance resulting from the deduction of item 7, column (5) from item 7, column (4).

9. **Add realized gain for current year from prior sales of investments (Deferred Credits).** State the amount of deferred gain of prior years transferred to gain accounts in the current year.

10. **Less portion of gain not realized in cash, demand certificates of deposit issued by FDIC-member banks, and/or negotiable direct obligations of the U.S. Government.** State the amount of the above gain represented by proceeds other than cash, demand certificates of deposit issued by FDIC-member banks, and/or negotiable direct obligations of the U.S. Government.

11. **Net Realized Gain (Loss) on Investments before provision for income taxes.** Enter the balance resulting from the addition of item 9 and deduction of item 10 from item 8.

12. **Federal income taxes—net realized gain on investments.** State the amount of estimated Federal income taxes applicable to net realized gain on investments for the fiscal year to date.

13. **State and other income taxes—net realized gain on investments.** Show the amount of estimated State and other non-Federal income taxes applicable to net realized gain on investments for the fiscal year to date.

14. **Total provision for income taxes.** Enter the total of items 12 and 13.

15. **Net Realized Gain (Loss) on Investments.** Enter the balance resulting from the deduction of item 14 from item 11.

**NOTE:** Describe the transactions in this Statement in accordance with the instructions set forth in the note at bottom of the form.

**SCHEDULE 1—LOANS AND DEBT SECURITIES**

Furnish in this schedule a summary of all loans (section 305) and debt securities (section 304), setting forth the pertinent data indicated by the column headings. The items to be listed shall include: (1) All loans held, made, or otherwise obtained, or disposed of by the company during the fiscal year to date, and (2) all debt securities held, acquired, converted, or disposed of during such period. Participations purchased in loans and debt securities shall be included, but only the reporting company's portion of loans and debt securities in which participations have been sold to others shall be shown.

List each loan and debt security by employer identification number; owner group code number designating the group classification of the principal ownership of the small business concern as follows: (0) Ne-

groes; (1) Puerto Ricans; (2) American Indians; (3) Spanish Americans; (4) Asians (Japanese, Chinese, Koreans, Filipinos); (5) Eskimos and Aleuts; (6) Undetermined; and (7) Others—including whites; Standard Industrial Classification code; name of financed small business concern, together with street address, city, State, ZIP code, and county in which located; type (loan or debt security); financing number; interest rate; date and maturity date; principal balance at beginning of period; additions during period; deductions during period; and principal balance at close of period. The total in column (11) for loans shall agree with item 9 of the Statement of Financial Condition and the total in column (11) for debt securities shall agree with item 10 of such Statement.

Show in column 12 for each loan and debt security any allowance for losses established for such item on the basis of the estimated realizable value of the individual item, or any portion of an overall allowance established on a percentage or other basis which has been allocated to the individual item.

Show in column 13 the market value, or fair value as determined by the board of directors, of each debt security which is determined to be worth more than the cost amount shown for it in column (11) and each loan or debt security which is determined to be worth less than the cost amount shown for it in column (11), minus any allowance for losses established for it as shown in column (12). Any loan or debt security for which an allowance for losses has been established shall not be listed in column (13) at any value higher than cost less such allowance.

An explanatory notation or footnote shall be entered in the schedule with respect to any loan or debt security (or any interest therein) obtained from another Licensee.

The notes referred to on the form, and which must be carefully observed in preparation of Schedule 1, are as follows:

(a) Group together the financing for each small business concern and classify each financing by category (loan or debt security) in column (4), treating multiple disbursements under the same financing agreement as a single financing. Show the totals of each category of financing and the grand totals of all loan and/or debt security financing on the last sheet of this schedule.

(b) In column (1) enter the employer identification number of each listed small business concern; if a concern does not have such number, it should obtain one by filing Form SS-4 with the U.S. Director of Internal Revenue with whom its Federal tax and employee withholding returns are filed. Insert the appropriate owner group code number, in parentheses, following the employer identification number of each small business concern. In column (2) enter for each listed small business concern the 4-digit Standard Industrial Classification Code of the principal industry in which the concern is engaged; refer to the SIC Manual issued by the Bureau of the Budget.

(c) If the Licensee has had more than one financing in the same category outstanding to the same small business concern (cumulative beginning with Mar. 31, 1966, outstanding balances), each such similar financing should be assigned a financing number (1-2-3, etc.) for identification purposes, and this number should be shown in column (5) on this report and on future reports in relation to the same financing. A number once assigned to a specific financing of a small business concern should never be reassigned to another financing in the same category to the same concern.

(d) In column (11) identify each item "pledged" or "earmarked" by letter (P) or letter (E), as appropriate. Also, identify by the letter (V) each item qualifying under the

regulations as venture capital. Show the total of all venture capital amounts immediately under the "Grand Totals" line at the foot of column (11). Show the total of all special discretionary portfolio amounts immediately under the "Total Venture Capital".

(e) Show in column (14) opposite each debt security financing the percentage of the financed small business concern's voting securities which has been and/or can be obtained by the Licensee through exercise of conversion privileges and/or stock purchase warrants or options received in connection with the specific financing. This percentage shall be computed without giving consideration to the possibility of simultaneous exercise of stock rights by other investment interests. Whenever a Licensee considers it important to disclose that its percentage of actual and potential ownership is affected by the probable action of others in exercising their stock rights, a footnote should be appended to the percentage figure arrived at by consideration of only the Licensee's action. In such footnote the percentage of actual and potential ownership giving consideration to the probable action of others should be set forth, together with an explanation including the names of the other investors who are likely to exercise their rights, the percentages of actual and potential ownership they hold, and the general terms of their stock rights.

**SCHEDULE 2—CAPITAL STOCK OF SBCs AND WARRANTS, OPTIONS AND OTHER STOCK RIGHTS ACQUIRED FROM SBCs**

Furnish in this schedule a summary of all investments (section 304), other than debt securities, setting forth the pertinent data indicated by the column headings. The items to be listed shall include: (1) All capital stock of small business concerns held, acquired, converted, or disposed of during the fiscal year to date and (2) all warrants, options, and other stock rights acquired from SBCs (for which a cost has been determined separate from that of the financing instruments which they accompanied and/or for which there exists a market value, or a fair value as determined by the board of directors) which were held, obtained, surrendered, expired, or sold during such period. Participations purchased in investments shall be included, but only the reporting company's portion of investments in which participations have been sold to others shall be shown.

List each investment by employer identification number; Owner Group Code number; Standard Industrial Classification code; name of financed small business concern, together with street address, city, State, zip code, and county in which located; type (stock, or warrant or option); financing number; dated; balance at cost at beginning of period; cost of additions during period; cost of deductions during period; and balance at cost at close of period.

The total in column (10) for capital stock of SBCs shall agree with item 11 of the Statement of Financial Condition and the total in column (10) for warrants, options, and other stock rights acquired from SBCs shall agree with item 12 of such Statement.

Show in column (11) for each investment any allowance for losses established for such item on the basis of the estimated realizable value of the individual item, or any portion of an overall allowance established on a percentage or other basis which has been allocated to the individual item.

Show in column (12) the market value, or fair value as determined by the board of directors, of each investment which is determined to be worth more than the cost amount shown for it in column (10) and each investment which is determined to be worth

less than the cost amount shown for it in column (10), minus any allowance for losses established for it as shown in column (11). Any investment for which an allowance for losses has been established shall not be listed in column (12) at any value higher than cost less such allowance.

An explanatory notation or footnote shall be entered in the schedule with respect to any investment (or any interest therein) obtained from another Licensee.

The notes referred to on the form, and which must be carefully observed in preparation of Schedule 2, are as follows:

(a) Group together the financings for each small business concern; classify each financing by category (stock or warrants or options) in column (4), treating multiple disbursements under the same financing agreement as a single financing. Show the totals of each category of financing and the grand totals of all capital stock and/or stock rights financing on the last sheet of this schedule.

(b) In column (1) enter the employer identification number of each listed small business concern; if a concern does not have such number, it should obtain one by filing Form SS-4 with the U.S. Director of Internal Revenue with whom its Federal tax and employee withholding returns are filed. Enter the appropriate Owner Group Code number in parentheses. In column (2) enter for each listed small business concern the 4-digit Standard Industrial Classification Code of the principal industry in which the concern is engaged; refer to the SIC Manual issued by the Bureau of the Budget.

(c) If the Licensee has had more than one financing in the same category outstanding to the same small business concern (cumulative beginning with Mar. 31, 1966, outstanding balances), each such similar financing should be assigned a financing number (1-2-3, etc.) for identification purposes, and this number should be shown in column (5) on this report and on future reports in relation to the same financing. A number once assigned to a specific financing of a small business concern should never be reassigned to another financing in the same category to the same concern.

(d) In column (10) identify each item "pledged" or "earmarked" by letter (P) or letter (E), as appropriate. Also, identify by the letter (V) each item qualifying under the regulations as venture capital. Show the total of all venture capital amounts immediately under the "Grand Totals" line at the foot of column (10). Show the total of all special discretionary portfolio amounts immediately under the "Total Venture Capital".

(e) Show in column (13) opposite each financing item the percentage of the financed small business concern's voting securities which has been and/or can be obtained by the Licensee through exercise of conversion privileges and/or stock purchase warrants or options received in connection with the specific financing, or which is represented by the financing item itself. This percentage shall be computed without giving consideration to the possibility of simultaneous exercise of stock rights by other investment interests. Whenever a Licensee considers it important to disclose that its percentage of actual and potential ownership is affected by the probable action of others in exercising their stock rights, a footnote should be appended to the percentage figure arrived at by consideration of only the Licensee's action. In such footnote the percentage of actual and potential ownership giving consideration to the probable action of others should be set forth, together with an explanation including the names of the other investors who are likely to exercise their rights, the percentages of actual and potential ownership they hold, and the general terms of their stock rights.

**SCHEDULE 3—DETAILS OF CERTAIN LOANS (SECTION 305) AND INVESTMENTS (SECTION 304) LISTED IN SCHEDULE 1 AND SCHEDULE 2**

Enter in this schedule all loans and debt securities shown in Schedule 1 and all investments shown in Schedule 2 concerning which any one or more of the following conditions exist:

1. New or additional financing has been furnished during the fiscal year to date, as shown in column (9) of Schedule 1 or column (8) of Schedule 2.

2. The terms of existing financing have been amended and/or the related collateral has been changed during the fiscal year to date.

3. Any rescheduling, refinancing, or re-funding of principal and/or interest has occurred, or conversion of a delinquent item has taken place, during the fiscal year to date. (Full details on such events are to be furnished in column (6) or on an attached sheet.)

4. Installment payments of principal and/or interest on loans or debt securities are past due more than 1 month.

List the items by employer identification number in column (1) and identify them by name of small business concern, type of financing, and financing number in columns (2), (3), and (4). In column (5) show the original principal amount or other cost. Details of the amortization plan and other significant provisions of the financing instruments, including a precise description of capital stock of SBCs, shall be set forth in column (6). The value and description of collateral are to be set forth in columns (7) and (8), respectively. Information as to the portion of such collateral assigned as security for the financing granted by the licensee is required to be presented in column (8).

If any loans or debt securities earmarked or pledged to SBA are in default as to payment of principal or interest, or with respect to any other covenants of the financing agreements, the repayment delinquencies will, of course, be included in Schedule 4. Any other defaults are to be described in column (6) of Schedule 3. Such earmarked or pledged loans and debt securities shall be identified in the schedule by the letter (E) or (P), as appropriate. If no earmarked loans or debt securities are in default as to principal or interest payments, or as to any other covenants in the financing agreements, a statement to that effect shall be placed on Schedule 3.

**SCHEDULE 4—ALLOWANCE FOR LOSSES ON PORTFOLIO SECURITIES—DELINQUENT LOANS AND DEBT SECURITIES**

List in this schedule all loans and investments for which an allowance for losses has been established or allocated on a specific item basis and/or which (if loans or debt securities) are delinquent to the extent of having installment payments past due more than 1 month. Identify each item in column (1) by the employer identification number and name of the financed small business concern; indicate by appropriate letter in column (2) the type of financing (loan, debt security, stock warrants and options); and record the financing number in column (3). If there has been more than one financing of the same type with respect to the same small business concern.

In columns (4) through (8), show the opening balance of the allowance for losses on each security, the additions and deductions pertaining to such allowance, and the closing balance, all relating to the fiscal year to date. If there exists an overall allowance for losses, established on a percentage or other basis and not allocated to individual securities, the beginning and ending balances thereof, together with changes during

the period, shall be shown appropriately on the "General allowance" line at the bottom of the schedule. The grand total of column (8) shall equal the sum of items 9(b), 10(b), 11(a), and 12(a) in the Statement of Financial Condition.

Show in column (9) the principal balance or other cost, as of the close of the period, of each security listed on the schedule. In columns (10) and (11) show all installments of principal and/or interest past due more than 1 month on loans and debt securities. Such portfolio items shall be identified and classified in columns (1), (2), and (3), and any allowances for losses related thereto shall be included appropriately in the columns provided therefor. Any loans or debt securities earmarked or pledged to SBA shall be identified in the schedule by the letter (E) or (P), as appropriate. Show the totals of columns (10) and (11).

**SCHEDULE 5—ASSETS ACQUIRED IN LIQUIDATION OF LOANS AND DEBT SECURITIES—ALLOWANCE FOR LOSSES**

List and describe in this schedule, by former debtors (small business concerns), all assets carried during the fiscal year to date in the account for assets acquired in liquidation of loans (section 305) and debt securities (section 304). This will correctly represent only the reporting company's portion of such assets. The balance at the beginning of the reporting period, additions and deductions during the period, and balance at the close of the period shall be shown in columns (3), (4), (5), and (6). The allowance for losses established for the reporting company's portion of the assets held with reference to each small business concern shall be recorded in column (7). Current market value, or fair value as determined by the board of directors at the close of the period shall be shown in column (8). The totals of columns (6) and (7) shall agree with items 13 and 13(c), respectively, of the Statement of Financial Condition.

In column (6) identify by the letter (V) each asset acquired in liquidation of a portfolio security which original security qualified under the regulations as venture capital. Show the total of all such secondary venture capital amounts in the space provided at the foot of column (6).

**SCHEDULE 6—PARTICIPATIONS AND JOINT FINANCINGS**

Show in this schedule all financings in which the reporting company participated and all financings made jointly by the reporting company and one or more other lenders or investors during the fiscal year to date, or which were outstanding at any time during such period. Identify each item in column (1) by the employer identification number and name of the financed small business concern; indicate by appropriate letter in column (2) the type of financing (loan, debt security, stock, warrants, and options); and enter the financing number in column (3) if there has been more than one financing of the same type by the reporting company to the same small business concern.

In column (4) show the original total amount contributed by all parties in the participation or joint financing. The names of such participating or joint financing entities (including the name of the reporting company) shall be shown in column (5) with appropriate indication as to which is the initiating (sponsoring) entity.

Show in column (6), (7), or (8), as appropriate, the reporting company's outstanding principal balance, or other cost, of participation purchased, participation sold, or joint financing, as of the close of the period covered in the report. Enter in column (9) a description of collateral pertaining to each financing, together with information as to

the percentage applicable to each party and as to any preferences agreed upon.

**SCHEDULE 7—CASH, U.S. GOVERNMENT OBLIGATIONS, INSURED SAVINGS, AND THE CERTIFICATES OF DEPOSIT**

Show in Schedule 7a all cash on hand and in general funds demand deposits; funds in imprest bank accounts. Demand deposits are balances subject to withdrawal without notice and shall be in commercial banks which are members of the Federal Deposit Insurance Corporation. Cash items in process of collection represent those cash items which have been placed with banks for collection. Petty cash shall represent the full amount of the petty cash imprest fund.

List in Schedule 7b(1) all securities owned which have been issued or guaranteed by the U.S. Government, showing the name of the issuer and the title of each issue. Other required data, such as interest rate, call date, maturity date, and principal amount at par of bonds and notes, may be obtained by inspection of the securities or from records of securities pledged. The cost of the securities shall be shown in column (8) and the current market value thereof in column (7).

Show in Schedule 7b(2) all funds invested in insured savings accounts and all funds on time deposit evidenced by time certificates of deposit. Savings accounts shall be in institutions the accounts of which are insured by the Federal Savings and Loan Insurance Corporation. Time deposits shall include all time certificates of deposit held by the company in commercial banks which are members of the Federal Deposit Insurance Corporation.

**SCHEDULE 8—DUE FROM DIRECTORS, OFFICERS, AND EMPLOYEES**

Show in this schedule amounts due from directors, officers, and employees for advances made to them (listing name and title of debtor in column (1)). The unpaid balance of each amount due at the beginning of the fiscal year shall be shown in column (2); additions, writeoffs, and collections during the fiscal year to date shall be set out in columns (3), (4), and (5); and the balance at the close of the period shall be shown in column (6). The total of column (6) shall agree with item 6 in the Statement of Financial Condition. An explanation shall be furnished for any amount written off or for any collection other than in cash.

**SCHEDULE 9—COMMITMENTS, GUARANTEES, AND OTHER CONTINGENT LIABILITIES**

Furnish in Schedule 9a, (1) commitments to small business concerns for equity financing under section 304 of the Act, as amended, (2) commitments to small business concerns for loans under section 305 of the Act, as amended, and (3) commitments to banks or other lenders for deferred participations in loans or commitments to small business concerns. Show the total amount of all commitments outstanding. Show the total of all venture capital commitments outstanding immediately under "Total commitments outstanding". Enter license number in the space allotted and enter owner group code number in parenthesis alongside name of small business concern.

Furnish in Schedule 9b all obligations of portfolio concerns guaranteed by the company, showing (1) date of guarantee, (2) name of debtor small business concern, (3) name of lender, owner group code number, and (4) outstanding amount of guarantee. Show the total outstanding amount of all guarantees.

Set forth separately in Schedule 9c, with total, all other contingent liabilities.

Show at the bottom of the schedule the grand total of all commitments, guarantees, and other contingent liabilities. This amount

shall be the same as that given in the footnote on page 2 at the end of the Statement of Financial Condition.

**SCHEDULE 10—OBLIGATIONS PAYABLE**

Show in this schedule, by creditors, all obligations payable representing (1) debentures payable to SBA, (2) SBA direct loans, (3) guaranteed loans purchased by SBA, (4) loans guaranteed by SBA, (5) loans not guaranteed by SBA, (6) mortgages payable for funds borrowed, and (7) mortgages payable on assets acquired in liquidation of loans and debt securities. Such liabilities shall be grouped by the foregoing categories, and described in column (2), but subtotals are not required. Guaranteed loans purchased by SBA represent loans, originally financed by banks, which have been transferred to SBA through reassignment, transfer, and delivery of the notes to SBA.

The interest rate and other terms of each obligation shall be recorded in columns (3) and (4); the unpaid balance at the beginning of the fiscal year and additions and deductions during the fiscal year to date shall be shown in columns (5), (6), and (7); and the balance payable at the close of the period, segregated between (a) amounts owed to SBA for funds borrowed and (b) amounts owed to others for funds borrowed and/or amounts representing mortgages payable on assets acquired in liquidation of loans and debt securities, shall be reflected in columns (8) and (9).

The total of column (8) shall agree with the total of items 30 and 35 of the Statement of Financial Condition, and the total of column (9) shall agree with the total of items 13(b), 31, and 32, and the appropriate amount opposite item 33 of such statement.

Furnish in this schedule a complete description of the company's capital stock authorized, capital stock issued and outstanding, and data relating to special transactions involving capital stock.

In column (1) shall be described the type and class of each issue, such as common—\$5 par, preferred (7 percent Series of 1969), etc. The par value or, for no-par stock, the stated value shall also be reported in column (1).

The number of shares authorized, whether issued or not, shall be reported in column (2).

The number of shares and amount, at par or stated value, of stock issued and not retired or canceled shall be reported in columns (3) and (4). The total of column (4) shall agree with item 37 of the Statement of Financial Condition. The number of shares held as treasury stock shall be shown in column (5). Column (6) will represent the difference between column (3) and column (5).

Column (7) shall be the amount at par or stated value representing the number of shares outstanding as shown in column (6). The total of column (8) shall represent the amount of capital stock subscribed at the subscription price and shall agree with item 41 of the Statement of Financial Condition.

In column (9) shall be reported the amount of subscriptions receivable, which shall agree in total with item 41(a) of the Statement of Financial Condition.

Column (10) shall show the number of shares (other than those under option) reserved for purchase by officers and employees, and column (11) shall show the number of shares reserved to cover options and other rights.

**SCHEDULE 12—OPTIONS ON LICENSEE'S CAPITAL STOCK**

Furnish in this schedule full information concerning outstanding capital stock options which have been granted by the company.

The holder of each option shall be identified in column (1). The number of shares

optioned shall be shown in column (2). In column (3) shall be described the type and class of stock called for by the option, such as common—\$5 par, preferred (7 percent Series of 1969), etc.

Column (4) shall show the grant and expiration dates of each option and column (5) shall set forth the price or prices at which each option is exercisable, together with the period during which each price applies.

Column (6) shall show the fair market value, per share, of stock called for by each option, at the date the option was granted. The price at which the option is exercisable as a percentage of fair market value, per share, of the optioned stock at date of granting shall be shown in column (7). Column (8) shall set forth the provisions made with respect to each option in the event of the optionee's death or retirement, or other circumstances.

The fair market value, per share, of stock called for at date the option was granted, if not ascertainable on the basis of actual market, shall be as determined by the board of directors.

**SCHEDULE 13—OWNERSHIP OF EQUITY SECURITIES OF SBIC**

Furnish in this schedule the information as required by the form regarding equity securities issued by the Licensee and regarding the Licensee's officers, directors, and employees.

In column (1) list:

(a) Each person or company directly or indirectly owning, controlling, or holding with power to vote, 5 percent or more of the outstanding voting securities of the company.

(b) Each person or company owning of record or being known to own beneficially more than 10 percent of any other class of equity securities of the company.

(c) Each officer and director of the SBIC. (List and identify all officers and directors regardless of whether or not they own any equity securities of the company.)

(d) Each employee of the company. (List all employees, including salaried officers and directors, regardless of whether or not they own any equity securities of the company and show whether they are full-time or part-time employees.)

Show in column (2) whether each natural person listed in column (1) is an officer, director, employee, or specific combination of any of the three. Indicate in column (3) the type of business in which each listed person or company is engaged. Column (4) show the title of each class of stock owned by any person or company and column (5) shall indicate whether the securities of the specific class are owned both of record and beneficially, of record only, or beneficially only.

In columns (6), (7), and (8), respectively, show the number of shares of each class owned by each listed person or company, the total par or stated value of such shares, and the percentage of the total number of shares of this class outstanding which is represented by the shares owned by the particular person or company.

Summarize the foregoing information by class of equity security at the bottom of the schedule.

**SCHEDULE 14—SUNDRY ASSETS**

Show and explain in this schedule, by appropriate classification, the amounts of all sundry assets. Such assets will include: (1) Notes receivable; (2) accounts receivable, including dividends receivable; (3) accrued interest receivable; (4) funds in escrow pending closing of financing, and prepayments or deferred charges; and (5) unamortized organization costs.

Identify each item and describe the transaction out of which it arose, giving names of debtors and terms of debt instruments.

**SCHEDULE 15—AMOUNTS DUE FROM DEBTORS ON SALE OF ASSETS ACQUIRED IN LIQUIDATION OF LOANS AND DEBT SECURITIES—ALLOWANCE FOR UNCOLLECTIBLES**

Show in this schedule, by debtors, all accounts receivable, notes receivable, sales contracts, purchase money mortgages, etc., carried during the period in the account for amounts due from debtors on sale of assets acquired in liquidation of loans (section 305) and debt securities (section 304). The interest rate and other terms shall be given. The balances at the beginning and close of the period shall be shown, together with additions and deductions during such reporting period. Allowances for uncollectibles based upon an evaluation of the reporting company's portion of individual amounts due shall be recorded in column (9) opposite the name of the debtor. If a general allowance is utilized instead of individual allowances, it shall appear only at the bottom of column (9). The totals of columns (8) and (9) shall agree with items 14 and 14(a), respectively, of the Statement of Financial Condition. Under column (2) identify the asset or assets originally acquired in liquidation to which the amount due relates.

**VERIFICATION OF THE FINANCIAL REPORT, SBA FORM 468**

The verification of the Financial Report, SBA Form 468, shall bear the signature of the chief financial officer of the Licensee, or other officer authorized by the board of directors to sign in the event the chief financial officer is unavailable. A secretarial officer of the Licensee shall attest by signature to the fact that the minutes of a meeting of the board of directors show that the Financial Report, SBA Form 468, has been reviewed and approved by the board of directors. The date on which each signature is affixed shall be shown. All signatures on all copies of the Financial Report, SBA Form 468, submitted to SBA shall be original signatures in ink.

**VERIFICATION OF LICENSEE'S STATEMENT ON IMPLEMENTATION OF PLAN FOR DIVESTITURE OF CONTROL OF SMALL BUSINESS CONCERNS**

The verification of the Licensee's statement concerning prospects for divestiture of control, which is required by § 107.901(e) of the regulations to be furnished to SBA in triplicate with the annual financial report (SBA Form 468), shall bear the signature of a secretarial officer of the Licensee attesting to the fact that the minutes of a meeting of the board of directors show that such statement has been reviewed and approved by the board of directors. The date on which such signature is affixed shall be shown. The secretarial officer's signature on all copies of the Licensee's statement concerning prospects for divestiture of control submitted to SBA shall be an original signature in ink.

**APPENDIX 3—INSTRUCTIONS FOR PREPARATION OF THE PROGRAM EVALUATION REPORT, SBA FORM 684 (3-69)**

Section 107.1102(f) of the regulations governing small business investment companies includes a provision requiring each Licensee to submit a Program Evaluation Report, SBA Form 684, as of March 31 of each year. The report is required to be filed with the Small Business Administration on or before June 30 of the same calendar year. Three executed copies of the report shall be furnished to SBA.

Each such report as of March 31 shall reflect all Licensee financings of small business concerns which were outstanding at any time during the preceding 12-month period.

If the Licensee has engaged in more than one financing of a single small business concern (for example: Two loans made at different times evidenced by separate financing instruments, or one loan, one debt security with warrants, and one purchase of capital stock of the SBC), each such financing shall be entered in a separate column of the form. Make the appropriate entry opposite each numbered line for the first such financing, and make entries only on lines 1, 2, 8 through 11, and 32 for other financings of the same small business concern.

Multiple disbursements under a single financing agreement to a small business concern are to be treated as one financing, and only one entry shall be made on line 10 to include all such disbursements to the small business concern. If as of the date of this report the total amount of the financing provided for in a multiple-disbursement agreement has not yet been fully disbursed, the total financing provided for in the agreement shall be entered on line 10, rather than the amount actually disbursed.

Except as noted above with respect to more than one financing of a single small business concern, entries shall be made in the report on each line (1 through 33) for each financing outstanding at any time during the 12-month period ended March 31. Except when the additional column is needed to show an additional financing of the same concern, two separate small business concerns may be listed on each sheet of SBA Form 884, thus reducing the bulk of the report.

In entering financings in which participation by others is a factor, an "initiating" Licensee shall show on line 10 only its own share of total funds disbursed (net of participations sold), and a Licensee which has purchased a participation shall enter on line 10 the amount represented by its participation in total funds disbursed. Both the "initiating" company and the "participating" company shall complete all lines (1 through 33) of the report for such financings. A participation is defined as an undivided interest shared with one or more other lenders or investors in a note, debenture, certificate of stock, or other instrument evidencing a loan to, or equity financing of, a small business concern.

The spaces for license number and name of Licensee, and lines 1 through 10 and 21 through 32 must be filled out in each year's report. Lines 11 through 20 are required to be filled out only if the specific information called for has not been furnished in a prior report. Line 33, if applicable, should be filled out only once for any one small business concern.

If the "current information," represented by entries on lines 21 through 31, is either impossible to obtain or misleading with respect to small business concerns which (a) have been merged into other companies since the financing, (b) are presently inactive, or (c) are insolvent, the Licensee may write the word "merged," "inactive," or "insolvent," as appropriate, on lines 21 through 31 rather than make detailed entries for these items.

Entries of all dollar amounts shall be rounded to the nearest dollar.

Instructions covering each line of the report are as follows:

A. Entries to be made on each page of the report:

1. Page number, and total number of pages in the report. (Examples: Page 1 of 4 pages, or page 3 of 6 pages.)

2. SBIC license number.

3. Name of Licensee.

B. Entries to be made for each financing outstanding during the 12-month period covered by the report, or for each small business concern financed:

#### Line members

1. *Employer identification number of the small business concern (SBC) financed.* The small business concern will have an employer identification number or must obtain one by filing Form SS-4 with the U.S. Director of Internal Revenue with whom its Federal tax and employee withholding returns are filed.

2. *Name of small business concern financed.*

3. *Date business established.* Enter the month and year that the small business concern commenced business in its present form.

4. *Form of business.* Show whether the financed concern is a corporation, partnership, proprietorship, etc.

5. *Stock registered (Yes or No).* Indicate by "yes" or "no" whether or not any of the presently issued and outstanding stock of the financed small business concern has been registered with the Securities and Exchange Commission under the Securities Act of 1933. (For this purpose a filing under Regulation A of SEC shall be considered a registration.) If the small business concern is not a corporation, enter "N/A" (not applicable).

6. *Prior to initial financing by Licensee (Yes or No).* Indicate by "yes" or "no" whether or not the registration under the Securities Act of 1933 of any of the presently issued and outstanding stock of the small business concern took place before the date of the first disbursement of funds in the Licensee's initial financing of such concern. If the small business concern is not a corporation or has not registered any of its presently issued and outstanding stock under the Securities Act of 1933, enter "N/A" (not applicable).

7. *Stock on exchange (Yes or No).* Indicate by "yes" or "no" whether or not any of the presently issued and outstanding stock of the financed small business concern is listed on any national or regional stock exchange. If the small business concern is not a corporation or has not registered any of its presently issued and outstanding stock under the Securities Act of 1933, enter "N/A" (not applicable).

8. *Emerging industries (code).* Enter the code number indicating which of the following emerging industries (if any) is the field of activity in which the financed small business concern is principally engaged. If more than one industry is applicable, select the single most important industry and enter only one code number. If the SBC is not operating in any of these fields, enter Code No. 9 for "Other."

*Aeronautics (Code No. 1).* Includes aerodynamics; aeronautics; aircraft; aircraft flight control and instrumentation; air facilities.

*Learning aids (Code No. 2).* Includes audiovisual devices; teaching machines; programmed instruction.

*New medical technology (Code No. 3).* Includes electro-diagnostic systems; ultrasonics; electronic monitoring systems; electronic pacemakers; heart-lung machines; defibrillators.

*Nuclear science and technology (Code No. 4).* Includes thermonuclear fusion devices; isotopes; nuclear explosions; nuclear instrumentation; nuclear power plants; radiation shielding and protection; radioactive wastes and fission products; reactor engineering and operation; reactor materials; reactors.

*Oceanography (Code No. 5).* Includes biological oceanography; physical oceanography; submersible vehicles; offshore production of oil and natural gas; extraction of minerals from the oceans; desalination of sea water.

*Pollution control (Code No. 6).* Includes pollution detection and measuring instru-

ments; air pollution abatement devices and facilities; water treatment facilities.

*Propulsion and fuels (Code No. 7).* Includes air-breathing engines; combustion and ignition; electric propulsion; fuels; jet and gas turbine engines; nuclear propulsion; reciprocating engines; rocket motors; rocket propellants.

*Space technology (Code No. 8).* Includes astronautics; spacecraft and equipment; launch vehicles and equipment; ground support equipment.

*Other (Code No. 9).* Includes any industry or activity other than those given in code numbers 1 through 8.

If the Licensee has financed small business concerns in one or more emerging industries not listed here, the Licensee's cooperation in providing SBA by letter with a description of such industries is requested, in order that this form may be revised to identify such additional emerging industries in the future.

9. *Type of investment and financing number.* Types of investment include loans, debt securities, capital stock, and stock rights (including warrants or options). If the Licensee has had more than one financing of the same type outstanding with the same small business concern, each such financing shall be entered in the form in the manner described in the third paragraph of this appendix. Each such similar financing shall be assigned a financing number for purposes of identification, and this financing number shall be shown on future reports setting forth the same financing. Typical entries on this line would be: Loan-1, loan-2, debt security, etc. (If there has been only one financing of a given type for the small business concern, no financing number need be assigned.)

10. *Initial disbursement date.* Enter the date of the first disbursement applicable to the specific financing made to the small business concern.

11. *Total funds disbursed.* Show the total amount of funds disbursed, including the amount of any discount, fees, and other charges, to the small business concern applicable to each specific financing. Refer to the fourth paragraph of this appendix for instruction regarding the treatment of multiple disbursements under a single financing agreement to a small business concern.

12. *Use of proceeds (code).* Enter the code number indicating which of the following was the primary purpose of the small business concern in obtaining the financing. If it had multiple purposes, select the single most important purpose. Enter only one code number for each financing:

Operating capital (Code No. 1).

Plant modernization (Code No. 2).

Acquisition of all or part of an existing business (Code No. 3).

Consolidation of obligations, debt refunding, etc. (Code No. 4).

New building or plant construction (Code No. 5).

Acquisition of machinery and equipment (Code No. 6).

Land acquisition (Code No. 7).

Marketing activities (Code No. 8).

Research and development (Code No. 9).

Other (Code No. 10).

13 and 21. *Fiscal year ended immediately prior to financing (date) and latest fiscal year ended (date).* Enter the date of the close of the financed small business concern's latest fiscal year which ended prior to the initial date of disbursement of funds related to the financing (line 12) and the date of the close of the financed concern's most recently completed fiscal year for which amounts are entered in the current information section of the report (line 21). If current fiscal year information is not available from the small business concern, enter the date of the close of the financed concern's latest fiscal year for which information is available, and enter

such information on the appropriate lines of the current information section of the report.

The respective fiscal years ended on the dates shown on lines 12 and 21 are the ones referred to in the following instructions for lines 13 and 22, 14 and 23, 15 and 24, 16 and 25, 17 and 26, 18 and 29, 19 and 30, and 20 and 31. The fiscal year ended on the date shown on line 21 is the one referred to in the following instructions for lines 25 and 28.

13 and 22. *Number of employees: Total.* Enter the financed small business concern's total number employees at the close of the respective fiscal years.

13 and 22. *Number of employees: Managerial.* Enter the financed small business concern's number of managerial employees at the close of the respective fiscal years. Managerial employees are administrative personnel who set broad policies, exercise overall responsibility for execution of these policies, and direct individual departments or special phases of a firm's operations. They include executives, middle management, plant managers, department managers and superintendents, salaried foremen who are members of management, purchasing agents and buyers, and kindred workers.

13 and 22. *Number of employees: Skilled.* Enter the financed small business concern's number of skilled employees at the close of the respective years. Skilled employees include professional workers, technicians, sales representatives, office and clerical workers, and craftsmen (manual workers of relatively high skill level who exercise considerable independent judgment and usually receive an extensive period of training).

13 and 22. *Number of employees: Unskilled and semiskilled.* Enter the financed small business concern's number of unskilled and semiskilled employees at the close of the respective fiscal years. Unskilled employees are laborers in manual occupations which generally require no special training and embrace elementary duties that may be learned in a few days and require the application of little or no independent judgment. Semiskilled employees are workers who operate machines or processing equipment or perform other duties of intermediate skill level which can be mastered in a few weeks and require only limited training.

14 and 23. *Gross revenue for the year.* Enter the amount of total sales or other gross revenues of the financed small business concern for the respective fiscal years.

15 and 24. *Profit or (loss) for the year.* Enter the amount of net profit or (loss), before taxes, of the financed small business concern for the respective fiscal years. In determining profit or loss for the year, disregard any loss carryovers from previous years.

25. *Corporate dividends paid.* Enter the total amount of dividends paid by the financed small business concern to its stockholders during the fiscal year. If the small

business concern is not a corporation, enter "N/A" (not applicable).

16 and 26. *Taxes for the year: Federal.* Enter the amount of Federal income and other taxes applicable to the financed small business concern for the respective fiscal years, but not including taxes withheld or collected from others or the employer's portion of social security and unemployment taxes.

16 and 26. *Taxes for the year: State.* Enter the amount of State income and other taxes applicable to the financed small business concern for the respective fiscal years, but not including taxes withheld or collected from others or the employer's portion of unemployment taxes.

16 and 26. *Taxes for the year: Local.* Enter the amount of local income and other taxes (including property taxes) applicable to the financed small business concern for the respective fiscal years, but not including taxes withheld or collected from others.

17 and 27. *Total assets.* Enter the total amount of all assets, but net of valuation reserves, held by the financed small business concern as of the close of the respective fiscal years.

28. *Unrealized appreciation of assets.* Enter the amount resulting from the subtraction of "total assets" as recorded on the small business concern's books (and shown on line 27) from "total assets" based on their estimated market value or fair value as of the close of the fiscal year.

18 and 29. *Net worth (deficit).* Enter the amount of the net worth or (deficit net worth) of the financed small business concern as of the close of the respective fiscal years.

19 and 30. *Retained earnings (deficit).* Enter the amount of the retained earnings or (retained earnings deficit) of the financed small business concern as of the close of the respective fiscal years.

20 and 31. *Borrowing: Short-term.* Enter that portion of the financed small business concern's outstanding borrowing which was due within 1 year from the close of the respective fiscal years. This entry shall cover fund borrowing of all types, such as bank loans, mortgages, amounts borrowed from SBICs, etc.

20 and 31. *Borrowing: Long-term.* Enter that portion of the financed small business concern's outstanding borrowing which was due after 1 year from the close of the respective fiscal years. This entry shall cover borrowing of all types, such as bank loans, mortgages, amounts borrowed from SBICs, etc.

32. *Status of financing (code).* Enter the appropriate code number to indicate the current status of the financing:

Repayment or other investment recovery of the full amount of principal and interest or cost of other investment appears to be reasonably assured (Code No. 1).

Repayment or other investment recovery of the full amount of principal and interest or cost of other investment is possible, but not assured pending improvement in the performance of the small business concern financing (Code No. 2).

Repayment or other investment recovery is in jeopardy and some loss is probable (Code No. 3).

The financing has been paid off in full by the financed small business concern or has been disposed of otherwise at cost or at a profit to the Licensee (Code No. 4).

The financing has been liquidated through sale, partial repayment and writeoff, or foreclosure, and Licensee has either absorbed a loss on the financing or may absorb a loss in the future when collateral is liquidated (Code No. 5).

The financing instrument was exchanged for another financing instrument of the same small business concern prior to the reporting date (Code No. 6). *NOTE:* The new financing instrument should be reflected in entries in another column of the report.

The financing instrument was exchanged through merger, etc., for a financing instrument of a different business concern prior to the reporting date (Code No. 7). *NOTE:* The new financing instrument, if considered to evidence financing of an eligible small business concern, should be reflected in entries in another column of the same report.

33. *SEC discontinuances (code).* If the financed small business concern has discontinued business during the period covered by the report, enter the code number designating the reason for its discontinuance. If the concern has not discontinued business, enter "N/A" (not applicable). Enter only one code or "N/A" for each financed small business concern.

Discontinuance codes are:  
Insolvency and/or bankruptcy (Code No. 1).

Merger with, or sale to, another business concern, the resulting firm being eligible for further SBIC financing (Code No. 2).

Merger with, or sale to, another business concern, the resulting firm not being eligible for further SBIC financing (Code No. 3).

Voluntary liquidation, for reasons such as retirement of concern's principal (Code No. 4).

Involuntary liquidation, for reasons other than insolvency such as fire, death of a principal, or condemnation of business location (Code No. 5).

Other causes (Code No. 6).

C. Verification.

The chief financial officer of the Licensee shall sign in ink the verification section on the last page of each copy of the report submitted to SBA. The date on which the report is signed and the title of the signer shall be entered in the spaces provided.

[P.R. Doc. 69-3549; Filed, Mar. 26, 1969; 8:45 a.m.]

