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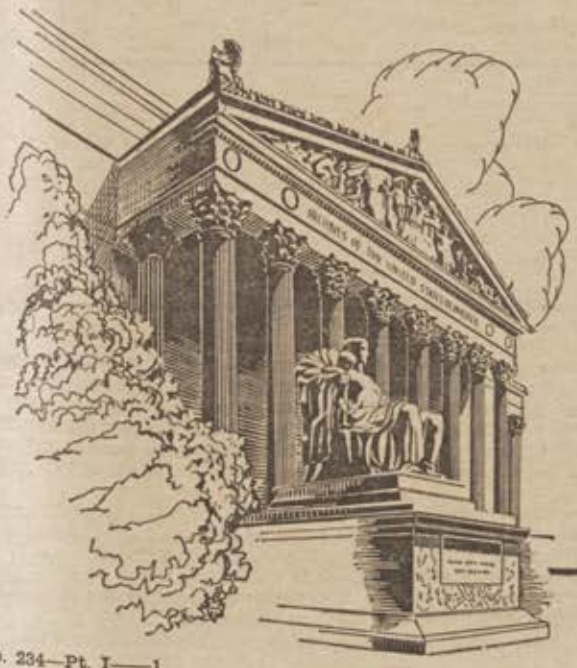
Part I

(Part II begins on page 19401)

(Part III begins on page 19407)

Agencies in this issue—

Detailed list of Contents appears inside.



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Contents

(Continued on next page)

List of CFR Parts Affected

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

A cumulative guide is published separately at the end of each month. The guide lists the parts and sections affected by documents published since January 1, 1969, and specifies how they are affected.

7 CFR

53 19337
910 19339

PROPOSED RULES:

725 19356

14 CFR

71 (2 documents) 19339, 19340
244 19340
296 19341
297 19342
399 19344

PROPOSED RULES:

71 (5 documents) 19374–19376
73 19376

16 CFR

13 (12 documents) 19346–19351

31 CFR

316 19402
332 19409

39 CFR

171 19352

41 CFR

1–19 19353

42 CFR

81 (3 documents) 19354

43 CFR

PUBLIC LAND ORDERS:

4748 19355

Rules and Regulations

Title 7—AGRICULTURE

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

SUBCHAPTER C—REGULATIONS AND STANDARDS UNDER THE AGRICULTURAL MARKETING ACT OF 1946

PART 53—LIVESTOCK, MEATS, PREPARED MEATS, AND MEAT PRODUCTS (GRADING, CERTIFICATION, AND STANDARDS

Subpart A—Regulations

MISCELLANEOUS AMENDMENTS

Pursuant to the authority contained in sections 203 and 205 of the Agricultural Marketing Act of 1946, as amended (7 U.S.C. 1622, 1624) the regulations in Part 53, Title 7, Code of Federal Regulations are hereby amended in the following respects:

1. Section 53.1, paragraphs (j) and (kk) are hereby amended and paragraphs (mm), (nn), and (oo) are added to read as follows:

§ 53.1 Meaning of words.

* * * * *

(j) *Official grader.* An employee of the Department or other person authorized by the Department to determine and certify or otherwise identify the class, grade, other quality, or compliance of products under the regulations.

* * * * *

(kk) *Federal meat inspection.* The meat inspection system conducted under the Federal Meat Inspection Act, as amended by the Wholesome Meat Act (21 U.S.C. 601 et seq.) and the regulations thereunder (9 CFR Chapter III, Subchapter A).

* * * * *

(mm) *Cutability (yield) grade.* The designation related to the quantity of trimmed, boneless, major retail cuts to be derived from the carcass or wholesale cuts—rounds, loins, ribs, and chucks—referred to as cutability in Subpart B of this part.

(nn) *Quality grade.* An important commercial subdivision of livestock or meat based on separate evaluations of two general considerations: (1) The quality or the palatability-indicating characteristics of lean and (2) the conformation of the carcass or primal cut.

(oo) *Legal holiday.* Those days designated by Federal statute, Executive order, Proclamation, or other days on which the Department requires that graders be paid holiday pay.

2. Subparagraph (2) of § 53.13(a) is hereby amended to read as follows:

§ 53.13(a) Denial or withdrawal of service.

* * * * *

(2) *Procedure.* All cases arising under this paragraph shall be conducted in accordance with the rules of practice governing withdrawal of inspection and grading service under the Agricultural Marketing Act of 1946 as contained in Part 50 of this chapter.

3. Section 53.16 is amended to read as follows:

§ 53.16 Official certificates.

(a) *Required; exception.* The official grader shall prepare, sign, and issue official certificates covering products graded by him, or for which he has determined compliance, unless through special arrangements approved by the Chief this is not required, in which case complete records of the service shall be furnished the office of grading.

(b) *Form.* (1) The following constitutes a form of official certificate for products under the regulations:

FORM LS-5 (9-15-48)

U.S. DEPARTMENT OF AGRICULTURE
CONSUMER AND MARKETING SERVICE
LIVESTOCK DIVISION

No.

AGRICULTURAL PRODUCTS CERTIFICATE

This certificate is receivable by all officers and all Courts of the United States as prima facie evidence of the truth of the statements therein contained. (This certificate does not excuse failure to comply with any of the regulatory laws enforced by the United States Department of Agriculture.)

MAIN STATION	APPLICANT'S CODE	DATE
TO: APPLICANT	ADDRESS	
SHIPPER OR SELLER	ADDRESS	
RECEIVER OR BUYER	ADDRESS	
ESTABLISHMENT NO.	LOCATION	

KIND OF PRODUCT OR LIVESTOCK AND SERVICE	CLASS	USDA GRADE OR OTHER QUALITY	CATEGORY CODE	CLASS CODE	GRADE CODE	PIECES	WEIGHT

1. REVENUE HOURS

a. BASE	b. SAT.-SUN.	c. HOLIDAY	d. GOVERNMENT
R ____ hrs.	S ____ hrs.	H ____ hrs.	G ____ hrs.

2. AUTO MILEAGE	3. OTHER TRAVEL	4. PER DIEM
M ____ miles	T $ ____	____ days at $ ____

5. OTHER CHARGES	6. LABORATORY FEES	
	a. HOURS (number)	b. OTHER
W $ ____	DL ____	E $ ____

I certify that in compliance with the Federal Meat and Livestock Grading Regulations (7 CFR Subpart 53A, as amended) under the Agricultural Marketing Act of 1946, as amended (7 U.S.C. 1621-1627), I examined the products and/or livestock described above, at the time and place stated, and found that at said time and place the class, grade, and other quality thereof were as stated above and such products and/or livestock complied with any specifications listed, with any qualifications noted above.

WEIGHTS NOT VERIFIED: ____ GRADER'S CODE ____ SIGNATURE OF GRADER

PLEASE REFER TO THIS CERTIFICATE BY NUMBER AND MAIN STATION

Where weight is certified, the word "Not" shall be deleted from the phrase "Weights Not Verified."

(2) Where determination of ingredient content or method of preparation of products in acceptance service is based upon a certification of the facts by the inspection system having jurisdiction of the products, this fact shall be stated on the certificate.

(c) *Distribution.* The original certificate and not to exceed two copies shall be delivered or mailed to the applicant or other person designated by him. One copy shall be filed in the office of the official grader, and one copy shall be forwarded to a central office designated by the Chief, and such copies shall be kept on file until other disposition is ordered by the Administrator. Additional copies will be furnished to any person financially interested in the products involved upon the payment of fees as provided in § 53.29(g).

4. Section 53.19 is amended to read as follows:

§ 53.19 Official identifications.

(a) A shield enclosing the letters "USDA" and code identification letters of the grader performing the service, as shown below, constitutes a form of official identification under the regulations for preliminary grade of carcasses and wholesale cuts.

Figure 1.

(b) A shield enclosing the letters "USDA" as shown below with the appropriate quality grade designation "Prime," "Choice," "Good," "Standard," "Commercial," "Utility," "Cutter," "Canner," or "Cull," as provided in the standards in Subpart B of this part and accompanied when necessary by the class designation "Stag," "Bull," "Veal," "Calf," "Yearling Mutton," or "Mutton," constitutes a form of official identification under the regulations to show the quality grade, and where necessary the class, under said standards, of steer, heifer, and cow beef, stag beef, bull beef, veal, calf, lamb, yearling mutton, and mutton. The code identification letters of the grader performing the service will appear intermittently outside the shield.

U F

Figure 2.

(c) A shield enclosing the letters "USDA" and the words "Yield Grade," as shown below, with the appropriate cutability (yield) grade designation "1," "2," "3," "4," or "5" as provided in the standards in Subpart B of this part constitutes a form of official identification under the regulations to show the cutability (yield) grade under said standards. The code identification letters of the grader performing the service will appear outside the shield.

U F

Figure 1.

(d) The letters "USDA" with the appropriate grade designation "1," "2," "3," "Utility," or "Cull" enclosed in a shield as shown below, as provided in the standards in Subpart B of this part, constitute forms of official identification under the regulations to show the grade under said standards, of barrow, gilt, and sow pork carcasses.

Figure 2.

(e) The following constitute forms of official identification under the regulations to show compliance of products:

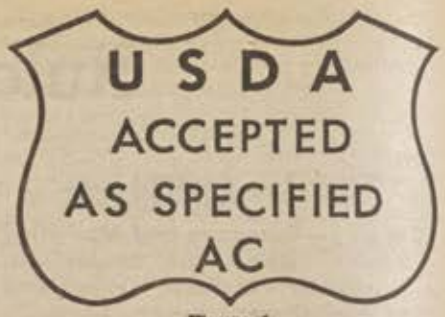

Figure 1

Figure 2

Figure 3

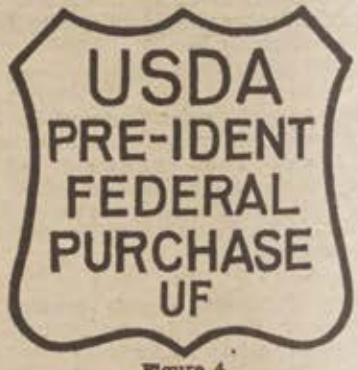

Figure 4

Figure 5

The letters "AC," "XE," and "UF" shown in figures 1, 2, 3, and 4 are examples, respectively, of the code identification letters of the official grader performing the service.

5. Section 53.20 is hereby amended to read as follows:

§ 53.20 Custody of identification devices.

All identification devices used in marking products or the containers thereof under the regulations, including those indicating compliance with specifications approved by the Chief, shall be kept in the custody of the Branch, and accurate records shall be kept by the Branch of all such devices. Each office of grading shall keep a record of the devices assigned to it. Such devices shall be distributed only to persons authorized by the Department, who shall keep the devices in their possession or control at all times and maintain complete records of such devices.

6. Section 53.29 is amended by adding the following paragraph:

§ 53.29 Fees and other charges for service.

* * * * *

(h) *Other charges.* When costs, other than costs specified in paragraphs (a), (b), (c), (d), (e), (f), and (g) of this section, are involved in providing the services, the applicant will be charged for these costs. The amount of these charges will be determined administratively by the Chief. However, the applicant will not be charged for such cost without notification before the service is rendered of the charge for such item of expense.

These amendments are intended to assist in rendering meat grading services in accordance with efficient management practices and more effective administration. Also, some of the amendments are necessary to clarify and update the regulations. These include defining "quality grade," "yield grade," and "legal holidays" and amending the sections on "Denial or Withdrawal of Service," "Official Certificates," and "Official Identification Devices."

The regulations provide for a voluntary service under the Agricultural Marketing Act, which provides for the collection of fees as nearly as may be to cover the cost of the services rendered. Insofar as the amendments will permit charging holiday rates for services on all days for which graders are paid at such rates, they are necessary to cover the cost of the services as contemplated by the Agricultural Marketing Act. The other amendments do not require action by any member of the public. Therefore, under provisions of 5 U.S.C. 553, it is found upon good cause that notice and other public procedure with respect to these amendments is impracticable and unnecessary and good cause is found for making the amendments effective less than 30 days after publication.

The amendments shall become effective upon publication in the FEDERAL REGISTER.

(Secs. 203, 205, 60 Stat. 1087, 1090, 7 U.S.C. 1622, 1624)

Done at Washington, D.C., this 1st day of December 1969.

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

[F.R. Doc. 69-14458; Filed, Dec. 5, 1969; 8:45 a.m.]

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

[Lemon Reg. 404]

PART 910—LEMONS GROWN IN CALIFORNIA AND ARIZONA

Limitation of Handling

§ 910.704 Lemon Regulation 404.

(a) *Findings.* (1) Pursuant to the marketing agreement, as amended, and Order No. 910, as amended (7 CFR Part 910), regulating the handling of lemons grown in California and Arizona, effective under the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601–674), and upon the basis of the recommendations and information submitted by the Lemon Administrative Committee, established under the said amended marketing agreement and order, and upon other available information, it is hereby found that the limitation of handling of such lemons, as hereinafter provided, will tend to effectuate the declared policy of the act.

(2) It is hereby further found that it is impracticable and contrary to the public interest to give preliminary notice, engage in public rule-making procedure, and postpone the effective date of this section until 30 days after publication hereof in the FEDERAL REGISTER (5 U.S.C. 553) because the time intervening between the date when information upon which this section is based became available and the time when this section must become effective in order to effectuate the declared policy of the act is insufficient, and a reasonable time is permitted, under the circumstances, for preparation for such effective time; and good cause exists for making the provisions hereof effective as hereinafter set forth. The committee held an open meeting during the current week, after giving due notice thereof, to consider supply and market conditions for lemons and the need for regulation; interested persons were afforded an opportunity to submit information and views at this meeting; the recommendation and supporting information for regulation during the period specified herein were promptly submitted to the Department after such meeting was held; the provisions of this section, including its effective time, are identical with the aforesaid recommendation of the committee, and information concerning such provisions and effective time has been disseminated among handlers of such lemons; it is necessary, in order to effectuate the declared policy of the act, to make this section effective during the period herein specified; and compliance with this section will not require any special preparation on the part of persons subject hereto which cannot be completed on or before the effective date hereof. Such committee meeting was held on December 2, 1969.

(b) *Order.* (1) The respective quantities of lemons grown in California and Arizona which may be handled during the period December 7, 1969, through December 13, 1969, are hereby fixed as follows:

(i) District 1: 32,550 cartons;
(ii) District 2: 51,150 cartons;
(iii) District 3: 130,200 cartons.

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

(Secs. 1–9, 48 Stat. 31, as amended; 7 U.S.C. 601–674)

Dated: December 4, 1969.

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

[F.R. Doc. 69-14550; Filed, Dec. 5, 1969; 8:48 a.m.]

Title 14—AERONAUTICS AND SPACE

Chapter I—Federal Aviation Administration, Department of Transportation

[Airspace Docket No. 69-CE-64]

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

Alteration of Transition Area; Correction

On October 23, 1969, a final rule was published in the FEDERAL REGISTER (34 F.R. 17166), F.R. Doc. 69-12664, which altered the transition area at Anderson, Ind. However, in the alteration the longitude coordinate for the Anderson Municipal Airport was incorrectly recited as "longitude 86°36'55" W.". It should have read "longitude 85°36'55" W.". Action is taken herein to make this correction.

Since this amendment is editorial in nature and imposes no additional burden on any person, notice and public procedure hereon are unnecessary.

In consideration of the foregoing, "longitude 86°36'55" W." as set forth in the transition area alteration in F.R. Doc. 69-12664, is deleted and "longitude 85°36'55" W." is substituted therefor.

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

Issued in Kansas City, Mo., on November 12, 1969.

ROBERT I. GALE,
Acting Director, Central Region.

[F.R. Doc. 69-14525; Filed, Dec. 5, 1969; 8:47 a.m.]

[Airspace Docket No. 69-WE-84]

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

Revocation and Alteration of Control Zone

The purpose of these amendments to Part 71 of the Federal Aviation Regulations is to revoke the Oxnard, Calif. (Oxnard AFB) control zone and redesignate the Oxnard, Calif. (Ventura County Airport) control zone.

Oxnard AFB will be closed as of December 31, 1969. Therefore, after that date there will no longer be a requirement for nor will the airport qualify for a control zone since weather reporting service will no longer be available. The Ventura County Airport control zone currently excludes that portion east of a chord drawn between the points of intersection of the two 5-mile radius zones. This airspace currently would be within the Oxnard AFB control zone. Concurrent with the revocation of the Oxnard AFB control zone, the Ventura County Airport may be designated as a 5-mile zone. Action is taken herein to reflect these changes.

Since these actions are more editorial than substantive in nature and impose no additional burden on any person, notice and public procedure hereon are unnecessary.

In view of the foregoing in § 71.171 (34 F.R. 4557) the Oxnard, Calif. (Oxnard AFB) control zone is revoked.

In § 71.171 (34 F.R. 4557) the description of the Oxnard, Calif. (Ventura County Airport) control zone as modified by (34 F.R. 6173) is further modified to read as follows:

OXNARD, CALIF. (VENTURA COUNTY AIRPORT)

Within a 5-mile radius of Ventura County Airport (latitude 34°12'02" N., longitude 119°12'10" 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 Airmen's Information Manual.

Effective date: These amendments shall be effective 0901 G.m.t., January 8, 1970.

Issued in Los Angeles, Calif., on November 24, 1969.

LEE E. WARREN,
Acting Director, Western Region.

[F.R. Doc. 69-14526; Filed, Dec. 5, 1969; 8:47 a.m.]

Chapter II—Civil Aeronautics Board

SUBCHAPTER A—ECONOMIC REGULATIONS

[Reg. ER-595]

PART 244—FILING OF REPORTS BY AIR FREIGHT FORWARDERS, INTERNATIONAL AIR FREIGHT FORWARDERS AND COOPERATIVE SHIPPERS ASSOCIATIONS

Processing of Applications of Long-Haul Motor Carriers of General Commodities for Authority as Air Freight Forwarders or International Air Freight Forwarders

Adopted by the Civil Aeronautics Board at its office in Washington, D.C., on the 12th day of November 1969.

In a notice of proposed rule making issued April 21, 1969,[1] the Board proposed to amend Part 399 of the policy statements (14 CFR Part 399) and certain parts of the economic regulations[2] with respect to the filing and processing of applications of long-haul motor carriers of general commodities for authorization as air freight forwarders or international air freight forwarders and applications of long-haul motor carriers of general commodities for approval of control of an air freight forwarder or international air freight forwarder.

Interested persons have been afforded an opportunity to participate in the making of these rules (Parts 296, 297 and 244) and related policy statement. For the reasons set forth in PS-40, issued concurrently herewith, relating to amendments of Part 399 (Statements of General Policy), we are adopting the rules and policy statement as proposed with the modifications therein noted. In the case of Part 244, we shall not impose the new reporting requirements upon independent air freight forwarders and international air freight forwarders, i.e., those forwarders which are not affiliated with long-haul motor carriers.

In consideration of the foregoing, the Civil Aeronautics Board hereby amends Part 244 of the economic regulations (14 CFR Part 244), effective January 5, 1970, as follows:

1. Amend § 244.1 by defining the terms "affiliate" and "long-haul motor carrier" to read as follows:

§ 244.1 Definitions.

* * * * *

An "affiliate" of a long-haul motor carrier or an air freight forwarder means a person who controls such carrier or is controlled by such carrier or by another person who controls or is controlled by such carrier. A person who beneficially owns, directly or indirectly, 10 percent or more of the outstanding issued capital stock of a carrier, in the absence of a proper showing to the Board that he does not control the carrier despite his stock ownership, shall be deemed to control the carrier for purposes of this part.

* * * * *

"Long-haul motor carrier" means a motor carrier holding operating rights issued by the Interstate Commerce Commission to haul general commodities between any pair of points which are over 500 air miles apart, or an affiliate of such a carrier.

* * * * *

2. Amend § 244.10 by adding subparagraphs (4) and (5) to paragraph (b) and modifying paragraph (c) to read as follows:

§ 244.10 General.

* * * * *

(b) The aforesaid report consists of a statement of certification and individual schedules to be filed therewith at various specified times. These schedules are identified as follows:

* * * * *

(4) Schedule T-4, Originating Air Station Data; T-5, Supplemental Operating Statistics—Long-Haul Motor Carriers/Air Freight Forwarders; T-6, Analysis of Traffic by Weight Breaks; all to be filed quarterly by (1) long-haul motor carriers of general commodities which are authorized to operate as air freight forwarders or international air freight forwarders, and (2) air freight forwarders or international air freight forwarders which are affiliates of long-haul motor carriers. Schedule T-6 shall also be filed by long-haul motor carriers affiliated with air freight forwarders or international air freight forwarders or operating as a separate division within the forwarder's corporate structure.[3]

(5) A location report (as provided in § 244.19d, infra) to be filed annually by (1) long-haul motor carriers of general commodities holding an authorization to operate as air freight forwarders or international air freight forwarders, and (2) air freight forwarders or international air freight forwarders which are affiliates of long-haul motor carriers.[4]

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[1] PSDR-22 and EDR-159, 34 F.R. 6853, Apr. 24, 1969.

[2] Parts 296 (Classification and Exemption of Indirect Air Carriers), 297 (Classification and Exemption of International Air Freight Forwarders) and 244 (14 CFR Parts 296, 297, 244).

[3] Schedules T-4, T-5, and T-6 and the location report referred to in subparagraph (5) above shall be required for a temporary period coterminous with the term of the operating authorizations issued in the Motor Carrier-Air Freight Forwarder Investigation (Docket 16857, Order 69-4-100) and for the duration of any proceeding in which a renewal of the authorization is sought. Schedules filed as part of original document.

[4] Ibid.

(c) The aforesaid schedules and certification shall be filed so as to be received by the Civil Aeronautics Board within forty-five (45) days after the termination of each prescribed quarterly, semiannual, and annual period and, with respect to Schedule I, also within thirty (30) days after a change relative to insurance data previously reported. All documents filed in connection with the report shall be considered a part thereof and included within the certification pertaining to the report. The reports shall be addressed to the Board, attention of the Bureau of Accounts and Statistics.

* * * * *

3. Add new §§ 244.19a, 244.19b, 244.19c, and 244.19d to read as follows:

§ 244.19a Originating air station data (Schedule T–4).

(a) The schedule of originating air station data shall be filed by (1) long-haul motor carriers of general commodities which are authorized to operate as air freight forwarders or international air freight forwarders, and (2) air freight forwarders or international air freight forwarders which are affiliates of long-haul motor carriers. It is designated as Schedule T–4 of CAB Form 244, and shall be prepared for each calendar quarterly period and filed with the Board as provided in § 244.10.

(b) Schedule T–4 shall be filed separately with respect to domestic and overseas/foreign air operations. The schedule shall reflect the source and distribution of tons enplaned and deplaned (exclusive of reconsolidations) at the originating air station, and data on the miles of surface movement of the air freight before and after its air transportation. All the aforesaid categories shall be itemized and subdivided as shown by Schedule T–4 and the instructions thereon.

§ 244.19b Supplemental operating statistics—long-haul motor carriers/air freight forwarders (Schedule T–5).

(a) The schedule of supplemental operating statistics shall be filed by (1) long-haul motor carriers of general commodities which are authorized to operate as air freight forwarders or international air freight forwarders, and (2) air freight forwarders or international air freight forwarders which are affiliates of long-haul motor carriers. It is designated as Schedule T–5 of CAB Form 244, and shall be prepared for each calendar quarterly period and filed with the Board as provided in § 244.10.

(b) Schedule T–5 shall cover where applicable both domestic and overseas/foreign air operations. With respect to combination surface/air operations of the forwarder, the schedule shall reflect the number and weight of (1) shipments which the reporting forwarder received from or delivered to an affiliated long-haul motor carrier prior or subsequent to transporting them in its air freight forwarding operations, and (2) shipments which the reporting carrier accepted for air freight forwarding, but substituted other than air means for their transportation. With respect to other air operations by the forwarder, the schedule shall reflect the number and weight of all shipments tendered by the reporting carrier to direct air carriers in a capacity other than as a freight forwarder (shipper's agent or agent for direct air carrier). All the aforesaid categories shall be itemized and subdivided as shown by Schedule T–5 and the instructions thereon.

§ 244.19c Analysis of traffic by weight breaks (Schedule T–6).

(a) The schedule of analysis of traffic by weight breaks shall be filed by (1) long-haul motor carriers of general commodities which are authorized to operate as air freight forwarders or international air freight forwarders, (2) air freight forwarders or international air freight forwarders which are affiliates of long-haul motor carriers, and (3) long-haul motor carriers affiliated with air freight forwarders or international air freight forwarders or operating as a separate division within the forwarder's corporate structure. It is designated as Schedule T–6 of CAB Form 244, and shall be prepared for each calendar quarterly period and filed with the Board as provided in § 244.10. In addition, each long-haul motor carrier shall report applicable data (insofar as they are available) relative to its long-haul motor carrier operations for the corresponding quarter of each of the preceding 5 years.

(b) Separate schedules shall be filed with respect to air operations and surface operations. The schedule shall apply only to domestic operations and shall reflect, in the specified weight breaks, the number and weight of shipments and the revenues received therefor, as well as the percentage of the total represented by each weight break in the three main categories—number of shipments, tonnage of shipments and revenue derived from shipments. All the aforesaid categories shall be itemized and subdivided as shown by Schedule T–6 and the instructions thereon.

§ 244.19d Report of location of air freight forwarding stations and surface transport terminals.

Each long-haul motor carrier holding an authorization to operate as an air freight forwarder or international air freight forwarder and each air freight forwarder or international air freight forwarder which is an affiliate of a long-haul motor carrier shall file with the Board's Bureau of Accounts and Statistics, Washington, D.C. 20428, within 45 days after the close of each calendar year, a report showing as of December 31 of such year the location of each specialized air freight forwarding station and of each surface transport terminal at which air freight forwarding services are offered. The statement shall indicate, for each station or terminal, the number of drivers, salesmen and other personnel who are assigned to promote air freight exclusively. For identification purposes, this report should be referred to as "location report."

(Sec. 204(a), 72 Stat. 743; 49 U.S.C. 1324. Interpret or apply sec. 407 of the Federal Aviation Act of 1958, as amended, 72 Stat. 766; 49 U.S.C. 1377)

NOTE: The reporting requirements contained herein have been approved by the Bureau of the Budget in accordance with the Federal Reports Act of 1942.

Adopted: November 12, 1969.

Effective: January 5, 1970.

By the Civil Aeronautics Board.

[SEAL] MABEL MCCART,
Acting Secretary.

[F.R. Doc. 69–14538; Filed, Dec. 5, 1968; 8:48 a.m.]

[Reg. ER–593]

PART 296—CLASSIFICATION AND EXEMPTION OF INDIRECT AIR CARRIERS

Processing of Applications of Long-Haul Motor Carriers of General Commodities for Authority as Air Freight Forwarders

Adopted by the Civil Aeronautics Board at its office in Washington, D.C., on the 12th day of November 1969.

In a notice of proposed rule making issued April 21, 1969,[1] the Board proposed to amend Part 399 of the policy statements (14 CFR Part 399) and certain parts of the economic regulations[2] with respect to the filing and processing of applications of long-haul motor carriers of general commodities for authorization as air freight forwarders or international air freight forwarders and applications of long-haul motor carriers of general commodities for approval of control of an air freight forwarder or international air freight forwarder.

Interested persons have been afforded an opportunity to participate in the making of these rules (Parts 296, 297, and 244) and related policy statement (Part 399). For the reasons set forth in PS–40, issued concurrently herewith, relating to amendments of Part 399 (Statements of General Policy), we are adopting the rules as proposed with the modifications therein noted.

In consideration of the foregoing, the Civil Aeronautics Board hereby amends Part 296 of the economic regulations (14 CFR Part 296), effective January 5, 1970, as follows:

1. Amend § 296.1 by adding paragraphs (d) and (e) to read as follows:

§ 296.1 Definitions.

For the purposes of this part:

* * * * *

(d) "Long-haul motor carrier" means a motor carrier holding operating rights

[1] PSDR–22 and EDR–159, 34 F.R. 6853, Apr. 24, 1969.

[2] Parts 296, 297 (Classification and Exemption of International Air Freight Forwarders) and 244 (Filing of Reports by Air Freight Forwarders, International Air Freight Forwarders and Cooperative Shippers Associations) (14 CFR Parts 296, 297, 244).

issued by the Interstate Commerce Commission to haul general commodities between any pair of points which are over 500 air miles apart, or an affiliate of such a carrier.

(e) An "affiliate" of a long-haul motor carrier or an air freight forwarder means a person who controls such carrier or is controlled by such carrier or by another person who controls or is controlled by such carrier. A person who beneficially owns, directly or indirectly, 10 percent or more of the outstanding issued capital stock of a carrier, in the absence of a proper showing to the Board that he does not control the carrier despite his stock ownership, shall be deemed to control the carrier for purposes of this part.

2. Add Subpart I to read as follows:

Subpart I—Authorization of Long-Haul Motor Carriers of General Commodities as Air Freight Forwarders

Sec.
296.80 Applicability of subpart.
296.81 Applicability of other subparts.
296.82 Applicability of policy statement.
296.83 Application for operating authorization.
296.84 Notice.
296.85 Objections.
296.86 Criteria for authorization.
296.87 Conditions.
296.88 Duration.
296.89 Revocation or suspension.

§ 296.80 Applicability of subpart.

This subpart sets forth the special rules applicable to the processing of applications of long-haul motor carriers, as defined in § 296.1(d), for authorization to operate in their own names as air freight forwarders. The regulation does not govern requests of motor carriers for Board approval of control relationships created when they apply through subsidiaries or other affiliates for authorization as air freight forwarders. Action on such applications for approval of control shall be governed by section 408 of the Act and by § 399.20 of the Board's policy statements.

§ 296.81 Applicability of other subparts.

Unless otherwise provided in this subpart, the provisions of Subparts A through C and E through H of this part shall be applicable to the processing of applications of long-haul motor carriers for authority to operate as air freight forwarders, and to the conduct of such operations.

§ 296.82 Applicability of policy statement.

The provisions of § 399.20 of the Board's policy statements (14 CFR Part 399) shall be applicable to the processing of applications of long-haul motor carriers for authority under this subpart.

§ 296.83 Application for operating authorization.

In addition to the requirements set forth in § 296.42, a long-haul motor carrier applicant must show:

(a) A plan to conscientiously promote air cargo. This showing shall include, inter alia:

(1) A statement as to whether the long-haul motor carrier plans to solicit existing surface customers for air cargo and, if so, the extent of such plans;

(2) A traffic estimate showing what traffic is newly generated or presently shipped by surface means;

(3) An estimate of what portion of the long-haul motor carrier's existing surface traffic is subject to diversion to air;

(4) An estimate of beyond-terminal-area traffic moving by surface transportation over the routes of the long-haul motor carrier or via interline agreements; and

(5) A statement of the proposed air cargo sales force and facilities.

(b) A statement of the long-haul motor carrier's authority from the Interstate Commerce Commission or other regulatory agency, including a description of surface transportation authorized and offered at the stations at which air forwarding operations are proposed.

(c) A statement of any other advantages which would result from approval of the application.

§ 296.84 Notice.

Notice of applications will be published in the FEDERAL REGISTER and in the Board's weekly publication of applications filed.[3]

§ 296.85 Objections.

Within thirty (30) days after publication of notice of application in the FEDERAL REGISTER, any interested person may file an objection thereto. The objection must set forth an adequate factual showing of—

(a) The party's interest in the matter;

(b) His reasons for believing that the long-haul motor carrier or its affiliate will not promote air cargo; and

(c) Any other reasons why the application does not meet the licensing criteria of § 296.86.

If a hearing is requested, the objection must set forth the economic data and other facts which the party will offer to prove.

§ 296.86 Criteria for authorization.

The Board will approve the application if it appears that:

(a) the applicant is capable of performing the proposed air transportation and of conforming to the provisions of the Act and all rules and requirements thereunder;

(b) the applicant will conscientiously promote air cargo and will benefit air transportation; and

(c) the applicant's operations, alone or together with those of other similar carriers granted air forwarding authority, will not create a monopoly or monopolies and thereby restrain competition or jeopardize another air carrier, or otherwise be inconsistent with the public interest.[4]

[3] Requests for the weekly publication should be addressed to the Publications Section, Civil Aeronautics Board, Washington, D.C. 20428.

[4] Section 399.20 (Policy Statements) articulate decisional standards in this area.

§ 296.87 Conditions.

An authorization may be limited geographically or by classes of traffic. Additional conditions and restrictions may be imposed without hearing.

§ 296.88 Duration.

Unless sooner suspended or revoked, an authorization will continue in effect until it expires by its terms or until this subpart is terminated or revoked.

§ 296.89 Revocation or suspension.

The Board may institute proceedings to revoke the authorization of one or more long-haul motor carriers or a group of motor carriers if it has cause to believe that the continued operations of such carrier or carriers are contrary to the above-stated licensing criteria (§ 296.86). Pending completion of revocation proceedings, the Board may without hearing suspend or limit the authorization of such motor carrier or motor carriers in accordance with procedures specified by § 296.48.

(Sec. 204(a), 72 Stat. 743; 49 U.S.C. 1324. Interpret or apply secs. 101(3), 102, and 416 of the Federal Aviation Act of 1958, as amended, 72 Stat. 737, 740, 771; 49 U.S.C. 1301, 1302, 1386)

Adopted: November 12, 1969.

Effective: January 5, 1970.

By the Civil Aeronautics Board.

[SEAL] MABEL MCCART,
Acting Secretary.

[F.R. Doc. 69-14539; Filed, Dec. 5, 1969; 8:48 a.m.]

[Reg. ER-594]

PART 297—CLASSIFICATION AND EXEMPTION OF INTERNATIONAL AIR FREIGHT FORWARDERS

Processing of Applications of Long-Haul Motor Carriers of General Commodities for Authority as International Air Freight Forwarders

Adopted by the Civil Aeronautics Board at its office in Washington, D.C., on the 12th day of November 1969.

In a notice of proposed rule making issued April 21, 1969,[1] the Board proposed to amend Part 399 of the Policy Statements (14 CFR Part 399) and certain parts of the economic regulations[2] with respect to the filing and processing of applications of long-haul motor carriers of general commodities for authorization as air freight forwarders or international air freight forwarders and applications of long-haul motor carriers of general commodities for approval of control of an air freight forwarder or international air freight forwarder.

[1] PSDR-22 and EDR-159, 34 F.R. 6853, Apr. 24, 1969.

[2] Parts 296 (Classification and Exemption of Indirect Air Carriers), 297 and 244 (Filing of Reports by Air Freight Forwarders, International Air Freight Forwarders and Cooperative Shippers Associations) (14 CFR Parts 296, 297, 244).

Interested persons have been afforded an opportunity to participate in the making of these rules (Parts 296, 297, and 244) and related policy statement. For the reasons set forth in PS–40, issued concurrently herewith, relating to amendments of Part 399 (Statements of General Policy), we are adopting the rules as proposed with the modifications therein noted.

In consideration of the foregoing, the Civil Aeronautics Board hereby amends Part 297 of the economic regulations (14 CFR Part 297), effective January 5, 1970, as follows:

1. Amend § 297.1 by adding paragraphs (e) and (f) to read as follows:

§ 297.1 Definitions.

For the purposes of this part:

* * * * *

(e) "Long-haul motor carrier" means a motor carrier holding operating rights issued by the Interstate Commerce Commission to haul general commodities between any pair of points which are over 500 air miles apart, or an affiliate of such a carrier.

(f) An "affiliate" of a long-haul motor carrier or an air freight forwarder means a person who controls such carrier or is controlled by such carrier or by another person who controls or is controlled by such carrier. A person who beneficially owns, directly or indirectly, 10 percent or more of the outstanding issued capital stock of a carrier, in the absence of a proper showing to the Board that he does not control the carrier despite his stock ownership, shall be deemed to control the carrier for purposes of this part.

2. Add new Subpart F to read as follows:

Subpart F—Authorization of Long-Haul Motor Carriers of General Commodities as International Air Freight Forwarders

Sec.

§ 297.60 Applicability of subpart.

This subpart sets forth the special rules applicable to the processing of applications of long-haul motor carriers, as defined in § 297.1(e), for authorization to operate in their own names as international air freight forwarders. The regulation does not govern requests of motor carriers for Board approval of control relationships created when they apply through subsidiaries or other affiliates for authorization as international air freight forwarders. Action on such applications for approval of control shall be governed by section 408 of the Act and by § 399.20 of the Board's policy statements.

§ 297.61 Applicability of other subparts.

Unless otherwise provided in this subpart, the provisions of Subparts A through E of this part shall be applicable to the processing of applications of long-haul motor carriers for authority to operate as international air freight forwarders, and to the conduct of such operations.

§ 297.62 Applicability of policy statement.

The provisions of § 399.20 of the Board's policy statements (14 CFR Part 399) shall be applicable to the processing of applications of long-haul motor carriers for authority under this subpart.

§ 297.63 Application for operating authorization.

In addition to the requirements set forth in § 297.32, a long-haul motor carrier applicant must show:

(a) A plan to conscientiously promote air cargo. This showing shall include, inter alia:

(1) A statement as to whether the long-haul motor carrier plans to solicit existing surface customers for air cargo and, if so, the extent of such plans;

(2) A traffic estimate showing what traffic is newly-generated or presently shipped by surface means;

(3) An estimate of what portion of the long-haul motor carrier's existing surface traffic is subject to diversion to air;

(4) An estimate of beyond-terminal-area traffic moving by surface transportation over the routes of the long-haul motor carrier or via interline agreements; and

(5) A statement of the proposed air cargo sales force and facilities.

(b) A statement of the long-haul motor carrier's authority from the Interstate Commerce Commission or other regulatory agency, including a description of surface transportation authorized and offered at the stations at which air forwarding operations are proposed.

(c) A statement of any other advantages which would result from approval of the application.

§ 297.64 Notice.

Notice of applications will be published in the FEDERAL REGISTER and in the Board's weekly publication of applications filed.[2]

§ 297.65 Objections.

Within thirty (30) days after publication of notice of application in the FEDERAL REGISTER, any interested person may file an objection thereto. The objection must set forth an adequate factual showing of

(a) The party's interest in the matter;

(b) His reasons for believing that the long-haul motor carrier or its affiliate will not promote air cargo; and

(c) Any other reasons why the application does not meet the licensing criteria of § 297.66.

If a hearing is requested, the objection must set forth the economic data and other facts which the party will offer to prove.

§ 297.66 Criteria for authorization.

The Board will approve the application if it appears that:

(a) The applicant is capable of performing the proposed air transportation and of conforming to the provisions of the Act and all rules and requirements thereunder;

(b) The applicant will conscientiously promote air cargo and will benefit air transportation; and

(c) The applicant's operations, alone or together with those of other similar carriers granted air forwarding authority, will not create a monopoly or monopolies and thereby restrain competition or jeopardize another air carrier, or otherwise be inconsistent with the public interest.[4]

§ 297.67 Conditions.

An authorization may be limited geographically or by classes of traffic. Additional conditions and restrictions may be imposed without hearing.

§ 297.68 Duration.

Unless sooner suspended or revoked, an authorization will continue in effect until it expires by its terms or until this subpart is terminated or revoked.

§ 297.69 Revocation or suspension.

The Board may institute proceedings to revoke the authorization of one or more long-haul motor carriers or a group of motor carriers if it has cause to believe that the continued operations of such carrier or carriers are contrary to the above-stated licensing criteria (§ 297.66). Pending completion of revocation proceedings, the Board may without hearing suspend or limit the authorization of such motor carrier or motor carriers in accordance with procedures specified by § 297.43.

(Sec. 204(a), 72 Stat. 743; 49 U.S.C. 1324. Interpret or apply secs. 101(3), 102, and 416 of the Federal Aviation Act of 1958, as amended, 72 Stat. 737, 740, 771; 49 U.S.C. 1301, 1302, 1386)

Adopted: November 12, 1969.

Effective: January 5, 1970.

By the Civil Aeronautics Board.

[SEAL] MABEL MCCART,
Acting Secretary.

[F.R. Doc. 69–14540; Filed, Dec. 5, 1969; 8:48 a.m.]

[2] Requests for the weekly publication should be addressed to the Publications Section, Civil Aeronautics Board, Washington, D.C. 20428.

[4] Section 399.20 (Policy Statements) articulates decisional standards in this area.

SUBCHAPTER F—POLICY STATEMENTS

[Reg. PS-40]

PART 399—STATEMENTS OF GENERAL POLICY

Processing of Applications of Long-Haul Motor Carriers of General Commodities for Authority as Air Freight Forwarders or International Air Freight Forwarders

Adopted by the Civil Aeronautics Board at its office in Washington, D.C., on the 12th day of November, 1969.

In a notice of proposed rule making issued April 21, 1969,[1] the Board proposed to amend Part 399 of the policy statements (14 CFR Part 399) and certain parts of the economic regulations[2] with respect to the filing and processing of applications of long-haul motor carriers of general commodities for authorization as air freight fowarders or international air freight forwarders and applications of long-haul motor carriers for approval of control of an air freight forwarder or international air freight forwarder. Pursuant to the notice, comments were received from the Air Freight Forwarders Association (AFFA), the Department of Transportation, one certificated route carrier,[3] three long-haul motor carriers,[4] and two independent air freight forwarders.[5] Except for AFFA and the independent air freight forwarders, there is no substantial opposition to the rules. Although AFFA opposes the rules in toto, the independent air freight forwarders object only to making the new reporting requirements (amendments of Part 244) applicable to them.

After due consideration of all comments, we have decided to make final the rules as proposed with certain modifications. We shall not impose the new reporting requirements (amendments of Part 244) on the independent air freight forwarders as the rules proposed.

The only other significant changes result from the recent amendment of section 408(a)(5) of the Act, effective August 5, 1969. This amendment, inter alia, gives the Board the power to exempt from that section acquisitions of noncertificated air carriers. Thus, in the case of the acquisition by a long-haul motor carrier of an air freight forwarder, the Board may exempt the acquisition, and § 399.20(d) of the final rule has been amended to reflect this fact.[6] In addition, the amendment added a definition of presumptive control based upon beneficial ownership of 10 per centum or more of the voting securities of an air carrier. We shall conform the definition of control in the regulations to this statutory definition. See §§ 296.1(e), 297.1 (f), and 244.1. Therefore, except as modified herein, the tentative findings set forth in the explanatory statement to the proposed rules are incorporated herein by reference and made final.

As indicated above, AFFA opposes the rule in toto. It asserts, inter alia, that the proposed rule violates the Act, is not supported by the record in Docket 16857,[7] and is in derogation of the court's mandate on remand in that proceeding.[8] However, on October 24, 1969, the court denied the petition to review of AFFA and others insofar as it challenged Order 69-4-100 and dismissed the petition insofar as it was addressed to the notice of rule making.[9]

The notice proposed to impose the additional reporting requirements on the independent air freight forwarders,[10] as well as on the new class of indirect air carriers which is comprised of long-haul motor carriers of general commodities which are authorized to operate as air freight forwarders or international air freight forwarders, and air freight forwarders or international air freight fowarders which are affiliates of long-haul motor carriers. The Board indicated in the notice that it was aware that the new reporting requirements might prove burdensome to some of the independent forwarders, particularly the smaller carriers, and requested comments on this issue. Two independent air freight forwarders and the AFFA oppose the imposition of these additional reporting requirements on independent air freight forwarders. They assert, inter alia, that the reporting requirements will impose heavy burdens on them and that the basic issues in the long-haul motor carrier/air freight forwarder experiment will be resolved on the basis of data filed by the long-haul motor carriers and not by reports which the independent air freight forwarders would file under the proposed rule. In light of these comments, we have determined not to impose the new reporting requirements upon the existing or future independent air freight forwarders. Thus, the Part 244 amendments will be applicable only to (1) long-haul motor carriers of general commodities which are authorized to operate as air freight forwarders or international air freight forwarders, (2) air freight forwarders or international air freight forwarders which are affiliates of long-haul motor carriers, and (3) long-haul motor carriers affiliated with air freight forwarders or international air freight forwarders or operating as a separate division within the forwarder's corporate structure.

United Van Lines, Inc., a long-haul motor carrier of household goods, asks that the subject proceeding be consolidated with the "Household Goods Airfreight Forwarder Investigation" (Docket 20812) which is pending evidentiary hearing before a hearing examiner. It asserts that aside from the special equipment and handling employed by household goods carriers in the preparation and surface transportation of household goods, the physical characteristics of transportation of household goods for airfreight forwarding differ in no material respect from the transportation of general commodities.

We shall not grant this request. Final Board action in the "Household Goods" case cannot be taken within the foreseeable future and United Van has not presented sufficient justification to warrant a substantial delay in the implementation of the subject proposed rules.

IML International asks for two modifications in the proposed rule: (1) that § 399.20(e)(2) be amended to provide that the Board may not, without opportunity for an evidentiary hearing, finally deny an application of a long-haul motor carrier for air freight forwarding authority or for control of an air freight forwarder; and (2) that applications within the scope of the policy statement (Part 399) be processed in the chronological order of filing without consideration of the other standards set forth in proposed § 399.20(f).[11] It asserts that proposal (1) is necessary to comply with administrative due process and that proposal (2) is required because the proposed standards for the order of processing are uncertain and vague and, to the extent they indicate the possibility that grant of an application (to be processed later) would be precluded by a prior

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[1] PSDR-22 and EDR-159, 34 F.R. 6853, Apr. 24, 1969.

[2] Parts 296 (Classification and Exemption of Indirect Air Carriers), 297 (Classification and Exemption of International Air Freight Forwarders) and 244 (Filing of Reports by Air Freight Forwarders, International Air Freight Forwarders, and Cooperative Shippers Associations) (14 CFR Parts 296, 297, 244).

[3] Trans World Airlines, Inc. (TWA).

[4] Southern Pacific Co. (which has long-haul motor carrier subsidiaries) on behalf of its subsidiary applicant for air freight forwarding authority, Southern Pacific Air Freight, Inc. (SPAF); United Van Lines, Inc. (household goods); IML Freight, Inc., a long-haul motor carrier on behalf of its subsidiary applicant for air freight forwarding authority, IML International, Inc.

[5] Columbia Export Packers, Inc. (household goods); Interjet Cargo System, Inc.

[6] Certain editorial and clarifying amendments have also been made. See, e.g., § 399.20 (e)(1) where the term "prima facie showing" is clarified by relating it to the showing which applicants for air freight forwarding authority are required to make under § 296.63.

[7] Contemporaneously with the issuance of the notice in this proceeding, the Board issued a companion opinion and order (Air Freight Forwarder Investigation, Order 69-4-100, Apr. 21, 1969) in which it authorized three long-haul motor carriers of general commodities to operate as air freight forwarders or international air freight forwarders in a controlled experiment for a temporary period, subject to periodic reporting requirements. The opinion further provided for the institution of this rule making proceeding.

[8] ABC Airfreight Company, Inc., et al. v. C.A.B., 391 F. 2d 295 (C.A. 2, 1968).

[9] *Idem.*, No. 33,623, Oct. 24, 1969.

[10] The rule, as proposed, would require the independent air freight forwarders to file two of the three new schedules required to be filed by the long-haul motor carriers of general commodities as air freight forwarders.

[11] I.e., (i) the number of similar applications previously processed and pending; (ii) the nature and extent of air freight forwarder services presently available at the cities in which applicant proposes to provide service; (iii) the nature of any objections filed; and (iv) the complexity of issues raised.

grant of authority, there would be a violation of the Ashbacker rule.[13]

We shall deny both of these requests. Administrative due process does not require an adjudicatory hearing unless required by statute.[14] With respect to an application for acquisition of control under section 408 of the Act, the Board may deny an application without a hearing under the circumstances set forth in the third proviso thereof.[15] With respect to applications for forwarder authority, since forwarders are exempt from section 401 of the Act, there is no statutory requirement that a hearing be held before such applications are denied. With respect to the second proposal, the Board has not in the past ordered any phase of its business strictly to be conducted in the chronological order in which a request was filed but necessarily must take all factors into consideration. Moreover, the standards set forth do not, of course, contemplate any violation of Ashbacker principles.[16]

TWA objects, inter alia, to the definition of "long-haul motor carrier" in the proposed rule.[17] It asserts that under this definition a surface carrier which performs most of its services between points which are less than 500 air miles apart, but happens to operate in a single market where the points are more than 500 miles apart, would qualify to have its application processed under the Board's proposed rules. Maintaining that this situation would frustrate the Board's intent, it asks for modification of the definition so as to insure that those who will be eligible under the rule for authority to engage in air freight forwarding activities will, in fact, be surface motor carriers which are comparable in function to those which have been granted authority under the monitored experiment provided for by Board Order 69-4-100. The carrier also questions whether the 500 or more air-mile definition of a long-haul motor carrier is not too short a distance to rule out markets in which air carriers and surface carriers could effectively compete and where a potential conflict of interest between the dual operations of a motor carrier/air freight forwarder entity might arise.

We shall not make the requested change. The carrier's comment is apparently based on a misconception of the proposed procedure for monitored entry, for an applicant which does not fall within the definition of "long-haul motor carrier" would have its application processed under the current procedures of Part 296 which are more simple than those set forth in the proposed rules. Thus, there would be no incentive for an operator to disguise its operations so as to qualify as a "long-haul motor carrier" if in fact its operations were those of a "short-haul motor carrier."[18]

In consideration of the foregoing, the Civil Aeronautics Board hereby amends Part 399 of the policy statements (14 CFR Part 399), effective January 5, 1970, as follows:

1. Add new § 399.20 to read as follows:

§ 399.20 Processing of applications of long-haul motor carriers for authority as air freight forwarders or international air freight forwarders.

(a) *General.* This policy statement prescribes the procedures and general standards which the Board will use in processing applications of long-haul motor carriers of general commodities for authorization as air freight forwarders or international air freight forwarders. It will also apply to such motor carriers' applications for Board approval of the acquisition of control of such forwarders.

(b) *Definition of long-haul motor carrier.* As used in this section, the term "long-haul motor carrier" means a motor carrier holding operating rights issued by the Interstate Commerce Commission to haul general commodities between any pair of points which are over 500 air miles apart, or an affiliate[18] of such a carrier.

(c) *Applications for forwarding authority.* Where a long-haul motor carrier applies for authority as an air freight forwarder or an international air freight forwarder and submits a proposal to conscientiously promote air cargo in conformity with Part 296 or 297, the following will be the Board's policy in ordinary circumstances:

(1) The Board will process the application without hearing.

(2) The Board will not deem the size, geographical extent, or general commodity rights of the long-haul motor carrier's surface transport authorization and operations, of themselves, as factors indicating that the applicant's operations as an air freight forwarder or international air freight forwarder will result in creating a monopoly or monopolies, and thereby restrain competition or jeopardize any air carrier, or will otherwise be inconsistent with the public interest.

(d) *Applications for acquisition of control.* Where a long-haul motor carrier applies for Board approval to acquire control of an air freight forwarder or an international air freight forwarder and submits a proposal to conscientiously promote air cargo, the Board's policy in ordinary circumstances will be as follows:

(1) The Board will exempt the acquisition from the requirements of section 408(a) of the Act, pursuant to the proviso in section 408(a)(5) to the extent and for such periods as it finds may be in the public interest; or, in the alternative the Board will process the application for approval without a hearing, pursuant to the third proviso in section 408(b) if it determines (i) that the transaction which is the subject of the application does not affect the control of an air carrier directly engaged in the operation of aircraft in air transportation, does not result in creating a monopoly and does not tend to restrain competition, and (ii) that no person disclosing a substantial interest then currently is requesting a hearing.

(2) The Board will not deem the size, geographical extent, or general commodity rights of the long-haul motor carrier's surface transport authorization and operations, of themselves, as factors indicating that the motor carrier's control of the air freight forwarder or international air freight forwarder will result in creating a monopoly or monopolies, and thereby restrain competition or jeopardize another air carrier not a party to the consolidation, merger purchase, lease, operating contract, or acquisition of control, or will otherwise be inconsistent with the public interest.

(e) *Exceptions.* (1) If the Board finds that the long-haul motor carrier has not made a prima facie showing, in accordance with the standards set forth in § 296.83 of Part 296 of this chapter, that it will conscientiously promote air cargo, the Board may—

(i) Deny the application without hearing; or

(ii) Order a hearing.

(2) If the Board finds that the long-haul motor carrier has not made a prima facie showing that its operations (either alone or together with other similar carriers granted air forwarding authority) will not result in creating a monopoly or monopolies and thereby restrain competition or jeopardize another air carrier, or will not otherwise be inconsistent with the public interest, the Board may—

(i) Deny an application without hearing; or

(ii) Order a hearing.

(3) The Board may also order a hearing if any person demonstrates that he will present evidence which may contradict the prima facie showing of a

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[13] Ashbacker Radio Corp. v. F.C.C., 326 U.S. 327 (1945).

[14] Section 4 of the Administrative Procedure Act, 80 Stat. 383, 5 U.S.C. § 553.

[15] "* * * in any case in which the Board determines that the transaction which is the subject of the application does not affect the control of an air carrier directly engaged in the operation of aircraft in air transportation, * * * and determines that no person disclosing a substantial interest then currently is requesting a hearing, the Board, after publication in the FEDERAL REGISTER of notice of the Board's intention to dispose of such application without a hearing * * * may *determine that the public interest does not require a hearing and by order approve or disapprove such transaction.*" (Italics supplied.)

[16] Cf. § 399.60.

[17] The term is defined as "a motor carrier holding operating rights issued by the Interstate Commerce Commission to haul general commodities between any pair of points which are over 500 air miles apart, or an affiliate of such a carrier."

[18] The mileage distance between points for a motor carrier to qualify as a "long-haul motor carrier" under these parts is, of course, a judgment factor. We believe that the over 500 air miles distance portion of the definition is reasonable since there is evidence that truckers can provide overnight delivery in markets of up to 500 miles. In these markets, therefore, air and surface transportation are not at this time generally competitive.

[18] For the definition of "affiliate" see § 296.1 (e), § 297.1(f), or § 244.1.

long-haul motor carrier described in this paragraph.

(f) *Priority in processing applications and deferral of applications.* (1) Applications will not necessarily be scheduled for processing in the chronological order in which they are filed. In ordering its docket, the Board will give priority to those applications which appear best to effectuate the public interest, considering, among other things:

(i) The number of similar applications previously processed and pending;

(ii) The nature and extent of air freight forwarder services presently available at the cities in which applicant proposes to provide service;

(iii) The nature of any objections filed; and

(iv) The complexity of issues raised.

(2) The Board may defer action on any application or class of applications covered by this policy statement if it concludes that the public interest so requires.

(Sec. 204(a), 72 Stat. 743; 49 U.S.C. 1324. Interpret or apply secs. 101(3), 102, 408, and 416 of the Federal Aviation Act of 1958, as amended, 72 Stat. 737, 740, 767 (as amended by 74 Stat. 901, 83 Stat. 103), 72 Stat. 771; 49 U.S.C. 1301, 1302, 1378, 1386)

By the Civil Aeronautics Board.

Adopted: November 12, 1969.

Effective: January 5, 1970.

[SEAL] MABEL MCCART, *Acting Secretary.*

[F.R. Doc. 69-14541; Filed, Dec. 5, 1969; 8:48 a.m.]

Title 16—COMMERCIAL PRACTICES

Chapter I—Federal Trade Commission

[Docket No. C-1613]

PART 13—PROHIBITED TRADE PRACTICES

Gerald B. Barnett et al.

Subpart—Invoicing products falsely: § 13.1108 *Invoicing products falsely:* 13.1108-45 Fur Products Labeling Act. Subpart—Misbranding or mislabeling: § 13.1185 *Composition:* 13.1185-30 Fur Products Labeling Act; § 13.1212 *Formal regulatory and statutory requirements:* 13.1212-30 Fur Products Labeling Act. Subpart—Neglecting, unfairly or deceptively, to make material disclosure: § 13.1852 *Formal regulatory and statutory requirements:* 13.1852-35 Fur Products Labeling Act.

(Sec. 6, 38 Stat. 721; 15 U.S.C. 46. Interpret or apply sec. 5, 38 Stat. 719, as amended, sec. 8, 65 Stat. 179; 15 U.S.C. 45, 69f) [Cease and desist order, Gerald B. Barnett, Chicago, Ill., Docket C-1613, Nov. 6, 1969]

In the Matter of Gerald B. Barnett, an Individual Trading as Gerald Barnett

Consent order requiring a Chicago, Ill., manufacturing and wholesaling furrier to cease misbranding and falsely invoicing his fur products.

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

It is ordered, That respondent Gerald B. Barnett, individually and trading as Gerald Barnett or under any other name or names, and respondent's representatives, agents, and employees, directly or through any corporate or other device, in connection with the introduction, or manufacture for introduction, into commerce, or the sale, advertising or offering for sale in commerce, or the transportation or distribution in commerce, of any fur product; or in connection with the manufacture for sale, sale, advertising, offering for sale, transportation or distribution of any fur product which is made in whole or in part of fur which has been shipped and received in commerce; or in connection with the introduction into commerce, or the sale, advertising or offering for sale in commerce, or the transportation or distribution in commerce, of any fur, as the terms "commerce", "fur" and "fur product" are defined in the Fur Products Labeling Act, do forthwith cease and desist from:

A. Misbranding any fur product by:

1. Representing, directly or by implication on a label that the fur contained in such fur product is "color added" when such fur is dyed.

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

3. Failing to set forth on a label the item number or mark assigned to such fur product.

B. Falsely or deceptively invoicing any fur or fur product by:

1. Failing to furnish an invoice, as the term "invoice" is defined in the Fur Products Labeling Act, showing in words and figures plainly legible all the information required to be disclosed by each of the subsections of section 5(b)(1) of the Fur Products Labeling Act.

2. Representing directly or by implication on an invoice that the fur contained in such fur or fur product is "color added", when such fur is dyed.

3. Failing to set forth on an invoice the item number or mark assigned to such fur product.

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

Issued: November 6, 1969.

By the Commission.

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

[F.R. Doc. 69-14504; Filed, Dec. 5, 1969; 8:46 a.m.]

[Docket No. C-1611]

PART 13—PROHIBITED TRADE PRACTICES

Camelot Hats, Inc., et al.

Subpart—Invoicing products falsely: § 13.1108 *Invoicing products falsely:* 13.1108-45 Fur Products Labeling Act. Subpart—Misbranding or mislabeling: § 13.1185 *Composition:* 13.1185-30 Fur Products Labeling Act; § 13.1212 *Formal regulatory and statutory requirements:* 13.1212-30 Fur Products Labeling Act. Subpart—Neglecting, unfairly or deceptively, to make material disclosure: § 13.1845 *Composition:* 13.1845-30 Fur Products Labeling Act; § 13.1852 *Formal regulatory and statutory requirements:* 13.1852-35 Fur Products Labeling Act.

(Sec. 6, 38 Stat. 721; 15 U.S.C. 46. Interpret or apply sec. 5, 38 Stat. 719, as amended, sec. 8, 65 Stat. 179; 15 U.S.C. 45, 69f) [Cease and desist order, Camelot Hats, Inc., et al., New York, N.Y., Docket C-1611, Nov. 6, 1969]

In the Matter of Camelot Hats, Inc., a Corporation, and Marvin E. Simner and Max Brandt, Individually and as Officers of Said Corporation

Consent order requiring a New York City manufacturer of ladies' fur hats to cease misbranding and deceptively invoicing its fur products.

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

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

A. Misbranding any fur product by:

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

2. Failing to set forth the term "natural" as part of the information required to be disclosed on a label under the Fur Products Labeling Act and the rules and regulations promulgated thereunder to describe such fur product which is not pointed, bleached, dyed, tip-dyed, or otherwise artificially colored.

3. Failing to set forth on a label the item number or mark assigned to such fur product.

B. Falsely or deceptively invoicing any fur product by:

1. Failing to furnish an invoice, as the term "invoice" is defined in the Fur Products Labeling Act, showing in words and figures plainly legible all the information required to be disclosed by each of the subsections of section 5(b)(1) of the Fur Products Labeling Act.

2. Failing to set forth the term "natural" as part of the information required to be disclosed on an invoice under the Fur Products Labeling Act and the rules and regulations promulgated thereunder to describe such fur product which is not pointed, bleached, dyed, tip-dyed, or otherwise artificially colored.

3. Failing to set forth on an invoice the item number or mark assigned to such fur product.

It is further ordered, That the respondent corporation shall forthwith distribute a copy of this order to each of its operating divisions.

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

Issued: November 6, 1969.

By the Commission.

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

[F.R. Doc. 69-14505; Filed, Dec. 5, 1969; 8:46 a.m.]

[Docket No. C-1615]

PART 13—PROHIBITED TRADE PRACTICES

Simon Gerber

Subpart—Invoicing products falsely: § 13.1108 *Invoicing products falsely:* 13.1108-45 Fur Products Labeling Act. Subpart—Neglecting, unfairly or deceptively, to make material disclosure: § 13.1852 *Formal regulatory and statutory requirements:* 13.1852-35 Fur Products Labeling Act.

(Sec. 6, 38 Stat. 721; 15 U.S.C. 46. Interpret or apply sec. 5, 38 Stat. 719, as amended, sec. 8, 65 Stat. 179; 15 U.S.C. 45, 69f) [Cease and desist order, Simon Gerber, New York City, N.Y., Docket C-1615, Nov. 6, 1969]

In the Matter of Simon Gerber, an Individual Trading as Simon Gerber

Consent order requiring a New York City manufacturing furrier to cease falsely invoicing its fur products.

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

It is ordered, That respondent Simon Gerber, individually and trading as Simon Gerber or under any other name or names, and respondent's representatives, agents, and employees, directly or through any corporate or other device, in connection with the introduction, or manufacture for introduction, into commerce, or the sale, advertising or offering for sale in commerce, or the transportation or distribution in commerce, of any fur product; or in connection with the manufacture for sale, sale, advertising, offering for sale, transportation or distribution of any fur product which is made in whole or in part of fur which has been shipped and received in commerce, as the terms "commerce," "fur," and "fur product" are defined in the Fur Products Labeling Act, do forthwith cease and desist from falsely or deceptively invoicing any fur product by:

1. Failing to furnish an invoice, as the term "invoice" is defined in the Fur Products Labeling Act, showing in words and figures plainly legible all the information required to be disclosed by each of the subsections of section 5(b)(1) of the Fur Products Labeling Act.

2. Representing directly or by implication on an invoice that the fur contained in such fur product is "color altered", when such fur is dyed.

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

Issued: November 6, 1969.

By the Commission.

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

[F.R. Doc. 69-14506; Filed, Dec. 5, 1969; 8:46 a.m.]

[Docket No. C-1610]

PART 13—PROHIBITED TRADE PRACTICES

R. J. Goerke Co., Inc.

Subpart—Advertising falsely or misleadingly: § 13.30 *Composition of goods:* 13.30-30 Fur Products Labeling Act; 13.30-75 Textile Fiber Products Identification Act; § 13.73 *Formal regulatory and statutory requirements:* 13.73-10 Fur Products Labeling Act; 13.73-90 Textile Fiber Products Identification Act. Subpart—Invoicing products falsely: § 13.1108 *Invoicing products falsely:* 13.1108-45 Fur Products Labeling Act. Subpart—Misbranding or mislabeling: § 13.1185 *Composition:* 13.1185-30 Fur Products Labeling Act; § 13.1212 *Formal regulatory and statutory requirements:* 13.1212-30 Fur Products Labeling Act. Subpart—Neglecting, unfairly or deceptively, to make material disclosure: § 13.1845 *Composition:* 13.1845-30 Fur Products Labeling Act; § 13.1852 *Formal regulatory and statutory requirements:* 13.1852-35 Fur Products Labeling Act.

(Sec. 6, 38 Stat. 721; 15 U.S.C. 46. Interpret or apply sec. 5, 38 Stat. 719, as amended, 72 Stat. 1717, sec. 8, 65 Stat. 179; 15 U.S.C. 45, 70, 69f) [Cease and desist order, R. J. Goerke, Co., Inc., Elizabeth, N.J., Docket C-1610, Oct. 30, 1969]

In the Matter of R. J. Goerke Co., Inc., a Corporation

Consent order requiring an Elizabeth, N.J., department store to cease falsely advertising and invoicing, misbranding, and failing to keep required records on its fur products and falsely advertising its textile fiber products.

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

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

A. Misbranding any fur product by:

1. Falsely or deceptively labeling or otherwise falsely or deceptively identifying any such fur product as to the name or designation of the animal or animals that produced the fur contained in the fur product.

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

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

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

5. Setting forth information required under section 4(2) of the Fur Products Labeling Act and the rules and regulations promulgated thereunder in handwriting on a label affixed to such fur product.

6. Failing to set forth information required under section 4(2) of the Fur Products Labeling Act and the rules and regulations promulgated thereunder on a label in the sequence required by Rule 30 of the aforesaid rules and regulations.

B. Falsely or deceptively invoicing any fur product by:

1. Failing to furnish an invoice, as the term "invoice" is defined in the Fur Products Labeling Act, showing in words and figures plainly legible all the information required to be disclosed by each of the subsections of section 5(b)(1) of the Fur Products Labeling Act.

2. Setting forth information required under section 5(b)(1) of the Fur Products Labeling Act and the rules and regulations promulgated thereunder in abbreviated form on an invoice pertaining to such fur product.

3. Failing to set forth the term "natural" as part of the information required to be disclosed on an invoice under the Fur Products Labeling Act and the rules

and regulations promulgated thereunder to describe such fur product which is not pointed, bleached, dyed, tip-dyed, or otherwise artificially colored.

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

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

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

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

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

D. Failing to maintain full and adequate records disclosing the facts upon which pricing claims and representations of the types described in subsections (a), (b), (c), and (d) of Rule 44 of the rules and regulations promulgated under the Fur Products Labeling Act, are based.

It is further ordered, That respondent R. J. Goerke Co., Inc., a corporation, and its officers, representatives, agents, and employees, directly or through any corporate or other device, in connection with the introduction, delivery for introduction, sale, advertising or offering for sale, in commerce, or the transportation or causing to be transported in commerce, or the importation into the United States, of any textile fiber product; or in connection with the sale, offering for sale, advertising, delivery, transportation or causing to be transported, of any textile fiber product which has been advertised or offered for sale in commerce; or in connection with the sale, offering for sale, advertising, delivery, transportation, or causing to be transported, after shipment in commerce, of any textile fiber product, whether in its original state or contained in other textile fiber products, as the terms "commerce" and "textile fiber product" are defined in the Textile Fiber Products Identification Act, do forthwith cease and desist from falsely or deceptively advertising any textile fiber product by:

1. Making any representation, by disclosure or by implication, as to the fiber content of any textile fiber product in any written advertisement which is used to aid, promote, or assist, directly or indirectly, in the sale or offering for sale of such textile fiber product, unless the same information required to be shown on the stamp, tag, label, or other means of identification under section 4(b) (1) and (2) of the Textile Fiber Products Identification Act is contained in the said advertisement, except that the percentages of the fibers present in a textile fiber product need not be stated.

2. Using a fiber trademark in advertising such textile fiber product without a full disclosure of the required content information in at least one instance in said advertisement.

3. Using a fiber trademark in advertising such textile fiber product containing more than one fiber without such fiber trademark appearing in the required fiber content information in immediate proximity and conjunction with the generic name of the fiber in plainly legible type or lettering of equal size and conspicuousness.

4. Using a fiber trademark in advertising such textile fiber product containing only one fiber without such fiber trademark appearing at least once in the said advertisement, in immediate proximity and conjunction with the generic name of the fiber and in plainly legible and conspicuous type or lettering.

It is further ordered, That the respondent corporation shall forthwith distribute a copy of this order to each of its operating divisions.

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

Issued: October 30, 1969.

By the Commission.

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

[F.R. Doc. 69-14507; Filed, Dec. 5, 1969; 8:46 a.m.]

[Docket No. C-1616]

PART 13—PROHIBITED TRADE PRACTICES

Jaywein Fashions, Inc., and Julius Weinerman

Subpart—Invoicing products falsely: § 13.1108 *Invoicing products falsely:* 13.1108-45 Fur Products Labeling Act. Subpart—Misbranding or mislabeling: § 13.1185 *Composition:* 13.1185-30 Fur Products Labeling Act; § 13.1212 *Formal regulatory and statutory requirements:* 13.1212-30 Fur Products Labeling Act. Subpart—Neglecting, unfairly or deceptively, to make material disclosure: § 13.1852 *Formal regulatory and statutory requirements:* 13.1852-35 Fur Products Labeling Act.

(Sec. 6, 38 Stat. 721; 15 U.S.C. 46. Interpret or apply sec. 5, 38 Stat. 719, as amended, sec. 8, 65 Stat. 179; 15 U.S.C. 45, 69f) [Cease and desist order, Jaywein Fashions, Inc., et al., New York, N.Y., Docket C-1616, Nov. 6, 1969]

In the Matter of Jaywein Fashions, Inc., a Corporation, and Julius Weinerman, Individually and as an Officer of Said Corporation

Consent order requiring a New York city manufacturing furrier to cease misbranding and falsely invoicing its fur products.

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

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

A. Misbranding any fur product by:

1. Representing directly or by implication on a label that the fur contained in such fur product is natural when such fur is pointed, bleached, dyed, tip-dyed, or otherwise artificially colored.

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

B. Falsely or deceptively invoicing any fur or fur product by failing to furnish an invoice, as the term "invoice" is defined in the Fur Products Labeling Act, showing in words and figures plainly legible all the information required to be disclosed by each of the subsections of section 5(b)(1) of the Fur Products Labeling Act.

C. Falsely or deceptively invoicing any fur product by representing, directly or by implication, on invoices that the fur contained in such fur product is natural when such fur is pointed, bleached, dyed, tip-dyed, or otherwise artifically colored.

It is further ordered, That respondents notify the Commission at least 30 days prior to any proposed change in the corporate respondent such as dissolution, assignment or sale resulting in the emergence of a successor corporation, the creation or dissolution of subsidiaries or any other change in the corporation which may affect compliance obligations arising out of the order.

It is further ordered, That the respondent corporation shall forthwith distribute a copy of this order to each of its operating divisions.

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

Issued: November 6, 1969.

By the Commission.

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

[F.R. Doc. 69-14508; Filed, Dec. 5, 1969; 8:46 a.m.]

[Docket No. C-1604]

PART 13—PROHIBITED TRADE PRACTICES

Mister Mel of California and Mel Dreyfuss

Subpart—Misbranding or mislabeling: § 13.1185 *Composition:* 13.1185–80 Textile Fiber Products Identification Act; § 13.1212 *Formal regulatory and statutory requirements:* § 13.1212–80 Textile Fiber Products Identification Act. Subpart—Neglecting, unfairly or deceptively, to make material disclosure: § 13.1852 *Formal regulatory and statutory requirements:* 13.1852–70 Textile Fiber Products Identification Act.

(Sec. 6, 38 Stat. 721; 15 U.S.C. 46. Interpret or apply sec. 5, 38 Stat. 719, as amended, 72 Stat. 1717; 15 U.S.C. 45, 70) [Cease and desist order, Mister Mel of California et al., Los Angeles, Calif., Docket C-1604, Oct. 30, 1969]

In the Matter of Mister Mel of California, a Corporation, and Mel Dreyfuss, Individually and as an Officer of Said Corporation

Consent order requiring a Los Angeles, Calif., manufacturer of women's and misses' apparel to cease misbranding its textile fiber products.

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

It is ordered, That respondents Mister Mel of California, a corporation, and its officers, and Mel Dreyfuss, individually and as an officer of said corporation, and respondents' representatives, agents, and employees, directly or through any corporate or other device, in connection with the introduction, delivery for introduction, manufacture for introduction, sale, advertising, or offering for sale, in commerce, or the transportation or causing to be transported in commerce, or the importation into the United States, of any textile fiber product; or in connection with the sale, offering for sale, advertising, delivery, transportation, or causing to be transported, of any textile fiber product which has been advertised or offered for sale in commerce; or in connection with the sale, offering for sale, advertising, delivery, transportation, or causing to be transported, after shipment in commerce, of any textile fiber product, whether in its original state or contained in other textile fiber products, as the terms "commerce" and "textile fiber product" are defined in the Textile Fiber Products Identification Act, do forthwith cease and desist from:

A. Misbranding textile fiber products by:

1. Falsely or deceptively stamping, tagging, labeling, invoicing, advertising, or otherwise identifying such products as to the name or amount of constituent fibers contained therein.

2. Failing to affix a stamp, tag, label, or other means of identification to each such product showing in a clear, legible and conspicuous manner each element of information required to be disclosed by section 4(b) of the Textile Fiber Products Identification Act.

3. Setting forth on the label or elsewhere on the product nonrequired information so as to interfere with, minimize, detract from, or conflict with the required information.

It is further ordered, That the respondent corporation shall forthwith distribute a copy of this order to each of its operating divisions.

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

Issued: October 30, 1969.

By the Commission.

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

[F.R. Doc. 69-14515; Filed, Dec. 5, 1969; 8:47 a.m.]

[Docket No. C-1600]

PART 13—PROHIBITED TRADE PRACTICES

Monmouth Merchandising Co., Inc., et al.

Subpart—Invoicing products falsely: § 13.1108 *Invoicing products falsely:* 13.1108–40 Federal Trade Commission Act. Subpart—Misbranding or mislabeling: § 13.1185 *Composition:* 13.1185–90 Wool Products Labeling Act; § 13.1212 *Formal regulatory and statutory requirements:* 13.1212–90 Wool Products Labeling Act. Subpart—Neglecting, unfairly or deceptively, to make material disclosure: § 13.1852 *Formal regulatory and statutory requirements:* 13.1852–80 Wool Products Labeling Act.

(Sec. 6, 38 Stat. 721; 15 U.S.C. 46. Interpret or apply sec. 5, 38 Stat. 719, as amended, secs. 2–5, 54 Stat. 1128–1130; 15 U.S.C. 45, 68) [Cease and desist order, Monmouth Merchandising Co., Inc., et al., Freehold, N.J., Docket C-1600, Oct. 30, 1969]

In the Matter of Monmouth Merchandising Co., Inc., a Corporation, and Nathan Koenig, William Kaplan, and Irving Kaplan, Individually and as Officers of Said Corporation

Consent order requiring a Freehold, N.J., manufacturer of saddle and utility blankets to cease misbranding and falsely invoicing its wool products.

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

It is ordered, That respondents Monmouth Merchandising Co., Inc., a corporation, and its officers, and Nathan Koenig, William Kaplan, and Irving Kaplan, individually and as officers of said corporation, and respondents' representatives, agents, and employees, directly or through any corporate or other device, in connection with the introduction, or manufacture for introduction, into commerce, or the offering for sale, sale, transportation, distribution, delivery for shipment or shipment, in commerce, of wool products, as "commerce" and "wool product" are defined in the Wool Products Labeling Act of 1939, do forthwith cease and desist from misbranding such products by:

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

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

It is further ordered, That respondents Monmouth Merchandising Co., Inc., a corporation, and its officers, and Nathan Koenig, William Kaplan, and Irving Kaplan, individually and as officers of said corporation, and respondents' representatives, agents, and employees, directly or through any corporate or other device, in connection with the offering for sale, sale, or distribution of saddle blankets or other products, in commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from misrepresenting the character or amount of the constituent fibers contained in such products on invoices or shipping memoranda applicable thereto, or in any other manner.

It is further ordered, That the respondent corporation shall forthwith distribute a copy of this order to each of its operating divisions.

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

Issued: October 30, 1969.

By the Commission.

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

[F.R. Doc. 69-14516; Filed, Dec. 5, 1969; 8:47 a.m.]

[Docket No. C-1612]

PART 13—PROHIBITED TRADE PRACTICES

Morgenstern Bros., Inc., and Manny Morgenstern

Subpart—Invoicing products falsely: § 13.1108 *Invoicing products falsely:*

13.1108–45 Fur Products Labeling Act. Subpart—Misbranding or mislabeling: § 13.1185 *Composition:* 13.1185–30 Fur Products Labeling Act; § 13.1212 *Formal regulatory and statutory requirements:* 13.1212–30 Fur Products Labeling Act. Subpart—Neglecting, unfairly or deceptively, to make material disclosure: § 13.1852 *Formal regulatory and statutory requirements:* 13.1852–35 Fur Products Labeling Act.

(Sec. 6, 38 Stat. 721; 15 U.S.C. 46. Interpret or apply sec. 5, 38 Stat. 719, as amended, sec. 8, 65 Stat. 179; 15 U.S.C. 45, 69f) [Cease and desist order, Morgenstern Bros., Inc., et al., New York, N.Y., Docket C–1612, Nov. 6, 1969]

In the Matter of Morgenstern Bros., Inc., a Corporation, and Manny Morgenstern, Individually and as an Officer of Said Corporation

Consent order requiring a New York City manufacturing furrier to cease misbranding and falsely invoicing its fur products.

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

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

A. Misbranding fur products by:

1. Representing, directly or by implication, on labels that the fur contained in any fur product is natural when the fur contained therein is pointed, bleached, dyed, tip-dyed, or otherwise artificially colored.

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

B. Falsely or deceptively invoicing fur products by:

1. Failing to furnish invoices, as the term "invoice" is defined in the Fur Products Labeling Act, showing in words and figures plainly legible all the information required to be disclosed by each of the subsections of section 5(b)(1) of the Fur Products Labeling Act.

2. Representing, directly or by implication, on invoices that the fur contained in the fur products is natural when such fur is pointed, bleached, dyed, tip-dyed, or otherwise artificially colored.

It is further ordered, That respondents notify the Commission at least 30 days prior to any proposed change in the corporate respondent such as dissolution, assignment or sale resulting in the emergence of a successor corporation, the creation or dissolution of subsidiaries or any other change in the corporation which may affect compliance obligations arising out of the order.

It is further ordered, That the respondent corporation shall forthwith distribute a copy of this order to each of its operating divisions.

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

Issued: November 6, 1969.

By the Commission.

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

[F.R. Doc. 69–14509; Filed, Dec. 5, 1969; 8:46 a.m.]

[Docket No. C–1605]

PART 13—PROHIBITED TRADE PRACTICES

Morris Wasserman Fur Corp. and Morris Wasserman

Subpart—Invoicing products falsely: § 13.1108 *Invoicing products falsely:* 13.1108–45 Fur Products Labeling Act. Subpart—Neglecting, unfairly or deceptively, to make material disclosure: § 13.1852 *Formal regulatory and statutory requirements:* 13.1852–35 Fur Products Labeling Act.

(Sec. 6, 38 Stat. 721; 15 U.S.C. 46. Interpret or apply sec. 5, 38 Stat. 719, as amended, sec. 8, 65 Stat. 179; 15 U.S.C. 45, 69f) [Cease and desist order, Morris Wasserman Fur Corp., et al., New York, N.Y., Docket C–1605, Oct. 30, 1969]

In the matter of Morris Wasserman Fur Corp., a Corporation, and Morris Wasserman, Individually and as an Officer of Said Corporation

Consent order requiring a New York City fur merchant to cease falsely invoicing its fur products.

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

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

1. Failing to furnish invoices, as the term "invoice" is defined in the Fur Products Labeling Act, showing in words and figures plainly legible all the information required to be disclosed by each of the subsections of section 5(b)(1) of the Fur Products Labeling Act.

2. Representing, directly or by implication, on invoices that the fur contained in the furs or fur products is natural when such fur is pointed, bleached, dyed, tip-dyed, or otherwise artificially colored.

3. Describing fur products or furs which have been bleached, dyed or otherwise artificially colored by the name of mink or by any other animal name or names without disclosing that the said fur products or furs were bleached, dyed or otherwise artificially colored.

It is further ordered, That the respondent corporation shall forthwith distribute a copy of this order to each of its operating divisions.

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

Issued: October 30, 1969.

By the Commission.

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

[F.R. Doc. 69–14517; Filed, Dec. 5, 1969; 8:47 a.m.]

[Docket No. C–1614]

PART 13—PROHIBITED TRADE PRACTICES

B. Smith & Sons, Furs, Inc., et al.

Subpart—Furnishing false guaranties: § 13.1053 *Furnishing false guaranties:* 13.1053–35 Fur Products Labeling Act. Subpart—Invoicing products falsely: § 13.1108 *Invoicing products falsely:* 13.1108–45 Fur Products Labeling Act. Subpart—Neglecting, unfairly or deceptively, to make material disclosure: § 13.1852 *Formal regulatory and statutory requirements:* 13.1852–35 Fur Products Labeling Act.

(Sec. 6, 38 Stat. 721; 15 U.S.C. 46. Interpret or apply sec. 5, 38 Stat. 719, as amended, sec. 8, 65 Stat. 179; 15 U.S.C. 45, 69f) [Cease and desist order, B. Smith & Sons, Furs Inc. et al., New York, N.Y., Docket C–1614, Nov. 6, 1969]

In the Matter of B. Smith & Sons, Furs Inc., a Corporation, and Donald Smith, Robert Book and Lawrence Smith, Individually and as Officers of Said Corporation

Consent order requiring a New York City manufacturing furrier to cease falsely invoicing and deceptively guaranteeing its fur products.

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

It is ordered. That respondents B. Smith & Sons, Furs Inc., a corporation, and its officers, and Donald Smith, Robert Book, and Lawrence Smith, individually and as officers of said corporation, and respondents' representatives, agents, and employees, directly or through any corporate or other device, in connection with the introduction, or manufacture for introduction, into commerce, or the sale, advertising or offering for sale in commerce, or the transportation or distribution in commerce, of any fur product; or in connection with the manufacture for sale, sale, advertising, offering for sale, transportation or distribution, of any fur product which is made in whole or in part of fur which has been shipped and received in commerce, as the terms "commerce", "fur" and "fur product" are defined in the Fur Products Labeling Act, do forthwith cease and desist from falsely or deceptively invoicing any fur product by:

1. Failing to furnish an invoice, as the term "invoice" is defined in the Fur Products Labeling Act, showing in words and figures plainly legible all the information required to be disclosed by each of the subsections of section 5(b)(1) of the Fur Products Labeling Act.

2. Failing to set forth the term "natural" as part of the information required to be disclosed on an invoice under the Fur Products Labeling Act and the rules and regulations promulgated thereunder to describe such fur product which is not pointed, bleached, dyed, tip-dyed or otherwise artificially colored.

3. Failing to set forth the information required to be disclosed on an invoice under the Fur Products Labeling Act and the rules and regulations promulgated thereunder pertaining to used fur or fur added to such fur product which has been repaired, restyled or remodeled by respondents.

4. Failing to set forth on an invoice the item number or mark assigned to such product.

It is further ordered, That respondents B. Smith & Sons, Furs Inc., a corporation, and its officers, and Donald Smith, Robert Book, and Lawrence Smith, individually and as officers of said corporation, and respondents' representatives, agents and employees, directly or through any corporate or other device, do forthwith cease and desist from furnishing a false guaranty that any fur product is not misbranded, falsely invoiced or falsely advertised when the respondents have reason to believe that such fur product may be introduced, sold, transported, or distributed in commerce.

It is further ordered, That respondents notify the Commission at least 30 days prior to any proposed change in the corporate respondent such as dissolution, assignment or sale resulting in the emergence of a successor corporation, the creation or dissolution of subsidiaries or any other change in the corporation which may affect compliance obligations arising out of the order.

It is further ordered, That the respondent corporation shall forthwith distribute a copy of this order to each of its operating divisions.

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

Issued: November 6, 1969.

By the Commission.

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

[F.R. Doc. 69-14510; Filed, Dec. 5, 1969; 8:46 a.m.]

[Docket No. 8708]

PART 13—PROHIBITED TRADE PRACTICES

Spiegel, Inc.

Subpart—Advertising falsely or misleadingly: § 13.155 *Prices:* 13.155-40 Exaggerated as regular and customary. Subpart—Misrepresenting oneself and goods—Prices: § 13.1805 *Exaggerated as regular and customary.*

(Sec. 6, 38 Stat. 721; 15 U.S.C. 46. Interprets or applies sec. 5, 38 Stat. 719, as amended; 15 U.S.C. 45) [Modified order to cease and desist, Spiegel, Inc., Chicago, Ill., Docket 8708, Sept. 29, 1969]

In the Matter of Spiegel, Inc., a corporation.

Order modifying an earlier order dated July 15, 1968, 33 F.R. 14372, which prohibited a Chicago, Ill., catalog retailer from making fictitious pricing and savings claims, pursuant to a decision of the U.S. Court of Appeals, Seventh Circuit, dated June 11, 1969, 411 F. 2d 481, by deleting numbered paragraph 3 from the original order.

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

Now, therefore, *it is hereby ordered,* That the aforesaid order to cease and desist be, and it hereby is, modified by deleting numbered paragraph 3 of the order.

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

Issued: September 29, 1969.

By the Commission.

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

[F.R. Doc. 69-14518; Filed, Dec. 5, 1969; 8:47 a.m.]

[Docket No. C-1609]

PART 13—PROHIBITED TRADE PRACTICES

Steinbach Co., Inc.

Subpart—Advertising falsely or misleadingly: § 13.30 *Composition of goods:* 13.30-30 Fur Products Labeling Act; 13.30-75 Textile Fiber Products Identification Act; § 13.73 *Formal regulatory and statutory requirements:* 13.73-10 Fur Products Labeling Act; 13.73-90 Textile Fiber Products Identification Act. Subpart—Invoicing products falsely: § 13.1108 *Invoicing products falsely:* 13.1108-45 Fur Products Labeling Act. Subpart—Misbranding or mislabeling: § 13.1185 *Composition:* 13.1185-30 Fur Products Labeling Act; § 13.1212 *Formal regulatory and statutory requirements:* 13.1212-30 Fur Products Labeling Act. Subpart—Neglecting, unfairly or deceptively, to make material disclosure: § 13.1845 *Composition:* 13.1845-30 Fur Products Labeling Act; 13.1845-70 Textile Fiber Products Identification Act; § 13.1852 *Formal regulatory and statutory requirements:* 13.1852-35 Fur Products Labeling Act.

(Sec. 6, 38 Stat. 721; 15 U.S.C. 46. Interpret or apply sec. 5, 38 Stat. 719, as amended, 72 Stat. 1717, sec. 8, 65 Stat. 179; 15 U.S.C. 45, 70, 69f) [Cease and desist order, Steinbach Co., Inc., Asbury Park, N.J., Docket C-1609, Oct. 30, 1969]

In the Matter of Steinbach Co., Inc., a Corporation

Consent order requiring an Asbury Park, N.J., department store to cease misbranding and falsely invoicing its furs and falsely advertising its fur and textile products.

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

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

A. Misbranding any fur product by:

1. Falsely or deceptively labeling or otherwise falsely or deceptively identifying any such fur product as to the name or designation of the animal or animals that produced the fur contained in the fur product.

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

3. Setting forth information required under section 4(2) of the Fur Products

Labeling Act and the rules and regulations promulgated thereunder in abbreviated form on a label affixed to such fur product.

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

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

6. Setting forth information required under section 4(2) of the Fur Products Labeling Act and the rules and regulations promulgated thereunder in handwriting on a label affixed to such fur product.

7. Failing to set forth information required under section 4(2) of the Fur Products Labeling Act and the rules and regulations promulgated thereunder on a label in the sequence required by Rule 30 of the aforesaid rules and regulations.

B. Falsely or deceptively invoicing any fur product by:

1. Failing to furnish an invoice, as the term "invoice" is defined in the Fur Products Labeling Act, showing in words and figures plainly legible all the information required to be disclosed by each of the subsections of section 5(b)(1) of the Fur Products Labeling Act.

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

3. Setting forth on an invoice pertaining to such fur product the name or names of any animal or animals other than the name of the animal producing the fur contained in the fur product as specified in the Fur Products Name Guide, and as prescribed by the rules and regulations.

4. Setting forth information required under section 5(b)(1) of the Fur Products Labeling Act and the rules and regulations promulgated thereunder in abbreviated form or an invoice pertaining to such fur product.

5. Failing to set forth the term "Persian Lamb" in the manner required where an election is made to use that term instead of the word "Lamb".

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

7. Failing to set forth the term "natural" as part of the information required to be disclosed on an invoice under the Fur Products Labeling Act and the rules and regulations promulgated thereunder to describe such fur product which is not pointed, bleached, dyed, tip-dyed, or otherwise artificially colored.

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

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

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

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

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

D. Failing to maintain full and adequate records disclosing the facts upon which pricing claims and representations of the types described in subsections (a), (b), (c), and (d) of Rule 44 of the rules and regulations promulgated under the Fur Products Labeling Act, are based.

It is further ordered, That respondent Steinbach Co., Inc., a corporation, and its officers, representatives, agents and employees, directly or through any corporate or other device, in connection with the introduction, delivery for introduction, sale, advertising or offering for sale, in commerce, or the transportation or causing to be transported, or the importation into the United States, of any textile fiber product; or in connection with the sale, offering for sale, advertising, delivery, transportation or causing to be transported, of any textile fiber product which has been advertised or offered for sale in commerce; or in connection with the sale, offering for sale, advertising, delivery, transportation, or causing to be transported, after shipment in commerce, of any textile fiber product, whether in its original state or contained in other textile fiber products, as the terms "commerce" and "textile fiber product" are defined in the Textile Fiber Product Identification Act, do forthwith cease and desist from falsely or deceptively advertising any textile fiber product by:

1. Making any representation, by disclosure or by implication, as to the fiber content of such textile fiber product in any written advertisement which is used to aid, promote or assist, directly or indirectly, in the sale or offering for sale of such textile fiber product, unless the same information required to be shown on the stamp, tag, label, or other means of identification under section 4(b) (1) and (2) of the Textile Fiber Products Identification Act is contained in the said advertisement, except that the percentages of the fiber present in a textile fiber product need not be stated.

2. Failing to set forth in disclosing the required fiber content information as to floor coverings containing exempted backings, fillings, or paddings, that such disclosure relates only to the face, pile, or outer surface of such textile fiber products and not to the exempted backing, fillings, or paddings.

3. Using a fiber trademark in advertising such textile fiber product without a full disclosure of the required content information in at least one instance in said advertisement.

4. Using a fiber trademark in advertising such textile fiber product containing only one fiber without such fiber trademark appearing at least once in the said advertisement, in immediate proximity and conjunction with the generic name of the fiber and in plainly legible and conspicuous type or lettering.

It is further ordered, That the respondent corporation shall forthwith distribute a copy of this order to each of its operating divisions.

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

Issued: October 30, 1969.

By the Commission.

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

[F.R. Doc. 69-14519; Filed, Dec. 5, 1969; 8:47 a.m.]

Title 39—POSTAL SERVICE

Chapter I—Post Office Department

PART 171—MONEY ORDERS

Payments to Banks Through Federal Reserve System

In the daily issue of Saturday, October 26, 1968 (33 F.R. 15877), the Department published a notice of proposed rule making consisting of the addition of a new § 171.8 to Title 39, Code of Federal Regulations. The new section proposed to give the Postmaster General the right to demand refund from the presenting bank for the amount of a paid money order if, after payment, the money order was found to have been stolen, or to bear a forged or unauthorized endorsement, or to contain any material defect or alteration which was not discovered upon initial examination. In addition, it was proposed that if refund was not made by the presenting bank within 60 days after demand, the Postmaster General would be authorized to take such action as necessary to protect the interests of the United States.

Interested persons were given 30 days within which to submit comments on the proposed regulations. After consideration of all comments received, it has been determined to adopt the proposed regulations with the following changes:

1. A definition of a stolen money order is added;

2. The definition of "Examination" of a money order is revised for clarification;

3. The right to demand a refund from a bank would have to be exercised within a reasonable period after the facts are discovered.

Accordingly, the following amendment to Title 39, Code of Federal Regulations is hereby made, to be effective on the 30th day after the date of this publication in the FEDERAL REGISTER.

In Part 171 new § 171.8 is added, reading as follows:

§ 171.8 Payments to banks through Federal Reserve System.

(a) *Presentation for payment.* Banks may present money orders for payment through the Federal Reserve System.

(b) *Definitions.* (1) "Money order" means a U.S. Postal Money Order.

(2) "Federal Reserve Bank" means a Federal Reserve Bank or branch thereof which presents a money order for payment by the Postmaster General.

(3) "Presenting bank" means a bank which presents a money order to, and receives credit therefor from a Federal Reserve Bank.

(4) "Reclamation" means the action taken by the Postmaster General to obtain refund of the amounts of paid money orders.

(5) "Examination" includes examination of money orders for indicia of theft, forged endorsements, forged signatures or initials of issuing personnel, raised amounts, and other material defects by means of electronic methods and also visual inspection for discovery of defects which cannot be electronically discovered.

(6) "Stolen money order" means a U.S. Postal Money Order which has been stolen from a post office, classified or contract station or branch or postal employee before it has been officially issued by the post office, classified or contract station or branch or by a postal employee in the course of discharging his official duties.

(c) *Payment.* The Postmaster General has the usual right of a drawee to examine money orders presented for payment by banks through the Federal Reserve System and to refuse payment of money orders and shall have a reasonable time after presentation to make such examination. Provisional credit shall be given to the Federal Reserve Bank when it furnishes the money orders for payment by the Postmaster General. Money orders shall be deemed to be paid only after examination has been fully completed subject to the right of the Postmaster General to make reclamation as provided for in paragraph (e) of this section.

(d) *Endorsements.* The presenting bank and the endorser of a money order presented for payment are deemed to guarantee to the Postmaster General that all prior endorsements are genuine, whether or not an express guarantee to that effect has been placed on the money order. When an endorsement has been made by a person other than the payee personally, the presenting bank and the endorser are deemed to guarantee to the Postmaster General, in addition to other warranties, that the person who so endorsed had unqualified capacity and authority to endorse the money order on behalf of the payee.

(e) *Reclamation.* The Postmaster General shall have the right to demand refund from the presenting bank of the amount of a paid money order if, after payment, the money order is found to have been stolen, or to bear a forged or unauthorized endorsement, or to contain any material defect or alteration which was not discovered upon examination. Such right includes, but is not limited to, the right to make reclamation of the amount by which a genuine money order bearing a proper and an authorized endorsement has been raised. Such right shall be exercised within a reasonable time after the Postmaster General discovers that the money order has been stolen, or bears a forged or unauthorized endorsement, or is otherwise defective. If refund is not made by the presenting bank within 60 days after demand, the Postmaster General shall take such action as may be necessary to protect the interests of the United States.

(5 U.S.C. 301, 39 U.S.C. 501, 5101)

DAVID A. NELSON,
General Counsel.

[F.R. Doc. 69-14523; Filed, Dec. 5, 1969; 8:47 a.m.]

Title 41—PUBLIC CONTRACTS AND PROPERTY MANAGEMENT

Chapter 1—Federal Procurement Regulations

PART 1-19—TRANSPORTATION

Use of Government Rate Tenders

This amendment adds a new § 1-19.109 to the Federal Procurement Regulations prescribing uniform regulations and guidelines covering the availability and use of special rate tenders applicable to transportation of property in connection with cost-reimbursable contracts.

The table of contents for Part 1-19 is amended by the addition of the following new entries:

Sec.
1-19.108 [Reserved]
1-19.109 Use of Government rate tenders in cost-reimbursement contracts.
1-19.109-1 Applicability.
1-19.109-2 Responsibility.
1-19.109-3 Procedure.

Subpart 1-19.1—General

Subpart 1-19.1 is amended by reserving § 1-19.108 and adding §§ 1-19.109 through 1-19.109-3 as follows:

§ 1-19.108 [Reserved]

§ 1-19.109 Use of Government rate tenders in cost-reimbursement contracts.

§ 1-19.109-1 Applicability.

(a) Under the provisions of section 22 of the Interstate Commerce Act, or other appropriate authority, common carriers are permitted to tender special rates to the Government (hereafter referred to as section 22 rates) which are lower than the published tariff rates available to the general public. The Interstate Commerce Commission has ruled that these section 22 rates may be applied to shipments other than those made by the Government, provided the total benefit accrues to the Government; that is, provided the Government pays the charges or directly and completely reimburses the party which initially bears the freight charges (see 323 I.C.C. 347 and 332 I.C.C. 161). Accordingly, section 22 rates may be used in the transportation of property under cost-reimbursable contracts where the actual total transportation charges are paid by or are reimbursable by the Government. (See §§ 1-15.107(i)(5), 1-15.205-45, 1-15.309-43, and 1-15.403-4.) This includes the transportation of household goods and personal effects in the relocation of contractors' personnel, as well as the transportation of other property involved in the performance of the contract.

(b) To qualify for transportation under section 22 rates, property must be shipped by or for the Government (1) on Government bills of lading; (2) on commercial bills of lading endorsed to show that such bills of lading are to be exchanged for Government bills of lading at destinations or converted to Government bills of lading after delivery to the consignees; (3) on commercial bills of lading showing that the Government is either the consignor or the consignee and endorsed with the following legend: "Transportation is for the _____ _____ (name the specific agency, such as U.S. Department of Defense), and the actual total transportation charges paid to the carrier(s) by the consignor or consignee are assignable to, and are to be reimbursed by, the Government"; or (4) on commercial bills of lading endorsed with the following legend: "Transportation hereunder is for the _____ (name the specific agency, such as U.S. Department of Defense), and the actual total transportation charges paid to the carrier(s) by the consignor or consignee are to be reimbursed by the Government, pursuant to cost-reimbursable contract No. _____. This may be confirmed by contacting such agency at _____."

§ 1-19.109-2 Responsibility.

(a) The contracting officer, in coordination with the transportation officer, shall determine whether sufficient transportation is likely to be generated under the contract to justify inclusion of contract provisions and controls to ensure the use of section 22 rate tenders applicable to such transportation.

(b) Where it is considered advisable, on the basis of available rates, expected volume of traffic, and other pertinent factors, the transportation officer shall take the necessary action to negotiate with carriers or carrier associations for more reasonable rates or for revision of

existing section 22 rate tenders to include the transportation in question. New or revised tenders should provide for the use of either Government bills of lading or commercial bills of lading endorsed as provided for in § 1–19.109–1(b). (See also §§ 1–19.103 and 101–40.305–3.)

§ 1–19.109–3 Procedure.

When it has been determined that shipments are to be made under section 22 rates, the contractor shall use, as appropriate, either (a) Government bills of lading (or commercial bills of lading to be converted to Government bills of lading) to cover transportation, the costs of which are to be paid directly by the Government or (b) properly endorsed commercial bills of lading to cover transportation where the actual total transportation charges are reimbursable by the Government. In either case, the bill of lading shall be endorsed to identify the applicable Government rate tender; e.g., "Section 22 quotation ABC Transportation Company, I.C.C. File No. 143." In addition, commercial bills of lading shall be endorsed in conformance with the provisions of § 1–19.109–1(b).

(Sec. 205(c), 63 Stat. 390; 40 U.S.C. 486(c))

Effective date. This amendment is effective January 2, 1970, but may be observed earlier.

Dated: December 2, 1969.

ROBERT L. KUNZIG,
Administrator of General Services.

[F.R. Doc. 69–14531; Filed, Dec. 5, 1969; 8:47 a.m.]

Title 42—PUBLIC HEALTH

Chapter I—Public Health Service, Department of Health, Education, and Welfare

SUBCHAPTER G—PREVENTION, CONTROL, AND ABATEMENT OF AIR POLLUTION

PART 81—AIR QUALITY CONTROL REGIONS, CRITERIA, AND CONTROL TECHNIQUES

Metropolitan Providence Interstate Air Quality Control Region

On July 12, 1969, notice of proposed rule making was published in the FEDERAL REGISTER (34 F.R. 11552) to amend Part 81 by designating the Metropolitan Providence Interstate Air Quality Control Region.

Interested persons were afforded an opportunity to participate in the rule making through the submission of comments, and a consultation with appropriate State and local authorities pursuant to section 107(a) of the Clean Air Act (42 U.S.C. 1857c–2(a)) was held on July 29, 1969. Due consideration has been given to all relevant material presented.

In consideration of the foregoing and in accordance with the statement in the notice of proposed rule making, § 81.31, as set forth below, designating the Metropolitan Providence Interstate Air Quality Control Region, is adopted effective on publication.

§ 81.31 Metropolitan Providence Interstate Air Quality Control Region.

The Metropolitan Providence Interstate Air Quality Control Region (Rhode Island-Massachusetts) consists of the territorial area encompassed by the boundaries of the following jurisdictions or described area (including the territorial area of all municipalities (as defined in section 302(f) of the Clean Air Act, 42 U.S.C. 1857h(f)) geographically located within the outermost boundaries of the area so delimited):

The entire State of Rhode Island.
In the State of Massachusetts:

CITIES

Attleboro.	New Bedford.
Fall River.	Taunton.

TOWNS

Acushnet.	Middleborough.
Bellingham.	Millville.
Berkley.	North Attleborough.
Blackstone.	Norton.
Bourne.	Plainville.
Carver.	Plymouth.
Dartmouth.	Plympton.
Dighton.	Raynham.
Fairhaven.	Rehoboth.
Franklin.	Rochester.
Freetown.	Sandwich.
Halifax.	Seekonk.
Kingston.	Somerset.
Lakeville.	Swansea.
Mansfield.	Wareham.
Marion.	Westport.
Mattapoisett.	Wrentham.

(Secs. 107(a), 301(a), 81 Stat. 490, 504; 42 U.S.C. 1857c–2(a), 1857g(a))

Dated: December 1, 1969.

ROBERT H. FINCH,
Secretary.

[F.R. Doc. 69–14452; Filed, Dec. 5, 1969; 8:45 a.m.]

PART 81—AIR QUALITY CONTROL REGIONS, CRITERIA, AND CONTROL TECHNIQUES

Steubenville-Weirton-Wheeling Interstate Air Quality Control Region

On August 13, 1969, notice of proposed rule making was published in the FEDERAL REGISTER (34 F.R. 13109) to amend Part 81 by designating the Steubenville-Weirton-Wheeling Interstate Air Quality Control Region.

Interested persons were afforded an opportunity to participate in the rule making through the submission of comments, and a consultation with appropriate State and local authorities pursuant to section 107(a) of the Clean Air Act (42 U.S.C. 1857c–2(a)) was held on August 27, 1969. Due consideration has been given to all relevant material presented, with the result that Columbiana and Monroe Counties, in the State of Ohio, not in the original proposal, have been added to the Region.

In consideration of the foregoing and in accordance with the statement in the notice of proposed rule making, § 81.33, as set forth below, designating the Steubenville-Weirton-Wheeling Interstate Air Quality Control Region, is adopted effective on publication.

§ 81.33 Steubenville-Weirton-Wheeling Interstate Air Quality Control Region.

The Steubenville-Weirton-Wheeling Interstate Air Quality Control Region (Ohio-West Virginia) consists of the territorial area encompassed by the boundaries of the following jurisdictions or described area (including the territorial area of all municipalities (as defined in section 302(f) of the Clean Air Act, 42 U.S.C. 1857h(f)) geographically located within the outermost boundaries of the area so delimited):

In the State of Ohio:

Belmont County.	Jefferson County.
Columbiana County.	Monroe County.

In the State of West Virginia:

Brooke County.	Marshall County.
Hancock County.	Ohio County.

(Secs. 107(a), 301(a), 81 Stat. 490, 504; 42 U.S.C. 1857c–2(a), 1857g(a))

Dated: December 1, 1969.

ROBERT H. FINCH,
Secretary.

[F.R. Doc. 69–14454; Filed, Dec. 5, 1969; 8:45 a.m.]

PART 81—AIR QUALITY CONTROL REGIONS, CRITERIA, AND CONTROL TECHNIQUES

Louisville Interstate Air Quality Control Region

On October 7, 1969, notice of proposed rule making was published in the FEDERAL REGISTER (34 F.R. 15562) to amend Part 81 by designating the Louisville Interstate Air Quality Control Region.

Interested persons were afforded an opportunity to participate in the rule making through the submission of comments, and a consultation with appropriate State and local authorities pursuant to section 107(a) of the Clean Air Act (42 U.S.C. 1857c–2(a)) was held on October 17, 1969. Due consideration has been given to all relevant material presented.

In consideration of the foregoing and in accordance with the statement in the notice of proposed rule making, § 81.35, as set forth below, designating the Louisville Interstate Air Quality Control Region, is adopted effective on publication.

§ 81.35 Louisville Interstate Air Quality Control Region.

The Louisville Interstate Air Quality Control Region (Kentucky-Indiana) consists of the territorial area encompassed by the boundaries of the following jurisdictions or described area (including the territorial area of all municipalities (as defined in section 302(f) of the Clean Air Act, 42 U.S.C. 1857h(f)) geographically located within the outermost boundaries of the area so delimited):

In the State of Kentucky:
Jefferson County.
In the State of Indiana:
Floyd County Clark County.

(Secs. 107(a), 301(a), 81 Stat. 490, 504; 42 U.S.C. 1857c-2(a), 1857g(a))

Dated: December 1, 1969.

ROBERT H. FINCH,
Secretary.

[F.R. Doc. 69-14453; Filed, Dec. 5, 1969; 8:45 a.m.]

Title 43—PUBLIC LANDS: INTERIOR

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

APPENDIX—PUBLIC LAND ORDERS

[Public Land Order 4748]

[Nevada 2168]

NEVADA

Withdrawal for Underground Atomic Energy Experiments

By virtue of the authority vested in the President and pursuant to Executive Order No. 10355 of May 26, 1952 (17 F.R. 4831), it is ordered as follows:

1. Subject to valid existing rights, the following described public lands are hereby withdrawn from all forms of appropriation under the public land laws, including the mining laws (30 U.S.C., ch. 2), and from the mineral leasing laws, and reserved for use of the Atomic Energy Commission for experimental purposes:

MOUNT DIABLO MERIDIAN

T. 9 N., R. 51 E. (unsurveyed),

Parcel 1

Beginning at a point, said point being S. 67°34'33" W., 11,046.966 feet from the southeast corner of T. 9 N., R. 51 E., W. 5,280 feet; N. 7,920 feet; E. 5,280 feet; S. 7,920 feet, to the point of beginning.

Parcel 2

T. 9 N., R. 51 E. (unsurveyed),
Sec. 2, NW¼;
Sec. 3, N½.
T. 10 N., R. 51 E.,
Sec. 34, S½;
Sec. 35, SW¼.

The areas described aggregate approximately 1,920 acres in Nye County.

2. The withdrawal made by this order does 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 or vegetative resources other than under the mining and mineral leasing laws. However, leases, licenses or permits will be issued only if the Atomic Energy Commission finds that the proposed use of the lands will not interfere with the proper operation of its facilities on the lands.

HARRISON LOESCH,
Assistant Secretary of the Interior.

DECEMBER 2, 1969.

[F.R. Doc. 69-14490; Filed, Dec. 5, 1969; 8:45 a.m.]

Proposed Rule Making

DEPARTMENT OF AGRICULTURE

Agricultural Stabiliaztion and Conservation Service

[7 CFR Part 725]

FLUE-CURED TOBACCO

Notice of Determination To Be Made With Respect to Regulations Pertaining to Farm Acreage Allotments and Marketing Quotas for the 1970–71 and Subsequent Marketing Years

Pursuant to the authority contained in applicable provisions of the Agricultural Adjustment Act of 1938, as amended and supplemented, the Department is preparing to issue regulations for determination of acreage allotments and marketing quotas for 1970–71 and subsequent marketing years. It is proposed that the regulations (31 F.R. 9775, including amendments and corrections thereto) currently in effect for establishing of farm acreage allotments and marketing quotas, the issuance of marketing cards, the identification of marketings of tobacco, the collection and refund of penalties, and the records and reports incident thereto for Flue-cured tobacco for the 1966–67 and subsequent crops be reissued as provided herein and become applicable to the 1970–71 and subsequent marketing years.

The main purpose in amending the regulations is to facilitate the automated procedure being adopted. Changes are also being made for clarification and other purposes. Significant changes are as follows:

(1) Paragraph 725.70(b) would authorize the county office to maintain a copy of the notice of allotment or a printout summary of the data thereon for public inspection.

(2) Paragraph 725.72(c) would be clarified to insure county committee's personal review and approval of leases to transfer tobacco allotments.

(3) In paragraph (c) of § 725.73, August 1 in lieu of October 1 would be the last day on which the farm operator could request an adjustment in his tobacco farm history acreage for abnormal weather or disease.

(4) Section 725.87 would be amended to remove the bond heretofore required to assure program compliance. The present compliance requirements in Part 718 of this chapter and the penalty provisions applicable for marketings above 110 percent of the effective farm marketing quota are deemed sufficiently deterrent to insure program compliance.

(5) Paragraph (a) of § 725.91 is clarified to place on the dealer purchaser the responsibility for entering data on the marketing card.

(6) Paragraph (d) of § 725.94 would be revised to provide that where a dealer has excess resales and such excess is derived from his failure to keep separate records by kinds of tobacco, penalty would be due at the highest rate for the kind of tobacco in which he had resale transactions.

(7) Paragraph (h) of § 725.98 would be amended to provide for applying the percentage allotment reduction after application of the national factor to the preliminary allotment but before adjusting for over or undermarketings.

(8) Paragraph (k) would be added to § 725.98 to make it clear that a reduction in the allotment would require a comparable reduction in the poundage quota.

(9) Paragraph (o) of § 725.98 would be amended to provide for obtaining an estimate of production of tobacco on farms having carryover tobacco but no current crop tobacco.

(10) Paragraph (j) of § 725.99 would be added to provide that each auction warehouse check issued in payment for tobacco shall be issued in the name of the payee. In no case, would a check be issued in the name of the seller and bearer, for example, "John Doe or Bearer". The purpose of this proposed amendment is to provide an aid in the investigation of violations.

(11) Paragraph (k) of § 725.99, is of an accounting nature and would be added to cross-reference the basket ticket, tobacco sale bill and the bill-out invoice.

(12) Paragraph (c)(5) would be added to § 725.100 to make it clear that dealers who have tobacco transactions (acquire tobacco or make resales) after the final reporting period of March 1 (subparagraph 3 of this paragraph), shall make reports on MQ–79.

(13) Paragraph (b)(2) of § 725.101 would be amended to require on the special dealer report to the Director the applicable seller's number (dealer's registration number or farm number, including State and county code).

(14) Paragraph (b) in § 725.104 would be amended to point out that it is a criminal violation to buy or sell the unused "110 percent of quota poundage" on a marketing card.

(15) Section 725.108 would be amended to provide for retention of records for 3 years after the end of the marketing year instead of 2 years. Many violations are not discovered and investigations instituted until after the expiration of 2 years.

(16) Section 725.110 would be revised to rely on the farmer's certification as to whether or not he is producing a discount variety tobacco.

GENERAL

IDENTIFICATION OF TOBACCO, MARKETING AND OTHER DISPOSITION OF TOBACCO, AND PENALTIES

RECORDS AND REPORTS

DISCOUNT VARIETIES

AUTHORITY: The provisions of this Part 725 issued under sections 301, 313, 314, 316, 317, 363, 372–375, 377, 378, 52 Stat. 38, as amended, 47, as amended, 48, as amended, 75 Stat. 469, as amended, 79 Stat. 66, 52 Stat. 63, as amended, 65–66, as amended, 72 Stat. 995; section 401, 63 Stat. 1054, as amended, sections 106, 112, 125, 70 Stat. 191, 195, 198, as amended, section 16(e), 76 Stat. 606; 7 U.S.C. 1301, 1313, 1314, 1314b, 1314c, 1363, 1372–1375, 1377, 1378, 1421, 1813, 1824, 1836, 16 U.S.C. 590p(e).

§ 725.50 Basis and purpose.

The regulations contained in §§ 725.50 through 725.110 are issued pursuant to and in accordance with the Agricultural Adjustment Act of 1938, as amended (7 U.S.C. 1281 et seq.), and are applicable to Flue-cured tobacco for the 1970–71 and subsequent marketing years. They govern the establishment of farm acreage allotments and marketing quotas, the issuance of marketing cards, the identification of marketings of tobacco, the collection and refund of penalties, and the keeping of records and making of reports incident thereto. The applicability of the regulations for any marketing year subsequent to the 1970–71 marketing year is contingent upon the proclamation of a national marketing quota for such year pursuant to section 312(a) of the Act.

§ 725.51 Definitions.

As used in this subpart and in all instructions, forms, and documents in connection therewith, the words and phrases defined in this section shall have the meanings herein assigned to them unless the context or subject matter otherwise requires. References contained herein to other parts of this chapter or title shall be construed as references to such parts and any amendments now in effect or later issued. The following words or phrases are defined in Parts 718 or 719 of this chapter and shall have the meanings assigned to them by such regulations: "County committee", "County Executive Director", "community committee", "current year", "Department", "Deputy Administrator", "Director", "farm", "Federally owned land", "operator", "person", "preceding year", "producer, "representative of the county committee", "representative of the State committee", "Secretary", "State committee", and "State executive director".

(a) *Act.* The Agricultural Adjustment Act of 1938, as amended.

(b) *Auction sale.* A marketing of tobacco by a sale at public auction through a warehouse in the regular course of business, including sale of all lots or baskets of tobacco at public auction in sequence at a given time.

(c) *Base period.* The 5 calendar years immediately preceding the year for which farm acreage allotments are currently being established.

(d) *Buyers corrections account.* The warehouse account of tobacco purchased at auction by the buyer, but not delivered to the buyer, or any tobacco returned by the buyer because of rejection by the buyer, lost ticket, or any other valid reason, which is turned back to the warehouseman and supported by an adjustment invoice from the buyer. This account shall include the pounds and amounts deducted resulting from short baskets and short weights, and pounds and amounts added resulting from long baskets and long weights, which buyers debit or credit to the warehouseman and support with adjustment invoices.

(e) *Community average yield.* The average yield in the community as determined by averaging the yields per acre for the 3 highest years of the 5 years 1959 to 1963, inclusive, except that if the yield for any of the 3 highest years is less than 80 percent of the average for the 3 years then that year or years shall be eliminated and the average of the remaining years shall be the community average yield.

(f) *Current year.* The calendar year for which acreage allotments are being established, or tobacco history acreage and yields are being determined, or the farm is being considered under the provisions of the marketing quota program.

(g) *Dealer or buyer.* A person who engages to any extent in acquiring or selling tobacco in the form normally marketing by producers.

(h) *Director.* The Director, or Acting Director, Commodity Programs Division, Agricultural Stabilization and Conservation Service, U.S. Department of Agriculture.

(i) *Effective farm acreage allotment.* The allotment determined under § 725.58.

(j) *Effective farm marketing quota.* The quota determined under § 725.60.

(k) *Excess tobacco for a farm.* The excess tobacco on a farm for the current year shall be the quantity of tobacco marketed in the current marketing year after 110 percent of the effective farm marketing quota has been marketed.

(l) *Farm acreage allotment.* The acreage determined by multiplying the preliminary farm acreage allotment by the national acreage factor.

(m) *Farm marketing quota.* The pounds determined by multiplying the farm acreage allotment by the farm yield.

(n) *Farm yield—(1) Old farm.* The farm yield for an old farm is that yield determined as provided in § 725.59.

(2) *New farm.* The farm yield for a new farm is that yield determined as provided in § 725.59.

(o) *Floor sweepings.* The actual quantity of scraps or leaves of tobacco which accumulate on the warehouse floor in the regular course of business: *Provided,* That floor sweepings above the pounds determined by multiplying the applicable following listed percentage times the total first sales of tobacco at auction for the season for the warehouse, shall be deemed to be leaf account tobacco:

How sold	*Percentage*
Untied	0.50 (five-tenths of 1 percent).
Tied	0.17 (seventeen hundredths of 1 percent).

Floor sweeping tobacco shall be kept separate from any other tobacco when sold.

(p) *Leaf account tobacco.* All tobacco purchased or otherwise acquired by or for the account of a warehouse, and shall include but not be limited to, tobacco from Buyers Corrections Account, sales and resales of such tobacco, floor sweepings purchased from another warehouseman or dealer, and floor sweepings deemed to be leaf account tobacco under paragraph (o) of this section.

(q) *Market.* The disposition of tobacco in raw or processed form by voluntary or involuntary sale, barter, or exchange, or by gift inter vivos. "Marketing" and "marketed" shall have corresponding meanings to the term "market."

(r) *Marketing recorder or field assistant.* Any employee of the U.S. Department of Agriculture, or any employee of an Agricultural Stabilization and Conservation Service county (ASCS) office, whose duties involve the preparation and handling of the records and reports pertaining to the identification of marketings of tobacco.

(s) *Marketing year.* The period beginning July 1 of the year in which the tobacco is produced and ending June 30 of the following year.

(t) *New farm.* A farm for which a tobacco allotment is established in the current year and for which there is no tobacco history acreage in the base period.

(u) *Nonauction sale.* Any first marketing of tobacco other than by a sale at auction.

(v) *Old farm.* A farm on which there is tobacco history acreage in one or more years of the base period.

(w) *Overmarketings.* The pounds by which the pounds marketed exceed the effective farm marketing quota.

(x) *Pound.* That amount of tobacco which, if weighed in its unstemmed form and in the condition in which it is usually marketed by producers, would equal 1 pound standard weight.

(y) *Preceding year.* The calendar year immediately preceding the year for which the allotments and quotas are established, or the marketing year preceding the marketing year for which the allotments and quotas are established.

(z) *Preliminary farm acreage allotment.* The preceding year's farm acreage allotment for a farm which has tobacco history acreage in the base period.

(aa) *Preliminary farm yield.* The yield determined for a farm as provided in § 725.57.

(bb) *Resale.* The disposition by sale, barter, exchange, or gift inter vivos, of tobacco which has been marketed previously.

(cc) *Sale day.* The period at the end of which the warehouseman bills to buyers the tobacco purchased by them during such period.

(dd) *Scrap tobacco.* The residue which accumulates in the course of preparing tobacco for market, consisting chiefly of portions of tobacco leaves and leaves of poor quality.

(ee) *Suspended sale.* Any marketing of tobacco at auction for which the sale is not identified by a producer marketing card or a dealer's identification card by the end of the sale day on which such marketing occurred.

(ff) *Tobacco.* Flue-cured tobacco, types 11, 12, 13, and 14, as classified in Service and Regulatory Announcement No. 118 (Part 30 of this title) of the former Bureau of Agricultural Economics of the U.S. Department of Agriculture.

(gg) *Tobacco available for marketing.* All tobacco produced on a farm which has not been marketed and which has not been disposed of so that it cannot be marketed.

(hh) *Trucker.* A person who trucks or hauls tobacco for producers, or any other persons.

(ii) *Undermarketings.* The pounds by which the effective farm marketing quota is more than the pounds marketed.

(jj) *Warehouseman.* A person who engages in the business of holding sales of tobacco at public auction.

§ 725.52 Location of farm for administrative purposes.

(a) *County.* The location of a farm in a county for administrative purposes shall be as provided in Part 719 of this chapter.

(b) *Community.* (1) A farm that is geographically located entirely within one community shall be assigned to that community.

(2) A farm that is geographically located in one county and in more than one community shall be assigned to the community (i) where the principal dwelling is located, or (ii) where the largest amount of cropland is located, if there is no such dwelling.

(3) A farm that is geographically located in more than one county and in more than one community shall be assigned to the community in the county in which the farm is located for administrative purposes under Part 719 of this chapter in which the principal dwelling is located, or if the principal dwelling is not located in such county, or there is no such dwelling, to the community in such county having the largest amount of cropland.

§ 725.53 Extent of determinations, computations, and rule for rounding fractions.

(a) *General.* If rounding is prescribed herein, computations shall be carried to two decimal places beyond the number of decimal places required and digits of 50 or less beyond the required number of decimal places shall be dropped; if 51 or more, the last required decimal place shall be increased by 1.

(b) *Allotments.* Farm acreage allotments shall be determined in hundredths and any allotment of less than 0.01 acre shall be increased to 0.01 acre. For example, 2.5536 equals 2.55; 2.5550 equals 2.55; 2.5551 equals 2.56; 2.5582 equals 2.56; and 0.0001 equals 0.01.

(c) *Yields.* Yields shall be determined in whole pounds. For example, 2006.50 equals 2006; and 2006.51 equals 2007.

§ 725.54 Supervisory authority of State ASC committee.

The State committee may take any action required by these regulations which has not been taken by a county committee. The State committee may also (a) correct, or require a county committee to correct, any action taken by a county committee which is not in accordance with these regulations, or (b) require a county committee to withhold taking any action which is not in accordance with these regulations.

§ 725.55 Instructions and forms.

The Director shall cause to be prepared and issued such forms as are necessary, and shall cause to be prepared such instructions with respect to internal management as are necessary for carrying out the regulations in this part. The forms and instructions shall be approved by and the instructions shall be issued by the Deputy Administrator.

Acreage Allotments, History Acreage, Marketing Quota and Yields for Old Farms

§ 725.56 Determination of preliminary farm acreage allotments.

(a) *Farms with history acreage in base period.* A preliminary farm acreage allotment shall be determined for each farm which has tobacco history acreage, as defined and explained in § 725.73 of this part, in the base period, except that no preliminary farm acreage allotment shall be established in the current year under any one of the following conditions: (1) The only tobacco history acreage credited to the farm during the entire base period is history acreage restored because the allotment was reduced for violation of the marketing quota regulations, (2) a new farm allotment was established in any prior year but was canceled for the year preceding the current year, (3) an allotment was pooled under Part 719 of this chapter but was canceled, or (4) the county committee determines that the cropland in the farm has been retired from agricultural production and was not and could not have been acquired under the right of eminent domain by the person or agency that acquired it: *Provided,* That this paragraph shall not preclude the determination of a preliminary farm acreage allotment for (i) an old farm that is returned to agricultural production if the allotment for the retired land was not allocated to other land contained in the farm of which the retired land was a part, or (ii) a farm for which an acreage allotment may be determined under the provisions of § 725.68.

(b) *Preliminary farm acreage allotment.* The preliminary farm acreage allotment for the current year for a farm which qualifies for a preliminary farm acreage allotment under paragraph (a) of this section shall be the same as the farm acreage allotment (prior to reduction for violation, prior to adjustment for lease and transfer, and prior to adjustment for undermarketings or over marketings) established for such farm for the immediately preceding year.

§ 725.57 Determination of preliminary farm yields.

(a) *Old farms.* The preliminary farm yield for an old farm shall be the same preliminary farm yield as was in effect for such farm in the immediately preceding year. Preliminary farm yields required to be established for farms reconstituted under § 725.63, using yield data for base years 1959–63, shall be determined as follows:

(1) An average yield per acre for each farm for each year of the period 1959 through 1963 shall be determined by dividing the total pounds of Flue-cured tobacco produced on such farm by the total acreage of Flue-cured tobacco harvested from such farm for each respective year.

(2) A simple average of the yields per acre for each farm for the 3 highest years of the 5 consecutive crop years beginning with the 1959 crop year shall be determined. If Flue-cured tobacco was not produced for at least 3 years of the 5-year period, the average of the yields for the years in which tobacco was produced shall be determined. The provisions of subparagraph (4) of this paragraph shall be applied to the simple average of such yields.

(3) If no Flue-cured tobacco was produced on the farm in the 5-year period (1959–63) but the farm is eligible for an allotment because it has tobacco history acreage in the 5-year period (1960–64),

a preliminary farm yield for the farm shall be determined by the county committee taking into consideration (i) the soil and other physical factors affecting the production of tobacco on the farm, and (ii) the preliminary farm yields determined for other farms in the community on which the soil and other physical factors affecting the production of tobacco are similar. If no Fluecured tobacco was produced in the community in the 5-year period (1959–63), the preliminary farm yield shall be appraised on the basis of the soil and other physical factors affecting the production of tobacco on the farm and the preliminary farm yields for similar farms outside the community.

(4) If the simple average of the yields for the farm as determined under subparagraph (2) of this paragraph is (i) as much as 80 percent but not more than 120 percent of the community average yield, the preliminary farm yield shall be the simple average of such yields; (ii) more than 120 percent of the community average yield, the preliminary farm yield shall be the sum of 50 percent of the average of the 3 highest years and 50 percent of the national average yield goal (1,854 pounds) but not less than 120 percent of the community average yield or more than the average of the 3 highest years for the farm; or (iii) less than 80 percent of the community average yield, the preliminary farm yield shall be 80 percent of the community average yield.

(b) *New farms.* The preliminary farm yield for a new farm shall be determined by dividing the farm yield determined in accordance with § 725.59(b) for such farm by the national yield factor applicable for the year in which the new farm allotment was established.

§ 725.58 Determination of farm acreage allotments and effective farm acreage allotments.

(a) *Farm acreage allotments.* The farm acreage allotment shall be determined by multiplying the current year's preliminary farm acreage allotment by the national acreage factor for the current year.

(b) *Effective farm acreage allotment.* The effective farm acreage allotment for the current year shall be determined by adjusting the farm acreage allotment for the current year as follows:

(1) *Upward adjustment.* (i) Add the farm marketing quota and the pounds undermarketed in the preceding marketing year (not to exceed 100 per centum of the preceding year farm marketing quota plus pounds leased to the farm for such year) and divide the result by the current year's farm yield. (ii) Add to the acreage computed under subdivision (i) of this subparagraph the acreage obtained by dividing the pounds leased and transferred to the farm for the current year by the current year's farm yield for the lessee farm.

(2) *Downward adjustment.* The farm acreage allotment, after adjustment under subparagraph (1) of this paragraph, if any, shall be adjusted downward as follows: (i) Subtract from the farm marketing quota the pounds overmarketed in the preceding marketing year (plus additional pounds overmarketed in any prior marketing year for which a reduction in quotas has not been made) and divide the result by the current year's farm yield. (ii) Subtract from the acreage computed under (i) of this subparagraph the (*A*) acreage obtained by dividing the pounds leased and transferred from the farm for the current year by the current year's farm yield for the lessor farm, (*B*) acreage reduced because of insufficient cropland, and (*C*) acreage reduced because of a violation of the marketing quota regulations.

§ 725.59 Determination of farm yields.

(a) *Old farms.* The farm yield for an old farm shall be determined by multiplying the preliminary farm yield for the farm by the national yield factor for the current year.

(b) *New farms.* The farm yield for a new farm shall be that yield, not to exceed the community average yield, which the county committee determines for the farm taking into consideration (1) the soil and other physical factors affecting the production of tobacco on the farm, and (2) the farm yields determined for other farms on which the soil and other physical factors affecting the production of tobacco are similar.

§ 725.60 Determination of effective farm marketing quotas.

The effective farm marketing quota for a farm for the current year shall be the farm marketing quota determined by multiplying the farm acreage allotment for the current year by the farm yield established for the current year, adjusted as follows:

(a) *Upward adjustment.* The farm marketing quota shall be adjusted upward by adding (1) the pounds undermarketed in the preceding marketing year, not to exceed 100 percent of the farm marketing quota for the preceding marketing year, plus pounds leased and transferred to the farm in such year, and (2) the pounds leased and transferred to the farm for the current year.

(b) *Downward adjustment.* The farm marketing quota, after adjustment, if any, under paragraph (a) of this section, shall be adjusted downward by subtracting (1) the pounds overmarketed in the preceding marketing year plus additional pounds overmarketed in any prior marketing year for which a reduction in quota has not been made, (2) the pounds reduced for violation of the tobacco marketing quota regulations for a prior year, (3) the pounds leased and transferred from the farm for the current year and (4) the pounds computed for allotment reduction because of insufficient cropland acreage on the farm.

§ 725.61 Determination of undermarketings and overmarketings for farms with conservation reserve contracts, cropland conversion program agreements, or land covered by a cropland adjustment program agreement.

The farm marketing quota established for a farm, all of which is under a conservation reserve contract or cropland conversion program agreement, or land covered by a cropland adjustment program agreement, including the tobacco acreage, shall be considered as zero for the purpose of determining undermarketings and overmarketings for such farm. For a farm, a part of which is under a conservation reserve contract or cropland conversion program agreement with the permitted acres less than the allotment, the marketing quota determined by multiplying that part of the allotment equal to the permitted acres by the farm yield shall be considered the farm marketing quota for the farm for the purpose of determining undermarketings and overmarketings. Permitted acres as used in this section means the total number of acres which could be devoted to nonconserving or soil bank base crops under the terms of the conservation reserve contract or cropland conversion program agreement.

§ 725.62 Determination of undermarketings and overmarketings for allotments while in eminent domain pool.

The farm marketing quota established for an allotment which is in the eminent domain pool for the current year shall be considered as zero for the purpose of determining undermarketings and overmarketings.

§ 725.63 Determination of allotments and yields for divided farms.

(a) *Allotments.* Farm acreage allotments for divided farms shall be divided pursuant to the provisions of Part 719 of this chapter. History acreages and other basic data shall be apportioned among the divided tracts as provided in Part 719 of this chapter, except as provided in paragraphs (b) and (c) of this section.

(b) *Preliminary farm yields—(1) Where contribution method is used.* Where a tract is separated from the parent farm and the tobacco acreage allotment is divided by the contribution method, the preliminary farm yield shall be determined as follows:

(i) Where a preliminary farm yield was established for the tract prior to the time the tract became part of the parent farm such yield shall be the preliminary farm yield for the tract.

(ii) Where the tract is one for which a preliminary farm yield has never been established and one which was not a separate farm in one or more years of the period 1959 through 1963, the preliminary farm yield shall be the same as the preliminary farm yield for the parent farm.

(iii) Where the tract is (*a*) one for which a preliminary farm yield has never been established, and (*b*) one which was a separate farm in one or more years of the period 1959 through 1963, the preliminary farm yield shall be determined in accordance with procedure in § 725.57, using the community average yield for the community in which the tract is located under the provisions of § 725.52. In determining the preliminary farm yield, the yield per acre for the parent farm shall be used for those years of the period 1959 through

1963 the tract was part of the parent farm and the yield per acre for the tract when it was a separate farm shall be used in the remaining years.

(2) *Where the contribution method is not used.* When a farm is divided and the allotments are divided by any method other than the contribution method, the preliminary farm yield for such tract shall be the same as the preliminary farm yield established for the parent farm.

(c) *Farm yield.* The farm yield for a tract separated from a parent farm by division shall be determined by multiplying the preliminary farm yield by the national yield factor for the current year.

§ 725.64 Determination of allotments and yields for combined farms.

(a) *Allotments.* Farm acreage allotments and history acreages and other basic data for combined farms shall be computed for the base period in accordance with Part 719 of this chapter, except as provided in paragraph (b) of this section.

(b) *Yields.* The farm yield for a combined farm shall be the weighted average of the farm yields established for the parent farms. The preliminary farm yield for the combined farm shall be determined by dividing the farm yield for the combined farm by the national yield factor for the current year.

§ 725.65 Determination of undermarketings and overmarketings for reconstituted farms.

(a) *Divisions.* Undermarketings and overmarketings of the parent farms shall be apportioned among the divided tracts in the same ratio as the marketing quotas are established for the divided tracts.

(b) *Combinations.* Undermarketings of the parent farm shall be the total undermarketings of the combined farms and overmarketings of the parent farm shall be the total overmarketings of the combined farms.

§ 725.66 Correction of errors and adjusting inequities in acreage allotments for old farms.

(a) *General.* Notwithstanding the limitations contained in any other section of this subpart, the farm acreage allotment established for an old farm may be increased to correct an error or adjust an inequity if the county committee determines, with the approval of a representative of the State committee, that the increase is necessary to establish an allotment for such farm which is fair and equitable in relation to the allotments for other old farms in the community in which the farm is located. The reserve acreage for adjusting allotments under this paragraph will be prorated based on the relationship of each State's preliminary acreage allotment to the national total. The national office will advise State offices of the amount. Correction of errors shall be made out of the reserve acreage before allotments are adjusted for inequities.

(b) *Basis for adjustment.* Acreage increases to adjust inequities in acreage allotments shall be made on the basis of the past acreage of tobacco, making due allowances for drought, flood, hail, other abnormal weather conditions, plant bed, and other diseases; land, labor, and equipment available for the production of tobacco; crop rotation practices; and the soil and other physical factors affecting the production of tobacco. Not to exceed 1 percent of the national acreage allotment minus that part of the national reserve set aside for establishing new farm allotments shall be made available for adjusting inequities and correction of errors. The total of all adjustments in old farm allotments under this paragraph shall not exceed the acreage apportioned the county for such purpose. The sum of adjustments for farms in the county owned, operated, or controlled by the State, county, and community committeemen and the county office manager, shall not be larger in relation to the sum of the preceding year's allotments for such farm than the sum of the adjustments for other farms in the county in relation to the preceding year's allotments for such farms.

(c) *CR, CCP, and CAP farms.* The allotment for a farm under a conservation reserve contract or a farm under a cropland conversion program agreement, or land under a cropland adjustment program agreement shall be given the same consideration under this section as the allotments for other old farms.

(d) *Approved acreage.* Acreage approved for a farm under this section becomes a part of the farm acreage allotment. The farm marketing quota for such farm shall be adjusted by multiplying the adjusted farm acreage allotment by the farm yield.

§ 725.67 Time for making reduction of acreage allotment for violation of the marketing quota regulations.

Any reduction in the farm acreage allotment for a farm for the current year required for any of the reasons provided in § 725.98 shall be made no later than April 1 of the current year. If the reduction is not made by such date for the current year, the reduction shall be in the farm acreage allotment next established for the farm, but no later than by April 1 in the subsequent year: *Provided,* That no reduction shall be made in the acreage allotment for any farm for a violation if the acreage allotment for such farm for any prior year was reduced on account of the same violation.

§ 725.68 Allotments and yields for farms acquired under right of eminent domain.

(a) *Allotments and marketing quotas.* The determination of allotments for farms acquired by an agency having the right of eminent domain, the transfer of such allotments to a pool, and reallocation from the pool shall be administered as provided in Part 719 of this chapter. Where all or a part of an allotment is pooled, all or a proportionate part of the farm marketing quota shall be pooled.

(b) *Yields for receiving farms.* The farm yield for a farm to which pooled acreage allotment and marketing quota are transferred shall be determined by dividing the farm marketing quota (including the transferred farm marketing quota) by the farm acreage allotment (including the transferred farm acreage allotment). The preliminary farm yield shall be determined by dividing the farm yield by the national yield factor for the current year.

(c) *Undermarketings and overmarketings.* Undermarketings of the farm acquired by eminent domain shall be added to the marketing quota for the receiving farm and overmarketings of the acquired farm shall be subtracted from the marketing quota of the receiving farm.

(d) *Release and reapportionment.* The displaced owner of a farm may, not later than April 1 of the current year, release in writing to the county committee for the current year all or part of the acreage for the farm in a pool under Part 719 of this chapter for reapportionment for the current year by the county committee to other farms in the county having allotments for Flue-cured tobacco. The marketing quota for the pooled acreage shall be adjusted downward by the amount determined by multiplying the acreage released by the farm yield for the farm acquired by eminent domain. The county committee may reapportion, not later than May 1 of the current year, the release acreage or any part of it to other farms in the county on the basis of past acreage of tobacco, land, labor, and equipment available for the production of tobacco, crop rotation practices, and soil and other physical factors affecting the production of tobacco. The marketing quota for the farm to which released acreage is reapportioned shall be adjusted upward by multiplying the reapportioned acreage by the farm yield for such farm. The allotment acreage reapportioned shall not, for purposes of establishing future farm allotments, be regarded as planted on the farm to which the allotment was reapportioned. No release and reapportionment of allotment acreage hereunder shall be the result of any private negotiations between individuals. Any acreage released shall be released to the county committee and such acreage shall be reapportioned only by the county committee.

§ 725.69 Determination of acreage allotments for new farms.

(a) *Basic.* The acreage allotment, other than an allotment made under § 725.68, for a new farm shall be that acreage which the county committee, with approval of the State committee, determines is fair and reasonable for the farm taking into consideration the past tobacco experience of the farm operator, the land, labor, and equipment available for the production of tobacco; crop rotation practices; and the soil and other physical factors affecting the production of tobacco: *Provided,* That the acreage allotment so determined shall not exceed

50 percent of the average of the acreage allotments established for two or more but not more than five old tobacco farms which are similar with respect to land, labor, and equipment available for the production of tobacco, crop rotation practices and the soil and other physical factors affecting the production of tobacco.

(b) *Conditions.* Notwithstanding any other provision of this section, a tobacco acreage allotment shall not be established for any new farm unless each of the following conditions has been met:

(1) The farm shall be operated by the owner thereof. A person who owns only part of a farm cannot be considered the owner of the farm except that both husband and wife shall be considered the owner of the farm if the farm is jointly owned by such husband and wife.

(2) The farm covered by the application shall be the only farm in the United States owned or operated by the farm operator for which a Burley, Flue-cured, Fire-cured, dark Air-cured, Virginia sun-cured, Maryland, Cigar-filler (type 41); Cigar-filler and binder (types 42, 43, 44, 53, 54, and 55) tobacco acreage allotment is established for the current year.

(3) The farm shall not have an allotment for the current year for any of the kinds of tobacco listed in subparagraph (2) of this paragraph, other than the allotment requested in the application.

(4) The available land, type of soil, topography of the land on the farm for which the allotment is requested is suitable for the production of Flue-cured tobacco requested in the application and the production of Flue-cured tobacco on the farm ordinarily will not result in an undue erosion hazard under continuous production.

(5) The operator shall own, or otherwise have readily available, adequate equipment and the other facilities of production (including irrigation water) necessary to the successful production of Flue-cured tobacco.

(6) (i) The operator shall expect to obtain during the current year more than 50 percent of his income from the production of agricultural commodities or products from the farm for which the new farm allotment application is filed. In making this computation of income from the farm, no value will be allowed for the estimated return from the production of the requested allotment. However, in addition to the value of agricultural products sold from the farm, credit will be allowed for the estimated value of home gardens, livestock and livestock products, poultry, or other agricultural products produced for home consumption or other use on the farm. Where the farm operator is a partnership, each partner must expect to obtain, during the current year, more than 50 percent of his income from agricultural commodities or products from the farm; where the farm operator is a corporation, it must have no major corporate purpose other than operation and ownership, where applicable, of such farm, and the officers and general manager of the corporation must expect to obtain more than 50 percent of their income, including dividends and salary, from the corporation. (ii) When the farm operator is a low-income farmer, the county committee may waive the income provision in subdivision (i) of this subparagraph if it determines that the farm operator's income, from both farm and nonfarm sources, is so low that it will not provide a reasonable standard of living for the operator and his family, and a State committee representative approves such action. The county committee must exercise good judgment to see that its determination is reasonable in the light of all pertinent factors and that this special provision is made applicable only to those who qualify. In making its determination, the county committee shall consider such factors as size and type of farming operations, estimated net worth, estimated gross family farm income, estimated family off-farm income, number of dependents, and other factors affecting the individual's ability to provide a reasonable standard of living for himself and his family.

(7) The farm operator shall have had experience in producing, harvesting, and marketing Flue-cured tobacco either as a sharecropper, tenant, or farm operator during at least 2 of the 5 years immediately preceding the year for which the new farm allotment is requested. If the applicant was in the armed services during any part or all of the 5-year period, the experience period shall be expanded, year for year, for each year of military service during such 5-year period. The production of Flue-cured tobacco on a farm for which no farm acreage allotment for such kind of tobacco was established shall not be deemed as experience in growing tobacco for this purpose.

(8) A written application is filed by the farm operator at the office of the county committee on or before February 15 of the calendar year for which the application is made.

(9) The farm shall not include land returned to agricultural production after being acquired by an agency having the right of eminent domain if the entire tobacco allotment for the land was pooled pursuant to Part 719 of this chapter until after a date 5 years from the date the former owner was displaced from the land acquired by eminent domain.

(10) A farm which includes land which has no tobacco acreage allotment because the owner did not designate a tobacco allotment for such land when the parent farm was reconstituted pursuant to Part 719 of this chapter, shall not be eligible for a new farm tobacco allotment for a period of 5 years beginning with the year in which the farm reconstitution becomes effective.

(11) The farm operator must not have been approved for a new farm tobacco allotment during the preceding 3 years.

(c) *Downward adjustment.* The acreage allotments established as provided in this section shall be subject to such downward adjustment as is necessary to bring the total of such allotments within the total acreage available for allotments to all new farms.

(d) *Basis for cancellation.* Any improperly established new farm allotment is subject to cancellation under the provision in § 725.98.

§ 725.70 Approval of allotments and marketing quotas, and notices to farm operators.

(a) *Review by State committee.* All farm acreage allotments, yields, and marketing quotas shall be determined by the county committee of the county in which the farm is located and shall be reviewed by a representative of the State committee. The State committee may revise or require revision of any determination made under these regulations. All acreage allotments, yields, and marketing quotas shall be approved by a representative of the State committee, and no official notice of acreage allotment and marketing quota shall be mailed to a farm operator until such allotment and marketing quota has been so approved, except that revised notices without such prior approval may be mailed in cases (1) resulting from reconstitutions that do not involve the use of additional acreage or marketing quota, or (2) of allotment reductions due to failure to return marketing cards where a satisfactory report of disposition of tobacco is not otherwise furnished.

(b) *Notice to farm operator.* An official notice of the effective farm acreage allotment and effective farm marketing quota shall be mailed to the operator of each farm shown by the records of the county committee to be entitled to an allotment. The notice to the operator of the farm shall constitute notice to all persons who as operator, landlord, tenant, or sharecropper are interested in the farm for which the allotment is established. All such notices shall bear the actual or facsimile signature of a member of the county committee. The facsimile signature may be affixed by a county committeeman or an employee of the county office. Insofar as practical, all notices shall be mailed in time to be received prior to the date of any tobacco marketing quota referendum. A copy of such notice containing thereon the date of mailing or a printout summary of such data shall be maintained for not less than 30 days in a conspicuous place in the county office and shall thereafter be kept available for public inspection in the office of the county committee. A copy of the notice of allotment and marketing quota certified as true and correct shall be furnished without charge to any person interested in the farm for which the allotment is established.

(c) *Mailing notices.* If the records of the county committee indicate that the acreage allotment and marketing quota established for any farm may be changed because of (1) a violation of the marketing quota regulations for prior marketing year, (2) removal of the farm from agricultural production, (3) division of the farm, or (4) combination of the farm, the mailing of the notices may be delayed: *Provided*, That the notice of allotment and marketting quota for any

farm shall be mailed no later than April 1 of the current year.

(d) *Allotment erroneous notice.* If the official written notice of the farm acreage allotment and marketing quota issued for any farm erroneously stated an acreage allotment larger than the correct effective farm acreage allotment, the acreage allotment shown on the erroneous notice shall be deemed to be the tobacco acreage allotment for the farm for the current marketing year only, if the county committee determines (with approval of the State executive director) that (1) the error was not so gross as to place the operator on notice thereof, and (2) that the operator, relying upon such notice and acting in good faith, planted an acreage of tobacco in excess of the correct effective farm acreage allotment.

(e) *Marketing quota erroneous notice.* If the official notice of acreage allotment and marketing quota issued for a farm erroneously stated a marketing quota larger than the correct effective farm marketing quota, the marketing quota shown on the erroneous notice shall be deemed to be the marketing quota and the basis for marketing quota penalty computation for the farm for the current marketing year only, if the county committee determines (with approval of the State executive director) that (1) the error was not so gross as to place the operator on notice thereof, and (2) that the operator, relying upon such notice and acting in good faith, planted tobacco on the farm and was not notified of the correct farm marketing quota prior to planting the tobacco. Undermarketings and overmarketings for farms for which the erroneous notice of marketing quota is applied shall be determined based on the correct effective farm marketing quota for the farm.

§ 725.71 Application for review.

(a) *If marketing quotas are in effect.* Any producer who is dissatisfied with the farm acreage allotment and farm marketing quota established for his farm may, within 15 days after mailing of the official notice of the farm acreage allotment and marketing quota, file application in writing with the ASCS county office to have such allotment and quota reviewed by a review committee. The procedure governing the review of farm acreage allotments and marketing quotas is contained in Part 711 of this chapter, which is available at the ASCS county office.

(b) *If marketing quotas are not in effect.* Any producer who is dissatisfied with the farm acreage allotment may request reconsideration of such allotment in accordance with Part 780 of this chapter, Appeal Regulations, and amendments thereto, which are available in the county ASCS office.

§ 725.72 Lease and transfer of tobacco marketing quotas.

(a) *Farms eligible.* For the crop year 1970, notwithstanding the provisions of §§ 725.51 through 725.71, but subject to the limitations provided in this section, the owner and operator (acting together if different persons) of any farm for which an old farm tobacco acreage allotment is established for the current year may lease and transfer all or any part of the farm marketing quota established for such farm to any other owner or operator of a farm in the same county with a current year's allotment (old or new farm) for Flue-cured tobacco for use on such farm. The allotment established for a farm as pooled allotment under Part 719 of this chapter may be leased and transferred during the 3-year life of the pooled allotment. The lease and transfer of marketing quotas shall be recognized and considered valid by the county committee subject to the conditions set forth in this section.

(b) *Annual agreement.* Any lease shall be made on an annual basis and on such terms and conditions, except as otherwise provided in this section, as the parties thereto agree.

(c) *Filing an approval of lease.* The lease and transfer of an effective farm marketing quota or any part thereof shall not be effective until a copy of the lease, determined by the county committee to be in compliance with the provisions of this section, is filed with the county committee not later than April 1 of the current year, except that a lease shall be effective if (1) the county committee, with the approval of the State executive director, finds that it was agreed upon no later than April 1 of the current year, and (2) the terms of the lease, in writing, are filed with the county committee no later than July 31 of the current year. The approval herein required by the county committee shall not be redelegated.

(d) *Marketing quota basis for lease and transfer.* Marketing quota, pound for pound, shall be the basis for lease and transfer under the acreage-poundage program. The computed acreage for pounds leased and transferred to a lessee farm (the sum of its own allotment and the upward adjustment in acreage for lease and transfer) shall not exceed 50 per centum of the cropland acreage in the lessee farm. The maximum marketing quota that may be leased and transferred from a farm shall be limited to effective farm marketing quota for the lessor farm.

(e) *Adjustment of acreage allotment.* The acreage allotment for a farm involved in a lease and transfer agreement shall be adjusted as follows:

(1) The acreage allotment for the lessee farm shall be adjusted upward by the number of acres obtained by dividing the pounds leased and transferred to the farm by the current year's farm yield for the lessee farm.

(2) The acreage allotment for the lessor farm shall be adjusted downward by the number of acres obtained by dividing the pounds leased and transferred from the farm by the current year's yield for the lessor farm.

(f) *Allotment acreage considered fully planted.* For purpose of establishing allotments for subsequent years, the tobacco acreage computed for pounds leased and transferred from a lessor farm shall be considered to have been planted on the lessor farm.

(g) *Marketing quota for a new farm.* Marketing quota established for a new farm shall not be leased or transferred.

(h) *Farms under long-term land use programs.* Transfer of an allotment and quota to or from a farm covered by a Conservation Reserve Program (CR) contract, Cropland Adjustment Program (CAP) agreement, or Cropland Conservation Program (CCP) agreement shall be subject to the following conditions:

(1) *CR and CCP (1964–65).* A lease and transfer of an allotment and quota may be approved to or from any farm under a CR contract or 1964–65 CCP agreement.

(2) *CAP, and CCP (1966 and 1967).* A lease and transfer of an allotment and quota to or from a farm covered by a CAP agreement or a 1966 CCP agreement or 1967 CCP agreement shall not be approved if the transferring or receiving farm has the allotment crop base designated under such program agreement. Any transfer of an allotment and quota hereunder shall be made subject to an appropriate adjustment in the rates of payment under such contract or agreement in accordance with instructions issued by the Deputy Administrator but no adjustment shall be made in the contract or agreement of the farm to which the allotment and quota are transferred.

(i) *Pooled allotments.* Marketing quotas established for allotments in a pool pursuant to Part 719, including allotments which have been released to the county committee and reapportioned to other farms, shall not be eligible for lease and transfer.

(j) *No subleasing.* Any leased marketing quota shall not be subleased to another farm.

(k) *Revised notices.* A revised notice (Form ASCS–375, Notice of Revised Acreage Allotment and Marketing Quota) showing the effective farm acreage allotment and effective farm marketing quota after lease and transfer shall be issued by the county committee to each of the operators of all farms involved in the lease and transfer agreement.

(l) *Violations.* If consideration of a violation is pending which may result in an allotment reduction for a farm for the current year, the county committee shall delay approval of any lease and transfer until the violation is cleared or the allotment reduction is made. However, if the allotment reduction in such a case cannot be made effective for the current crop year before April 1, the lease may be approved by the county committee. In any case, if, after a lease and transfer of a tobacco marketing quota has been approved by the county committee, it is determined that the allotment for the farm from which or to which the marketing quota is leased is to be reduced for a violation, the allotment reduction for such farm shall be delayed until the following year.

(m) *Zero allotment and zero marketing quota farms.* If the effective farm acreage allotment and effective farm

marketing quota for a farm for the current year are reduced to zero for violation of the tobacco marketing quota regulations, no marketing quota for Fluecured tobacco may be leased to such farm for the current year.

(n) *Approval after review period.* No lease shall be approved by the county committee for any farm involved in a lease and transfer agreement until the time for filing an application for review, as shown on the original notice for the farm, has expired. If an application for review is filed for a farm involved in a lease and transfer agreement, such agreement shall not be approved by the county committee until the allotment for such farm is finally determined pursuant to Part 711 of this chapter.

(o) *Marketing quota after lease and transfer approval.* The acreage allotment and marketing quota finally determined (after lease and transfer) for a farm under the provisions of this section shall be the allotment and marketing quota for such farm for the current year only for the purposes of determining (1) excess acreage, (2) the amount of penalty to be collected on marketings of excess tobacco, (3) eligibility for price support, (4) undermarketings and overmarketings, and (5) the amount of reduction in allotment and quota for violation of the tobacco marketing quota regulations. The amount of reduction determined as applicable when the violation occurred shall be applied to the allotment being reduced prior to any lease and transfer.

(p) *Dissolution of leasing agreement.* An agreement to lease and transfer may be dissolved at the request of all parties to the leasing agreement by so notifying the county committee in writing not later than April 1 of the current year, except that the dissolution of a lease shall be effective if (1) the county committee, with the approval of the State executive director, finds that it was agreed upon no later than April 1 of the current year, and (2) the terms of the dissolution, in writing, are filed with the county committee no later than July 31 of the current year. In such a case, an official notice of the effective farm acreage allotment and effective farm marketing quota, disregarding lease and transfer, shall be issued by the county committee to each of the operators involved in the leasing agreement. If the request to dissolve the lease is made after the applicable closing date, the acreage allotment and marketing quota resulting from the lease and transfer shall remain in effect.

(q) *Reconstitutions after lease and transfer.* Allotments for reconstituted farms shall be divided or combined in accordance with Part 719 of this chapter. For this purpose, the farm acreage allotment being divided or combined for a farm in the current year shall be the allotment after lease and transfer has been made. For the following year, that part of the acreage allotment computed for pounds leased shall revert to the farm from which it was transferred. Notwithstanding the above, in the case of division, the county committee may allocate, under Part 719 of this chapter, the leased quota involved to the tracts involved in the division as the farm operators interested in such tracts agree in writing.

§ 725.73 Determining tobacco history acreages.

Tobacco history acreage shall be determined for each farm for which a tobacco farm acreage allotment has been established for the current year.

(a) *Farm acreage allotment fully preserved.* The farm acreage allotment is fully preserved as tobacco history acreage for the current year if:

(1) In the current year or either of the 2 preceding years, (i) the sum of (*a*) the final tobacco acreage as determined under Part 718 of this chapter, (*b*) the acreage computed for pounds leased and transferred from the farm under lease and transfer provisions, (*c*) acreage reduced because of insufficient cropland acreage, (*d*) and the acreage regarded as planted to tobacco under the conservation programs and practices determined pursuant to Part 719 of this chapter, was as much as 75 per centum of the farm's history allotment (basic allotment minus acreage reduced for (*a*) overmarketings and (*b*) violation of marketing quota regulations), or (ii) the farm acreage allotment is or was in the eminent domain allotment pool; or

(2) The farm consists of federally owned land for which a restrictive lease is in effect prohibiting the production of tobacco.

(b) *Computed history acreage.* If the farm acreage allotment is not fully preserved as tobacco history acreage under paragraph (a) of this section, the tobacco history acreage shall be the sum of the acreage (not to exceed the farm acreage allotment) as follows:

(1) Final tobacco acreage.

(2) Acreage computed for pounds leased and transferred from the farm.

(3) Acreage reduced because of insufficient cropland acreage.

(4) Acreage regarded as planted to tobacco under the conservation programs and practices.

(c) *Adjustment of tobacco history acreage for abnormal weather or disease.* If the county committee determines (with the approval of a representative of the State committee) that for any year the sum of the final tobacco acreage, the acreage computed for pounds leased and transferred from the farm under the lease and transfer provisions, acreage reduced because of insufficient cropland acreage, and the acreage regarded as planted to tobacco under the conservation programs and practices is less than 75 per centum of the farm acreage allotment (after any reduction for violation of the marketing quota regulations and adjustment for overmarketings) because of abnormal weather or disease, the tobacco history acreage for such year shall be adjusted to become the smaller of (1) the farm acreage allotment, or (2) the sum of the (i) final tobacco acreage for the farm, (ii) the acreage computed for pounds leased and transferred from the farm, (iii) acreage reduced because of insufficient cropland acreage, (iv) the acreage regarded as planted to tobacco under the conservation programs and practices, and (v) if the farm operator makes a written request of the county committee not later than August 1 of the crop year involved, the additional acreage which the county committee determines (with the approval of a representative of the State committee) would have been included in the final acreage if the weather had been normal, or there had been no disease. Any adjustment in tobacco history acreage because of abnormal weather or disease shall not be considered as acreage devoted to tobacco in determining whether or not 75 percent of the farm acreage allotment is planted.

(d) *Zero allotment farms.* Any acreage planted to tobacco on a farm for which a farm acreage allotment of zero was established shall not be credited with any tobacco history acreage.

(e) *Allotments in eminent domain pool.* The farm acreage allotments in the eminent domain pool, as provided in Part 719 of this chapter, shall be considered fully planted during the years in the pool, including any year in which the pooled allotment is released by the displaced owner to the county committee for reapportionment to other farms in the county. The tobacco history acreage shall be the same as the pooled allotment.

(f) *All history acreage is restored history acreage.* A farm shall be considered to have no tobacco history acreage during the base period and shall not be considered an old farm if the only tobacco history acreage computed for the farm during the base period consists of tobacco history acreage restored for reduction of the farm acreage allotment for violation of the tobacco marketing quota regulations.

(g) *Tobacco history acreage for new farms.* The tobacco history acreage for a farm for the year it received an allotment as a new farm shall be the same as the new farm allotment if as much as 75 percent of the allotment is planted in such year. If less than 75 percent of the new farm allotment is planted, the tobacco history acreage shall be the same as the planted acreage. No adjustment for abnormal weather or disease shall be made in the tobacco history acreage for a farm for the year it was a new farm.

§ 725.74 Transfer of farm marketing quotas.

There shall be no transfer of farm marketing quotas except as provided in §§ 725.72, 725.76, and Part 719 of this chapter.

§ 725.75 Reduction in farm allotment because of cropland limitation.

The allotment determined for any farm under these regulations may be reduced for the current year if the sum of the feed grain base, total allotments, and sugar proportionate shares exceeds the cropland for the farm for the current year and the farm operator requests in writing to reduce the tobacco allotment in lieu of the feed grain base: *Provided,*

That such reduction shall not exceed the acreage by which the sum of the feed grain base, total allotments, and sugar proportionate shares exceeds the cropland for the farm: *Provided further*, That such reduction shall be effective for the current year only. For purposes of establishing future farm allotments, the acreage not planted under the farm allotment because of reduction under this paragraph shall be regarded as planted on the farm.

§ 725.76 Transfer of tobacco farm acreage allotment for farms affected by a natural disaster.

(a) *Designation of counties affected by a natural disaster.* The Deputy Administrator shall determine for any year beginning with the 1970 crop, those counties affected by a natural disaster (including but not limited to hurricane, rain, flash flood, hail, drought, and any other severe weather) which prevents the timely planting or replanting of any or all of the tobacco acreage allotments for any farm in the county. The county committee shall post in the county office a notice of any such determination affecting the county and, to the extent practicable, shall give general publicity in the county to such determination.

(b) *Application for transfer.* The owner or operator of a farm in a county designated for any year under paragraph (a) of this section may file a written application for transfer of tobacco acreage within the farm tobacco allotment for such year to another farm or farms in the same county or in an adjoining county in the same or another State if such acreage cannot be timely planted or replanted because of the natural disaster determined for such year. The application shall be filed with the county committee for the county in which the farm affected by such disaster is located. If the application involves a transfer to an adjoining county, the county committee for the adjoining county shall be consulted before action is taken by the county committee receiving the application.

(c) *Amount of transfer.* The acreage to be transferred shall not exceed the smaller of (1) the farm allotment established under this part less such acreage planted to tobacco and not destroyed by the natural disaster, or (2) the acreage requested to be transferred.

(d) *County committee approval.* The county committee shall approve the transfer if it finds that the following conditions have been met:

(1) All or part of the farm allotment for the farm from which the acreage is to be transferred could not be timely planted or replanted because of the natural disaster and planting was not prohibited by the lease in the case of lands owned by the Federal Government.

(2) One or more of producers of tobacco on the farm from which the acreage is to be transferred will be a bona fide producer engaged in the production of tobacco on the farm to which the acreage is to be transferred and will share in the crop or in the proceeds of the tobacco.

(e) *Cancellation of transfers.* If a transfer is approved under this section and it is later determined that the conditions in paragraph (d) of this section have not been met, the county committee, State committee, or the Deputy Administrator may cancel such transfer. Action by the county committee to cancel a transfer shall be subject to the approval of the State committee or its representative.

(f) *Acreage history credits and eligibility as an old tobacco farm.* Any acreage transferred under this paragraph shall be considered for the purpose of determining future allotments to have been planted to tobacco on the farm from which such allotment is transferred.

(g) *Closing dates.* The closing date for filing applications for transfers with the county committee shall be July 15 of the current year. Notwithstanding such closing date requirement, the county committee may accept applications filed after the closing date upon a determination by the county committee that the failure to timely file an application was the result of conditions beyond the control of the applicant and a representative of the State committee approves such determination.

§§ 725.77–725.84 [Reserved]

IDENTIFICATION OF TOBACCO, MARKETING AND OTHER DISPOSITION OF TOBACCO, AND PENALTIES

§ 725.85 Identification of kinds of tobacco.

(a) *Similar tobacco.* Any tobacco that has similar appearance and growth characteristics while growing in a field on a farm, or any cured tobacco that has the same characteristics and corresponding qualities, colors and lengths, of Fluecured tobacco shall be considered Fluecured tobacco without regard to any factors of historical or geographical nature which cannot be determined by examination of the tobacco.

(b) *Discovering and identifying similar tobacco.* For the purpose of discovering and identifying tobacco subject to marketing quotas, the term "tobacco" with respect to any farm located in an area in which one or more of a kind and type of tobacco classified in Service and Regulatory Announcement No. 118 (Part 30 of this title) of the former Bureau of Agricultural Economics of the U.S. Department of Agriculture, is normally produced shall include all acreage of tobacco on a farm unless the county committee with the approval of the State committee (1) determines all or part of such acreage should not be considered as Flue-cured tobacco under paragraph (a) of this section, or (2) determines from satisfactory proof furnished by the operator of the farm that a part or all of the production of such acreage has been certified by the Consumer and Marketing Service, U.S. Department of Agriculture, under the Tobacco Inspection Act (7 U.S.C. 511), and regulations issued pursuant thereto, as a kind of tobacco not subject to marketing quotas.

§ 725.86 Disposition of tobacco produced on excess acres.

Disposition of tobacco produced on excess acreage prior to harvest shall be subject to the provisions of Part 718 of this chapter.

§ 725.87 Issuance of marketing cards.

(a) *General.* (1) A marketing card (MQ–76) shall be issued for the current marketing year for each farm having tobacco available for marketing. Cards shall be issued in the name of the farm operator except that (i) cards issued for tobacco grown for experimental purposes only shall be issued in the name of the experiment station, and (ii) cards issued to a successor-in-interest shall be issued in the name of the successor-in-interest. The face of the marketing card may show the name of other interested producers. For cards issued in North Carolina, South Carolina, and Virginia, the card shall show the harvested acreage on the face of the card. A marketing card may be issued in the name of a producer who is not the farm operator if the county committee determines pursuant to the procedure in subparagraph (2) of this paragraph that such producer has been or likely will be deprived of the right to use the marketing card issued for the farm to market his proportionate share of the crop.

(2) If the county committee has reason to believe that one or more producers on the farm have been or likely will be deprived of the right to use such marketing card to market his or their proportionate shares of the crop, a hearing shall be scheduled by the county committee and the operator of the farm and the producer or producers involved shall be invited to be present, or to be represented, at which time they shall be given the opportunity to substantiate their claims concerning the use of the farm marketing card to market each such producer's proportionate share of the effective farm marketing quota for such crop. At least two members of the county committee shall be present at the hearing. The hearing shall be held at the time and place named in the notice. A summary of the evidence presented at the hearing shall be prepared for use of the county committee. If the farm operator or other producer(s) on the farm do not attend the hearing, or are not represented, the county committee may take whatever action it deems proper on the basis of information available to it. If the county committee finds that any producer on the farm has been or likely will be deprived of the right to use the marketing card issued for the farm to market his proportionate share of the crop, the marketing card issued for the farm shall be recalled and a separate marketing card, showing 110 percent of the producer's proportionate share of effective farm marketing quota shall be issued to each such producer who it is determined has been or likely will be deprived of the opportunity to market his proportionate share of the crop and another marketing card (or other cards if considered preferable by the county

committee) shall be issued showing 110 percent of the balance of the effective farm marketing quota to enable the other producers on the farm to market their proportionate shares. The marketing cards issued pursuant to this subparagraph shall reflect the proportionate pounds, if any, already marketed by each producer.

(b) *Person authorized to issue marketing cards.* The county executive director shall be responsible for the issuance of marketing cards.

(c) *Rights of producers and successors-in-interest.* (1) Each producer having a share in the tobacco available for marketing from a farm shall be entitled to the use of the marketing card for marketing his proportionate share.

(2) Any person who succeeds, other than as a dealer, in whole or in part to the share of a producer in the tobacco available for marketing from a farm, shall, to the extent of such succession, have the same rights to the use of the marketing card and bear the same liability for penalties as the original producer.

(d) *Farms not eligible for price support.* The marketing card issued for a farm shall have the notation "No Price Support" where either of the following conditions exist:

(1) The farm is determined not to be in compliance with the tobacco allotment therefor under the provisions of Part 718 of this chapter.

(2) Tobacco is produced on land owned by the Federal Government in violation of a lease restricting the production of tobacco, even though the allotment for the farm is not exceeded.

(e) *Cards for tobacco grown by publicly owned experiment stations.* A marketing card shall be issued to identify tobacco grown for experimental purposes by or for publicly owned experiment stations.

(f) *Farm quota data entered on marketing card and supplemental card.* (1) Any marketing card issued to market tobacco shall show when issued, in the spaces provided on the reverse side, (i) the pounds computed by multiplying 10 percent times the effective farm marketing quota, and (ii) the pounds computed by multiplying 110 percent times the effective farm marketing quota: *Provided*, That if the tobacco available for marketing from the farm is determined by the county committee or the county office manager to be less than the effective farm marketing quota, the pounds determined to be available for marketing, for purposes of issuing a marketing card and showing thereon the farm's 10 percent and 110 percent of quota data, be considered the effective farm marketing quota for the farm: *Provided further*, That if any producer on the farm shows to the satisfaction of the county committee or county executive director that there are available for marketing from the farm pounds of tobacco above the pounds considered as the effective farm marketing quota under the proviso above, the data shown on the marketing card shall be increased accordingly but not to exceed the pounds which were or would have been computed under subparagraph (1) of this paragraph.

(2) Where the farm operator requests it, a supplemental marketing card bearing the same name and identification as shown on the original marketing card may be issued for a farm upon return to the county office of an original marketing card or a supplemental marketing card. The pounds computed as 10 percent of the effective farm marketing quota shall be entered in the spaces provided on reverse side of the marketing card and the balance of 110 percent of quota from prior marketing card shall be shown in the first space on the card.

(3) Two or more marketing cards may be issued for a farm if the farm operator so requests in writing and specifies in writing the number of pounds to be assigned to each card. In such cases, (i) each marketing card shall show 10 percent of the assigned quota in the space "10 percent of quota", and (ii) each marketing card shall show the assigned quota plus 10 percent of such assigned quota in the space "110 percent of quota".

(4) If, when authorized under Part 1421 of this title, a producer requests and obtains from the county committee an interim advance of CCC funds on part or all of his Flue-cured tobacco crop prior to marketing thereof, the estimated quantity of tobacco upon which the interim advance was made shall be entered in parentheses on the reverse side of the marketing card in the space for recording sales. Any poundage balance of the "110 percent of quota" data shall be entered below the estimated pounds upon which an interim advance was made.

(g) *Marketing cards for producers of registered or certified Flue-cured tobacco seed.* Any producer of registered or certified Flue-cured tobacco seed may devote Flue-cured tobacco acreage to seed production without such tobacco being charged against the farm's allotment, affecting the farm's eligibility for price support or affecting the farm's status in determining marketing penalties. A marketing card may be issued for a farm without regard to the tobacco acreage which is being produced for seed purposes if an agreement is signed by the farm operator, and the producer if different from the operator, which provides:

(1) For the destruction of all tobacco produced on the acreage designated for seed production and that no tobacco produced on such acreage will be harvested.

(2) (i) For paying the cost of compliance visits to a farm by representatives of the county committee under Part 718 of this chapter in connection with the determination of the acreage designated for seed production. During the first compliance visit to the farm the acreage designated for seed production shall be determined and staked off.

(ii) The producer(s) signing the agreement shall agree to timely notify the county office when the tobacco seed has been harvested so that arrangements can be made for a representative of the county committee to determine that no acreage designated for seed production has been harvested and to witness destruction of the tobacco leaves.

(3) That the planting of the tobacco acreage for seed production will not create history acreage for the purpose of establishing future farm allotments.

(4) That if the county committee determines that any of the terms and conditions of the agreement have been violated or any material misrepresentation in connection with the agreement has been made, any marketing card issued for the farm in recognition of the agreement shall be recalled and canceled, and a marketing card shall be issued to reflect all the tobacco produced on the farm and that the tobacco produced on the farm is not eligible for price support.

§ 725.88 Claim stamping and replacing marketing cards.

(a) *Stamping to show claims.* (1) If any producer on a farm is indebted to the United States and such indebtedness is listed on the county debt record, the face of the marketing card issued for the farm shall bear the notation "U.S. Claim" followed by the amount of indebtedness. The name of the indebted producer, if different from the farm operator, shall be recorded directly under the claim notation. A notation showing indebtedness to the United States shall constitute notice to any warehouseman or loan organization that, subject to prior liens, the net proceeds from any price support loan due the debtor shall be paid to the United States to the extent of the indebtedness shown. The acceptance and use of a marketing card bearing a notice and information of indebtedness to the United States shall not constitute a waiver by the producer of any right to contest the validity of such indebtedness by appropriate administrative appeal or legal action and the producer may reject price support from which such indebtedness would be deductible. As claim collections are made, the amount of the claim shown on the card shall be revised to show the claim balance, and the tobacco sale bill shall show the amount collected. A claim free marketing card shall be issued when the claim has been paid.

(2) Any marketing card may be marked for the purpose of notifying warehousemen or loan organizations that the tobacco being marketed pursuant to such card is subject to a lien held by the United States.

(b) *Replacing, exchanging, or issuing additional marketing cards.* Subject to the approval of the county executive director, two or more marketing cards may be issued for any farm. Upon the return to the county office of a marketing card which has been used in its entirety and before the marketing of tobacco from the farm has been completed, a new marketing card bearing the same name, information, and identification as the used card shall be issued for the farm. A new marketing card shall be issued to replace a card which has been determined by the county executive director who issued the card to have been lost, destroyed, or stolen.

§ 725.89 Invalid cards.

(a) *Reasons for being invalid.* A marketing card shall be invalid under any one of the following conditions:

(1) It is not issued or delivered in the form and manner prescribed.

(2) Any entry is omitted or is incorrect.

(3) It is lost, destroyed, stolen, or becomes illegible.

(4) Any erasure or alteration has been made and not properly initialed by the county executive director or a marketing recorder.

(b) *Validating invalid cards.* If any entry is not made on a marketing card as required, either through omission or incorrect entry, and the proper entry is made and initialed by the county executive director who issued the card, or by a marketing recorder, then such card shall become valid.

(c) *Returning invalid cards.* In the event any marketing card becomes invalid (other than by loss, destruction, or theft, or by omission, alteration, or incorrect entry, which has not been corrected by the county executive director who issued the card, or by a marketing recorder), the farm operator, or the person having the card in his possession, shall return it to the county office at which it was issued.

§ 725.90 Misuse of marketing card.

Any information which causes a marketing recorder, a member of a State, county, or community committee, or an employee of the State or county office to believe that any tobacco which actually was produced on one farm has been or is being marketed under the marketing card issued for another farm, shall be reported immediately by such person to the county or State office.

§ 725.91 Identification of marketings.

(a) *Identification of producer marketings.* Each auction and nonauction marketing of tobacco from a farm in the current year shall be identified by a marketing card, Form MQ–76, issued for the farm. The reverse side of the marketing card shall show in pounds (1) 10 percent of quota, (2) 110 percent of quota, (3) balance of 110 percent of quota after each sale, and (4) date of sale. Each producer sale at auction shall be recorded on a Form MQ–72–1, Report of Tobacco Auction Sale, and each producer sale at nonauction shall be recorded on Form MQ–72–2, Report of Tobacco Nonauction Purchase. For producer sales at nonauction, the dealer purchaser shall execute Form MQ–72–2 and shall enter the data on MQ–76. For producer sales at auction, Form MQ–72–1 and Form MQ–76 shall be executed only by the ASCS marketing recorder.

(b) *Verification of penalty by warehousemen or dealers.* Each sale of tobacco by a producer which is subject to penalty and which has been recorded by a marketing recorder shall be verified by a warehouseman or dealer to determine whether the amount of penalty shown to be due has been correctly computed. Such warehouseman or dealer shall not be relieved of any liability for the amount of penalty due because of any error which may occur in computing the penalty and recording the sale.

(c) *Check register.* The serial number of the tobacco sale bill(s) shall be recorded by the warehouseman on the check register or check stub for the check written covering the auction sale of tobacco by a producer.

(d) *Identification of dealer marketings of resale tobacco.* Each auction and nonauction marketing of resale tobacco in the current year shall be identified by a dealer identification card, Form MQ–79–2, issued to the dealer.

(e) *Separate display on auction warehouse floor.* Any warehouseman upon whose floor more than one kind of tobacco is offered for sale at public auction shall for each different kind of tobacco:

(1) Display it in separate areas on the auction warehouse floor.

(2) Identify each basket by a distinguishably different basket ticket clearly showing the kind of tobacco.

(3) Make and keep records that will insure a separate accounting and reporting of each of such kinds of tobacco sold at auction over the warehouse floor.

(f) *Cross-reference of tobacco sale bill number to prior tobacco sale bill covering tobacco identified by the same marketing card to be sold the same day.* Each warehouseman shall for each lot of tobacco weighed in on his floor for sale the same day cross-reference the tobacco sale bill to each prior tobacco sale bill for tobacco identified by the same marketing card. To accomplish the cross-reference, each other tobacco sale bill number shall be entered by the warehouseman in the "Remarks" space on the tobacco sale bill, on all copies, at the time he weighs in the tobacco at the warehouse.

(g) *Identification of returned first sale (producer) tobacco.* When resold at auction, tobacco which has been previously sold and returned to the warehouse by the buyer is resale tobacco. When such tobacco is resold by the warehouseman, it shall be identified as leaf account resale tobacco.

§ 725.92 Rate of penalty.

(a) *Basic rate.* The basic penalty rate shall be equal to seventy-five (75%) percent of the average market price for the immediately preceding marketing year as determined by the Crop Reporting Board, Statistical Reporting Service, U.S. Department of Agriculture. The rate of penalty will be determined for each marketing year and announced by the regulations in this subpart or amendment thereto.

(b) *Average market price.* Will be supplied by amendment.

(c) *Rate of penalty per pound.* Will be supplied by amendment.

§ 725.93 Persons to pay penalty.

The persons to pay the penalty due on any marketing of tobacco subject to penalty shall be determined as follows:

(a) *Auction sale.* The penalty due on marketings by a producer through an auction sale shall be paid by the warehouseman who may deduct an amount equivalent to the penalty from the price paid to the producer.

(b) *Nonauction sale.* The penalty due on tobacco acquired directly from a producer, other than at an auction sale, shall be paid by the person acquiring the tobacco who may deduct an amount equivalent to the penalty from the price paid to the producer in the case of a sale.

(c) *Marketings outside the United States.* The penalty due on marketings by a producer directly to any person outside the United States shall be paid by the producer.

§ 725.94 Penalties considered to be due from warehousemen, dealers, buyers, and others excluding the producer.

Any marketings of tobacco under any one of the following conditions shall be considered to be a marketing of excess tobacco.

(a) *Auction sale without marketing card.* Any first marketing of tobacco at an auction sale by a producer which is not identified by a valid marketing card at the time of marketing shall be considered to be a marketing of excess tobacco and the penalty thereon shall be collected and remitted by the warehouseman.

(b) *Nonauction sale.* Any nonauction sale of tobacco which:

(1) is not identified by a valid marketing card and recorded at the time of purchase on MQ–79, Dealer's Report; or,

(2) if purchased prior to the opening of the local auction market for the current year, is not identified by a valid marketing card and recorded on MQ–79 not later than the end of the calendar week which includes the first sale day of the local auction markets, shall be considered a marketing of excess tobacco. The penalty thereon shall be collected by the purchaser of such tobacco, and remitted with MQ–79.

(c) *Leaf account tobacco.* If part or all of any marketing of leaf account tobacco (including tobacco from the buyers corrections account), when added to prior leaf account resales, is in excess of prior leaf account purchases, such marketing shall be considered to be a marketing of excess tobacco unless and until such warehouseman furnishes proof acceptable to the State committee showing that such marketing is not a marketing of excess tobacco. The actual quantity of floor sweepings which the State executive director determines have been properly identified as floor sweepings and sold and reported as such by the warehouseman shall be considered acceptable proof that such marketings are not marketings of excess tobacco if the amount thereof for the warehouse does not exceed the floor sweepings for the season of: (1) 0.17 percent of producers' sales of tied tobacco, and (2) 0.50 percent of producers' sales where untied tobacco is presheeted in standardized sheets of burlap for marketing.

(d) *Dealer's tobacco—(1) Excess resale rule for mixed reporting of data.* If during any marketing year a warehouseman or a dealer has transactions in more than

one kind of tobacco and his reports of marketings result in excess resales, penalty on such excess resales shall be due from such dealer at the highest rate of penalty applicable to any kind of tobacco reported or due to be reported under these regulations.

(2) *Excess resales above purchases.* The part or all of any marketing of tobaccco by a dealer which such dealer represents to be a resale, which, when added to prior resales by such dealer (as shown or due to be shown on Form MQ–79), is in excess of his total prior purchases (as shown or due to be shown on such Form MQ–79) shall be considered to be a marketing of excess tobacco. The penalty thereon shall be paid by the dealer.

(i) During the auction marketing season, the penalty due from the dealer shall be withheld by the warehouseman from the proceeds due the dealer and immediately transmitted by the warehouseman to a marketing recorder.

(ii) Penalty due from a dealer which was not withheld by a warehouseman under subdivision (i) of this subparagraph shall be remitted weekly by him to the State office with his reports on Form MQ–79.

(e) *Resales not reported.* Any resale of tobacco which is required to be reported by a warehouseman or dealer, but which is not so reported within the time and in the manner required, shall be considered to be a marketing of excess tobacco, unless and until such warehouseman or dealer furnishes a report of such resale which is acceptable to the State executive director. The penalty thereon shall be paid by the warehouseman or dealer who fails to make the report as required.

(f) *Marketings falsely identified by a person other than the producer.* If any marketing of tobacco by a person other than the producer is identified by a marketing card other than the marketing card issued for the farm on which such tobacco was produced, such marketing shall be presumed, subject to rebuttal, to be a marketing of excess tobacco. The penalty thereon shall be paid by such person.

(g) *Carryover tobacco.* Any tobacco on hand and reported or due to be reported under § 725.99(g)(14) for warehousemen and § 725.100(c)(4) for dealers shall be included as a resale in determining whether an account has excess resales. Unless the warehouseman furnishes proof acceptable to the State committee and unless the dealer furnishes proof acceptable to the State executive director, showing that such account does not represent excess tobacco, penalty at the full rate shall be paid thereon by such warehouseman or dealer.

§ 725.95 Producers penalties; false identification; failure to account; canceled allotments; overmarketing proportionate share.

(a) *Penalties for false identification or failure to account.* If any producer falsely identifies or fails to account for the disposition of any tobacco produced on a farm, penalty at the full rate shall be due on the larger of: (1) The actual marketings above 110 percent of the effective farm marketing quota, or (2) the amount of tobacco equal to 25 percent of the effective farm marketing quota plus the amount determined by multiplying the farm yield times the number of acres harvested in excess of the farm acreage allotment.

(b) *Canceled allotment.* If part or all of the tobacco produced on a farm has been marketed and the allotment for the farm is canceled, any penalty due on the marketings shall be paid by the producers.

(c) *Overmarketing proportionate share of effective farm marketing quota.* If the county committee determines that the farm operator or another producer on the farm has marketed more than 110 percent of his proportionate share of the effective farm marketing quota with intent to deprive some other producer on the farm from marketing his proportionate share of the same crop of tobacco, such operator or other producer shall be liable for marketing penalties at the full rate per pound for each pound marketed above 110 percent of his proportionate share of the effective farm marketing quota: *Provided*, That the sum of such penalties shall not exceed the total penalty due on total marketings above 110 percent of the effective farm marketing quota for the farm on which such tobacco was produced. Before assessment of penalty pursuant to this paragraph (c), a hearing shall be scheduled by the county committee and the operator and affected producers shall be invited to be present, or to be represented, to determine whether the operator or another producer on the farm has marketed more than 110 percent of his proportionate share of the effective farm marketing quota. The notice of the hearing shall request the farm operator and affected producers to bring to the hearing floor sheets and other relevant supporting documents. At least two members of the county committee shall be present at the hearing. The hearing shall be held at the time and place named in the notice and any action taken to impose penalty shall be taken after the hearing. If the farm operator or other affected producer does not attend the hearing, or is not represented, the county committee may take whatever action it deems necessary to assess penalty against the proper producers. If a hearing under § 725.87(a) is being held, and it is practicable to do so, such hearing and the hearing under this paragraph may be combined.

(d) *Penalties not to be assessed.* If the farm operator or another producer on the farm markets a quality of tobacco above 110 percent of the effective marketing quota for the farm and such overage is found to have been caused by the failure to record, or improper recording of tobacco poundage data on the marketing card, that amount of the penalty as was due to such failure to record or improper recording will not be required to be paid by the farm operator or other producer if: (1) For amounts of $10 or less the county committee, with the approval of the State committee, and (2) for amounts above $10 the county committee, with the approval of the State committee and the Deputy Administrator, determines that each of the following conditions is applicable: (1) The failure to record or incorrect recording resulted from action or inaction of a marketing recorder or another ASCS employee, (2) such failure or error was not so large as to place the farm operator on notice of the failure or error, and (3) the producer relied in good faith on the erroneous entries on the card resulting from such failure or error. Overmarketings for a farm for which the marketing penalty will not be required to be paid pursuant to the provisions of this paragraph (d) shall be determined based upon the correct effective farm marketing quota and correct actual marketings of tobacco from the farm.

§ 725.96 Payment of penalty.

(a) *Date due.* Penalties shall become due at the time the tobacco is marketed, except that in the case of false identification or failure to account for disposition of tobacco, the penalty shall be due on the date of such false identification or failure to account for disposition. The penalty shall be paid by remitting the amount due to the ASCS State office not later than the end of the calendar week in which the tobacco becomes subject to penalty. A draft, money order, or check drawn payable to the Agricultural Stabilization and Conservation Service may be used to pay any penalty, but any such draft or check shall be received subject to payment at par.

(b) *Auction sale—net proceeds.* If the penalty due on any auction sale of tobacco by a producer is in excess of the net proceeds of such sale (gross amount for all lots included in the sale less usual warehouse charges), the amount of the net proceeds accompanied by a copy of the warehouse bill covering such sale may be remitted as the full penalty due. Usual warehouse charges shall not include (1) advances to producers, (2) charges for hauling, or (3) any other charges not usually incurred by producers in marketing tobacco through a warehouse.

(c) *Nonauction sale.* Nonauction sales of excess tobacco shall be subject to the full rate of penalty and shall be paid in full even though the penalty may exceed the proceeds for the sale of tobacco.

§ 725.97 Request for return of penalty.

Any producer of tobacco and any other person who bore the burden of the payment of any penalty after the marketing of all tobacco available for marketing from the farm may request the return of the amount of such penalty which is in excess of the amount required to be paid. Such request shall be filed on Form MQ–85, Farm Record and Account, with the county office within 2 years after the payment of the penalty. Approval of return of penalty to producers shall be by the county committee, subject to the approval of the State executive director.

RECORDS AND REPORTS

§ 725.98 Producers' records and reports.

(a) *Failure to file reports or filing false reports.* If any producer on a farm files an incomplete or incorrect report, fails to file a report, or files or aids or acquiesces in the filing of any false report with respect to (1) the acreage of tobacco grown on the farm or (2) the amount of tobacco produced on or marketed from the farm, the tobacco allotment next established for any such farm shall be reduced, except that such reduction for any such farm shall not be made if it is established to the satisfaction of the county and State committees that (i) the failure to file, filing of, or aiding or acquiescing in the filing of, such report was not intentional on the part of any producer on the farm and that no producer on the farm could reasonably have been expected to know that the report was false: *Provided*, That the failure to file or the filing of or aiding or acquiescing in the filing of the report will be construed as intentional unless a correct report is filed and any penalty is paid in full, or (ii) no person connected with the farm for the year for which the allotment is being established caused, aided, or acquiesced in the filing of the false report or failure to file a report. If a farm operator in a certification county (as defined in Part 718 of this chapter) files a certification of tobacco acreage on the farm and, after a farm visit and measurement of the acreage, it is determined by the county committee (with approval of the State committee) that the certification was false (either under certification or over certification) in what amounts to a scheme or device to defeat the purpose of the program, the allotment next established for the farm shall be reduced. If the conditions in subdivisions (i) and (ii) of this paragraph are not applicable, the next established allotment shall be reduced by the pounds computed as follows: The acreage falsely certified (difference between certified and measured acreage) shall, for the year of the violation, be multiplied by the farm's actual yield. Such method of determining the amount of allotment reduction also is provided for in paragraph (h) of this section.

(b) *Report of tobacco grown for experimental purposes.* For farms on which tobacco is being grown for experimental purposes only, the director of a publicly owned agricultural experiment station shall furnish the State ASCS office, prior to the beginning of the harvesting of tobacco from any farm on which experimental tobacco is being grown, a report for each current year showing the following information:

(1) Name and address of the publicly owned agricultural experimental station.

(2) Name of the owner, and name of the operator if different from the owner, of each farm on which tobacco is grown for experimental purposes only.

(3) The amount of acreage of tobacco grown on each farm for experimental purposes only.

(4) A certification signed by the Director of the publicly owned agricultural experiment station to the effect that such acreage of tobacco was grown on each farm for experimental purposes only, the tobacco was grown under his direction, and the acreage on each plot was considered necessary for carrying out the experiment.

(c) *Harvesting second crop tobacco from the same acreage.* If, in the same calendar year more than one crop of tobacco was grown from (1) the same tobacco plants, or (2) different tobacco plants, and is harvested for marketing from the same acreage of a farm, the acreage allotment next established for such farm shall be reduced by an amount equivalent to the acreage from which more than one crop of tobacco was so grown and harvested.

(d) *Cancellation of new farm allotment.* Any new farm allotment approved under this subpart which was determined by the county committee on the basis of incorrect information knowingly furnished the county committee by the applicant for the new farm allotment shall be cancelled by the county committee as of the date the allotment was established.

(e) *False identification.* If tobacco was marketed or was permitted to be marketed in any marketing year as having been produced on the acreage allotment for any farm which, in fact, was produced on a different farm, the acreage allotments next established for both such farms and kind of tobacco shall be reduced, except that such reduction for any such farm shall not be made if it is established to the satisfaction of the county and State committees that (1) no person on such farm intentionally participated in such marketing or could have reasonably been expected to have prevented such marketing: *Provided*, That the marketing shall be construed as intentional, unless all tobacco from the farm is accounted for and payment of all additional penalty is made, or (2) no person connected with such farm for the year for which the allotment is being established caused, aided, or acquiesced in such marketing.

(f) *Report on marketing card.* The operator of each farm on which tobacco is produced shall return to the ASCS county office each marketing card issued for the farm whenever marketings from the farm are completed, and, in no event, later than 20 days, in the year of issuance of the card, after the close of the tobacco auction markets for the locality in which the farm is located. Failure to return the marketing card within 15 days after written request by certified mail from the county executive director shall constitute failure to account for disposition of all tobacco marketed from the farm unless disposition of tobacco marketed from the farm is otherwise accounted for to the satisfaction of the county committee. Upon failure to satisfactorily account to the county committee for disposition of Flue-cured tobacco marketed from the farm the allotment next established for such farm shall be reduced, except that such reduction for any such farm shall not be made if it is established to the satisfaction of the county committee and a representative of the State committee, that (1) the failure to furnish such proof of disposition was unintentional and no producer on such farm could reasonably have been expected to furnish such proof of disposition: *Provided*, That such failure will be construed as intentional unless such proof of disposition is furnished and payment of all additional penalty is made; or (2) no person connected with such farm for the year for which the allotment is being established, caused, aided, or acquiesced in the failure to furnish such proof.

(g) *Report of production and disposition.* In addition to any other reports which may be required by this subpart, the operator on each farm or any producer on the farm (even though the harvested acreage does not exceed the acreage allotment or even though no allotment was established for the farm) shall, upon written request by certified mail from the State executive director, within 15 days after deposit of such request in the U.S. mail, addressed to such person at his last known address, furnish the Secretary on MQ–108, Report of Production and Disposition, a written report of the acreage, production, and disposition of all tobacco produced on the farm by sending the same to the State ASCS office showing, as to the farm at the time of filing such report, (1) the number of fields (patches or areas) from which tobacco was harvested from the farm, (2) the total pounds of tobacco produced, (3) the amount of tobacco on hand and its location, (4) as to each lot of tobacco marketed, the name and address of the warehouseman, dealer, or other person to or through whom such tobacco was marketed and the number of pounds marketed, the gross price paid and the date of the marketings, and (5) the complete details as to any tobacco disposed of other than by sale. Failure to file the MQ–108 as requested, the filing of a false MQ–108, or the filing of an MQ–108 which is found by the State committee to be incomplete or incorrect, shall constitute failure of the producer to account for disposition of tobacco produced on the farm and the allotment next established for such farm shall be reduced, except that such reduction for any such farm shall not be made if it is established to the satisfaction of the county and State committees that (i) failure to furnish such proof of disposition was unintentional and no producer on such farm could reasonably have been expected to furnish such proof of disposition: *Provided*, That such failure will be construed as intentional and unless such proof of disposition is furnished and payment of all additional penalty is made, or (ii) no person connected with such farm for the year for which the allotment is being established caused, aided, or acquiesced in the failure to furnish such proof.

(h) *Amount of allotment reduction.* The amount of reduction in the allotment for the current year for a violation described in paragraph (a), (e), (f), or (g) of this section shall be that percentage which the amount of tobacco involved in the violation is of the respective farm marketing quota for the farm for the year in which the violation occurred. Such percentage shall then be applied after application of the national factor to the preliminary allotment, but before adjusting for over or undermarketings. Where the amount of tobacco involved in the violation(s) equals or exceeds the amount of the farm marketing quota, the amount of reduction shall be 100 percent and no deduction will be made in subsequent years for the violation(s). The quantity of tobacco in violation shall be the amount of tobacco as determined by the county committee. If the actual quantity of tobacco is known, such quantity shall be determined by the county committee to be the amount of tobacco involved in the violation. If the actual quantity of tobacco is not known, the county committee shall determine the quantity in violation in the following manner: The yield per acre and the total production of tobacco on the farm shall be determined by taking into consideration the condition of the crop during production, if known, and the actual yield per acre of tobacco on other farms in the locality on which the soil and other physical factors affecting the production of tobacco are similar: *Provided*, That the determination of the total production of tobacco on the farm shall not exceed the harvested acreage of tobacco on the farm multiplied by the average actual yield on farms in the locality on which the soil and other physical factors affecting the production of tobacco are similar. The yield per acre as so determined by the county committee shall be deemed to be the actual production per acre. Where the actual quantity of tobacco produced on acreage not included in a report of acreage is not known, such quantity shall be determined by the county committee to be the quantity resulting from multiplying the yield per acre for the farm, determined as aforesaid, by the acreage not shown on a report of acreage. Where the amount of tobacco produced on or marketed from a farm is not known, such quantities shall be determined by the county committee to be the quantity of tobacco remaining after deducting from the total production on the farm, as determined aforesaid, the quantity of tobacco for which proof of production and marketing has been furnished. The acreage reductions required under this section shall be in addition to any other adjustments made under these regulations and any amendments thereto later issued.

(i) *Allotment reductions for combined farms.* If the farm involved in the violation is combined with another farm prior to the reduction, the reduction shall be applied as heretofore provided in this section to that portion of the allotment for which a reduction is required.

(j) *Allotment reduction for divided farms.* If the farm involved in the violation has been divided prior to the reduction, the reduction shall be applied as heretofore provided in this section to the allotments for the divided farms required to be reduced. Allotment reductions are applicable, except under paragraph (c) of this section, unless the violating producer has no interest in the current tobacco crop.

(k) *Quota reduction.* If an acreage allotment reduction is made under this section, the farm marketing quota shall be reduced to reflect such reduction in an amount determined by multiplying the acreage reduction by the farm yield.

(l) *Unauthorized erasure on marketing card.* Any unauthorized erasure of any information or data on a marketing card shall be considered a violation and may, subject to rebuttal, be cause for an allotment reduction and assessment of marketing quota penalty.

(m) *County administrative hearings in connection with violations.* Except for the failure to return a marketing card to the county office, the allotment for any farm shall not be reduced for a violation under this section until after the operator of the farm has been notified in writing by the county executive director of the time and place of a hearing to determine the nature and extent of the violation. The notice of the hearing shall request the farm operator to bring to the hearing warehouse bills (floor sheets) and other relevant supporting documents. At least two members of the county committee shall be present at the hearing. The hearing shall be held at the time and place named in the notice and any action taken on the violation shall be taken after the hearing. If the farm operator does not attend the hearing or is not represented, the county committee may take whatever action it deems proper.

(n) *Sequence of allotment reduction where the farm allotment is to be reduced because of a violation and overmarketings.* If the tobacco allotment for a farm is to be reduced in the current year because of both (1) a violation and (2) overmarketings in a prior year, the reduction in the allotment for the violation shall be made before making the reduction for overmarketings.

(o) *Report on Form MQ–92, Estimate of Production.* In order to provide a basis for a determination under the first proviso in § 725.87(f)(1) and as an aid to discouraging, thwarting, and discovering violations by producers and to enforcing the provisions of the Flue-cured tobacco marketing quota program, an estimate of production, Form MQ–92, shall be prepared immediately prior to harvest for each farm (1) producing discount variety tobacco, (2) for which there is an indication of a substantial or total tobacco crop loss, (3) having a producer thereon who is a past violator of the tobacco program, (4) where there is an indicated substantial discrepancy between the farmer's certified acreage shown on ASCS–580 and the acreage measured by ASCS during a farm control check, (5) having carryover tobacco and no current crop tobacco, or (6) for which the county or State ASC committee or a representative of the county or State committee believes that an MQ–92 for the farm would be in the best interests of the program.

§ 725.99 Warehouseman's records and reports.

(a) *Record of marketing*—(1) *Auction sale.* Each warehouseman shall keep such records as will enable him to furnish the State office with respect to each auction sale of tobacco made at his warehouse the following information:

(i) The name of the operator of the farm on which the tobacco was produced and the name of the seller, in the case of a sale by a producer, and in the case of a resale, the name of the seller.

(ii) Date of sale.

(iii) Number of pounds sold.

(iv) Amount of any penalty and the amount of any deduction on account of penalty from the price paid the producer; and, in addition, with respect to each individual basket or lot of tobacco constituting the auction sale, the following information:

(v) Name of purchaser.

(vi) Number of pounds sold.

(vii) Gross sale price.

(2) *Separate account records.* Records of all purchases and resales of tobacco by the warehouseman shall be maintained to show a separate account for:

(i) Nonauction sales by farmers of tobacco purchased by or on behalf of the warehouseman.

(ii) Purchases and resales of leaf account tobacco. The resale record shall include separate data for leaf account tobacco and floor sweeping tobacco.

(3) *Buyers Corrections Account.* Each warehouseman shall keep such records as will enable him to furnish a weekly report on Form MQ–71 to the State ASCS office showing the total pounds of the debits (for returned baskets, short baskets, and short weights of tobacco) and the credits (for long baskets, and long weights of tobacco) to the Buyers Corrections Account. Where the warehouseman returns to the seller tobacco debited to the Buyers Corrections Account, the warehouseman shall prepare an adjustment invoice to the seller. This invoice shall be the basis for a credit entry for the warehouse in the Buyers Corrections Account and a corresponding purchase (debit entry) in the case of a dealer on his MQ–79, Dealer's Report. Any balancing figure reflected on the warehouseman's summary of bill-outs shall not be included in the Buyers Corrections Account.

(4) *Tobacco sale bill and Daily Warehouse Sales Summary.* Each warehouseman shall use tobacco sales bills furnished at his expense showing, as a minimum, the following information:

(i) Tobacco sale bill number;

(ii) Registration number assigned the warehouse by the Department;

(iii) Name and address of warehouse where sale is held;

(iv) Identification of other producers having an interest in the tobacco;

(v) Check block to show whether the tobacco is tied or untied;

(vi) Date of sale;

(vii) Number of pounds in each basket or sheet;

(viii) Name and address of seller and (a) farm number (including State and county codes) for producer tobacco, and (b) dealer registration number for resale tobacco;

(ix) Identification number, if available, for each basket or sheet of tobacco to be offered for sale;

(x) Poundage balance before and after sale for producer tobacco based on 110 percent of farm quota;

(xi) Name or symbol of purchaser of each basket or sheet which is sold;

(xii) Gross number of pounds sold;

(xiii) Sales price for each basket or sheet and gross sale price for all baskets or sheets sold;

(xiv) Nonauction purchases by the warehouse holding the sale;

(xv) Tobacco grade for tobacco consigned to price support;

(xvi) Marketing quota penalty collected; and

(xvii) Amount withheld from sale to cover claims due the United States.

A copy of a suggested format for the tobacco sale bill has been filed (34 F.R. 1761) at the Office of the Federal Register. Copies of the suggested format may be obtained from the Director, Commodity Programs Division. The warehouseman shall not weigh in any tobacco for sale unless a card (MQ–76 for producers, MQ–79–2 for dealers) is furnished the weighman. The buyer and grade space on the tobacco sale bill shall show (A) nonauction purchases by the warehouse, (B) tobacco grade for tobacco consigned to price support, and (C) the symbol for tobacco bought by private buyers. At the end of each sale day the tobacco sale bills shall be sorted and filed in numerical order. A copy of the executed Form MQ–80, Daily Warehouse Sales Summary, shall be furnished to marketing recorder for the Kansas City Data Processing Center (KCDPC).

(5) *Report of farm scrap resulting from grading tobacco for farmers.* Any warehouseman or any other person who grades tobacco for farmers shall maintain records which will enable him to furnish the State ASCS office the name of the farm operator and the approximate amount of scrap tobacco obtained from the grading of tobacco from each farm.

(6) *Report of farm scrap resulting from furnishing curing or stripping space for tobacco from farmers.* Any warehouseman or any other person who provides tobacco curing space or stripping space for farmers shall maintain records which will enable him to furnish the State ASCS office the name of the farm operator and the approximate amount of scrap tobacco obtained from each farm resulting from providing such space.

(7) *Labeling resales on tobacco sale bill.* In the case of resales for dealers, the name of the dealer making each resale, and in the case of resales for the warehouse, the word "Resale" shall be clearly shown on each tobacco sale bill covering such tobacco.

(b) *Identification of producer sales of tobacco—tobacco sale bill.* The State and county codes and the farm serial number on the marketing card identifying the tobacco to be marketed at auction shall be recorded by the warehouseman on the tobacco sale bill at the time the tobacco is weighed in and the warehouseman shall retain the marketing card where tobacco is to be sold at auction only until the producer has been paid for the sale of the tobacco or the tobacco is removed from the warehouse by the producer. In any case where a producer's marketing card is found in the possession of a warehouseman and no producer on the farm for which the card is issued has tobacco on the floor for sale or to be settled for such card will be picked up by an ASCS representative for return to the producer. The warehouseman shall be responsible for the safekeeping and proper use of the marketing card during his retention of it. Each tobacco sale bill issued to cover an auction sale of tobacco from a farm for which a marketing card is issued bearing the notation "No Price Support" shall bear the same notation. A separate tobacco sale bill shall be executed to cover any tobacco which represents more than 110 percent of the effective farm marketing quota and the notation, "No Price Support" shall be shown on such tobacco sale bill. The sale of such tobacco shall be considered a separate sale. The letters, "NA" shall be shown on each line of a tobacco sale bill on which there is recorded tobacco purchased by or for the warehouse at nonauction sale and there shall be recorded on all such tobacco sale bills the farm serial number on the marketing card identifying the tobacco marketed at the time the tobacco is purchased at nonauction sale. A copy of the tobacco sale bill bearing the letters, "NA" shall be furnished the producer for any lot or basket of such tobacco purchased by the warehouseman.

(c) *Marketing card.* Each marketing of tobacco from a farm shall be identified by a marketing card issued for the farm. The card shall be executed as follows:

(1) *Auction sale.* A marketing card used to cover an auction sale shall show on the reverse side the poundage balance of the "110 percent of quota". At the time of weigh-in the tobacco sale bill shall show the poundage balance of 110 percent of the farm's quota. The tobacco sale bill shall show the pounds on which penalty is due, and the amount of the penalty.

(2) *Nonauction sale to a warehouseman at the warehouse.* A marketing card used to cover a nonauction sale of tobacco to a warehouseman shall show on the reverse side the poundage balance of the "110 percent of quota". If the tobacco sale bill includes both an auction sale and a nonauction sale such combined pounds shall be used to compute and reflect the balance of the "110 percent of quota". The tobacco sale bill shall show the pounds on which penalty is due and the amount of the penalty.

(3) *Nonauction sale (country purchase) to a warehouseman.* A marketing card used to cover a nonauction sale (country purchase) at the farm shall show on the reverse side the poundage balance of the "110 percent of quota". Each warehouseman shall record each nonauction purchase of tobacco made by him on MQ–79 and on Form MQ–72–2, Report of Tobacco Nonauction Purchase. The data to be reported on Form MQ–72–2 is set forth in § 725.100(c)(3).

(4) *Tobacco under interim advance.* If tobacco is marketed from a farm, part or all of which is tobacco upon which an interim advance was made pursuant to Part 1421 of this chapter, the tobacco sale bill and the marketing card issued for the farm shall show in parenthesis the poundage balance of the tobacco upon which an interim advance was made, and the poundage balance of any other tobacco. As the interim advance is repaid on any tobacco the quantity shown on the marketing card as that upon which an advance was made shall be reduced proportionately.

(d) *Suspended sale record.* Any tobacco sale bill covering a sale of tobacco for which a valid marketing card or dealer identification card was not presented shall be given to a marketing recorder who shall stamp such bills, "Suspended".

(e) *Warehouseman's entries on other dealer's report.* Each warehouseman shall record, or have the dealer record, on MQ–79, the total purchases and resales made by each such dealer or other warehouseman during each sale day at the warehouse. If any tobacco resold by the dealer is tobacco bought by him and carried over by him from a crop produced prior to the current crop, the entry on MQ–79 shall clearly show such fact.

(f) *Record and report of warehouseman's leaf account purchases and resales not on his floor.* Each warehouseman shall keep a record and make reports on MQ–79, Dealer's Report, showing:

(1) All nonauction purchases of tobacco, except nonauction purchases at his warehouse which are reported on MQ–80.

(2) All purchases and resales of tobacco at public auction through warehouses other than his own.

(3) All purchases of tobacco from dealers other than warehousemen and resales of tobacco to dealers other than warehousemen. Form MQ–79 shall be prepared and a copy, including copies of Form MQ–72–2 for all nonauction purchases, forwarded to the State ASCS office not later than the end of the calendar week in which such tobacco was purchased or resold: *Provided*, That, if tobacco is purchased prior to the opening of the local auction market, an MQ–79 shall be prepared and a copy, together with copies of MQ–72–2 for all nonauction purchases, forwarded to the State ASCS office not later than the end of the calendar week which would include the first sale day of the local auction markets. A remittance for all penalties shown by the entries on MQ–79 and Form

MQ-72-2 to be due shall be forwarded to the State ASCS office with the original copy of MQ-79.

(g) *Daily warehouse sales summary.* Each warehouseman shall prepare at the end of each sale day a report on MQ-80, Daily Warehouse Sales Summary, showing for each sale day:

(1) For each manufacturer, buyer, order buyer and Flue-cured Tobacco Cooperative Stabilization Corporation (pool), pounds of tobacco purchased at auction (consigned in the case of the pool).

(2) The sum of the items for subparagraph (1) of this paragraph.

(3) Resales at auction for each person listed under subparagraph (1) of this paragraph.

(4) For each dealer subject to reporting purchases and resales on MQ-79, as originally billed, the total pounds of tobacco purchased at auction, and resales at auction.

(5) The total pounds purchased at auction for the leaf account.

(6) The total pounds purchased at nonauction at the warehouse for the leaf account.

(7) The sum of the total pounds for subparagraphs (5) and (6) of this paragraph.

(8) (i) The total leaf account resales and (ii) a separate account for total floor sweeping resales.

(9) The sum of the total purchases for subparagraphs (2), (4), and (7) of this paragraph.

(10) The sum of the total resales for subparagraphs (3), (4), and (8) of this paragraph.

(11) For each warehouse sale of excess tobacco from a farm, the applicable farm number with daily remittance of the penalty due to accompany Form MQ-72-1.

(12) For each dealer, at time of settlement having excess resale tobacco, the applicable dealer identification number with daily remittance of the penalty due.

(13) As to the information required to be entered on MQ-80, Daily Warehouse Sales Summary, by the marketing recorder, the warehouseman shall keep and make available such records as will enable the marketing recorder to enter thereon: (i) The total number of Forms MQ-72-1 for the sale day and the sum of pounds sold and shown on Forms MQ-72-1, and (ii) the total number of suspended sale bills and the sum of such pounds sold.

(14) At the end of the season, each warehouseman shall: (i) Report on his final MQ-80 for the season the quantity of leaf account tobacco and floor sweeping tobacco if any, on hand and its location, and (ii) permit its inspection and weighing by a representative of ASCS, and furnish him at that time a certification of the quantity of such tobacco.

(h) *Report to county office of long weights and long baskets.* Each warehouseman shall report to the county ASCS office or marketing recorder long weights and long baskets of producer tobacco (first sales) for which the farmer has been paid.

(i) *Report on Form MQ-78, Tobacco Warehouse Organization.* Each warehouseman shall annually, prior to opening of auction markets, furnish ASCS an executed Form MQ-78 showing:

(1) Form of business organization.

(2) Names and addresses of warehouse officials and bookkeeper.

(3) Names and addresses of other warehouses in which the officials and bookkeeper have a financial interest.

(4) Name and address of custodian of warehouse records, including their location.

(j) *Payee to be shown on auction warehouse check.* Any auction warehouse which issues a check to cover the auction or nonauction sale of tobacco shall issue such check only in the name of the payee. A warehouse check shall not be issued in the name of the seller and bearer, for example, "John Doe or Bearer".

(k) *Basket, sheet or pile identification and cross referencing between tobacco sale bill, basket ticket and bill to buyer.* Each warehouseman shall, after each basket, sheet or pile is weighed in record such tobacco on the standardized tobacco sale bill, enter the bill number and line number on the basket ticket. Also, after sale by auction and when the tobacco is billed to the buyer the tobacco sale bill number and line number of the entry shall be recorded on the bill-out invoice to the buyer. In addition, the bill-out invoice shall show the warehouse registration number (warehouse code).

§ 725.100 Dealer's records and reports.

Each dealer, except as provided in § 725.101, shall keep the records and make the reports as provided by this section.

(a) *Record of marketing.* Each dealer shall keep such records as will enable him to furnish the State ASCS office with respect to each lot of tobacco purchased by him the following information:

(1) (i) The name of the warehouse through which the tobacco was purchased in the case of a warehouse sale, (ii) the name of the operator of the farm on which the tobacco was produced and the name of the seller in the case of a nonauction sale, including the records and reports for farm scrap tobacco, and (iii) the name of the seller in the case of nonauction purchases from warehousemen and dealers.

(2) Date of purchase.

(3) Number of pounds purchased.

(4) Amount of any penalty and the amount of any deduction on account of penalty from the price paid the producer, and as to each lot of tobacco sold by him the following information:

(5) Name of the warehouse through which the tobacco was sold in the case of a warehouse sale, and the name of the purchaser if other than an auction warehouse sale.

(6) Date of sale.

(7) Number of pounds sold.

(8) In the event of a resale of tobacco bought by him and carried over from a crop produced prior to the current crop, the fact that such tobacco was so bought and carried over.

(b) *Nonauction sale (country purchase) to a dealer.* (1) (i) Each purchase of tobacco from a producer shall be identified by a marketing card issued for the farm on which the tobacco was produced. The reverse side of the marketing card shall show the poundage balance of the "110 percent of quota"; (ii) in addition a Form MQ-72-2, Report of Tobacco Nonauction Purchase, shall be prepared and shall show: (*a*) Date of purchase, (*b*) identification number of buyer, (*c*) identification of producer selling the tobacco as shown on the marketing card, including his name and address and complete farm number, (*d*) type code 10, (*e*) pounds purchased, and (*f*) amount of penalty collected. The dealer shall record each nonauction purchase of tobacco made by him on MQ-79.

(2) If tobacco is marketed from a farm part or all of which is tobacco upon which an interim advance was made pursuant to Part 1421 of this chapter, the tobacco sale bill and the marketing card issued for the farm shall show in parenthesis the poundage balance of the tobacco upon which an interim advance was made and the poundage balance of any other tobacco. As the interim advance is repaid on any tobacco the quantity shown on the marketing card as that upon which an advance was made shall be reduced proportionately.

(c) *Record and report of purchases and resales.* (1) Except as provided in subparagraph (2) of this paragraph, each dealer shall keep a record and make reports on MQ-79, showing all purchases and resales of tobacco made by or for the dealer, and in the event of purchase or resale of tobacco bought from a crop produced prior to the current crop, the fact that such tobacco was bought by him and carried over from a crop produced prior to the current crop.

(2) Form MQ-79 shall be prepared and a copy, together with executed copies of MQ-72-2 for all nonauction purchases, forwarded to the State ASCS office not later than the end of the calendar week in which such tobacco was purchased or resold, except as follows: (i) If tobacco is purchased prior to the opening of the local auction market, an MQ-79 shall be prepared and a copy, together with executed copies of Form MQ-72-2 for all nonauction purchases, forwarded to the State ASCS office not later than the end of the calendar week which would include the first sale day of the local auction markets; (ii) if tobacco is resold in a State other than where produced, and the auction markets at such location open earlier than those where the tobacco would normally be sold at auction by farms, reports shall be prepared and forwarded, together with executed copies of MQ-72-2 for all nonauction purchases, not later than the end of the calendar week which would include the first sale day of the local auction market where the resale takes place.

(3) The data to be entered on MQ-72-2, Report of Tobacco Nonauction Purchase, for nonauction purchases from

a producer shall be that enumerated under paragraph (b)(1)(ii) of this section. For nonauction purchases from a dealer, the data to be entered on MQ–72–2 shall be the following: (i) Date of purchase; (ii) identification number of buyer; (iii) identification number of dealer making the sale; (iv) type code 10; and (v) pounds purchased.

(4) At the end of the dealer's marketing operations, but not later than March 1, he shall for each kind of tobacco: (i) Show the word "final" on his final report, MQ–79 for the season, (ii) report on such final MQ–79 for the season the quantity of tobacco on hand and its location, and (iii) permit its inspection and weighing by a representative of ASCS, and at that time furnish him a certification of the quantity of such tobacco.

(5) Notwithstanding the provisions of subparagraph (4), any dealer having tobacco transactions after March 1 shall make reports on MQ–79 at the end of each week, as provided in subparagraph (2).

(d) *Daily report to warehouseman for buyers corrections account of tobacco received.* Notwithstanding the provisions of § 725.101, any dealer, buyer, or any other person receiving tobacco from or through a warehouseman at an auction sale or otherwise, which is not invoiced to him or which is incorrectly invoiced to him by the warehouseman, shall furnish the warehouseman on a daily sales basis an adjustment invoice or buyers settlement sheet. Such reports shall be furnished daily, if practicable; otherwise they shall be furnished at the end of each week.

§ 725.101 Dealers exempt from regular records and reports on MQ–79; and season report for exempted dealers.

(a) Any dealer or buyer who acquires tobacco only at auction sales and resells, in the form in which tobacco ordinarily is sold by farmers, 5 percent or less of any such tobacco shall not be subject to the requirements of § 725.100. Any dealer or buyer is required to report on MQ–79 and on MQ–72–2 nonauction purchases from producers and nonauction purchases from other sources.

(b) For the 1970–71 and subsequent marketing years, each dealer or buyer shall also make a report not later than March 1 of each year to the Director, Commodity Programs Division, showing by States where acquired, source and pounds of all tobacco received by him as a result of auction or nonauction sale, including tobacco received which was not billed to him. The report shall show:

(1) For purchases at auction for each warehouse (i) USDA registration number (warehouse code), (ii) name and address of warehouse, (iii) gross pounds originally billed to the buyer, (iv) gross pounds billed to the buyer for which payment was made, (v) gross pounds from the company correction account deducted for short baskets, short weights and returned baskets and, (vi) gross pounds from the company correction account added for long baskets and long weights.

(2) For purchases at nonauction (i) name and address of seller, (dealer or farmer), (ii) seller's number (dealer's registration number or farm number, including State and county code), and, (iii) pounds purchased.

§ 725.102 Records and reports of truckers, persons redrying, prizing, or stemming tobacco, and storage firms.

(a) Each trucker shall keep such records as will enable him to furnish the State ASCS office a report with respect to each lot of tobacco received by him showing:

(1) The name and address of the producer.

(2) The date of receipt of the tobacco.

(3) The number of pounds received.

(4) The name and address of the person to whom it was delivered.

(b) Each person engaged in the business of redrying, prizing, or stemming tobacco for producers and storage firms handling producer tobacco shall keep such records as will enable him to furnish the director a report showing:

(1) The information required above for truckers, and, in addition:

(2) The purpose for which the tobacco was received.

(3) The amount of advance made by him on the tobacco.

(4) The disposition of the tobacco.

(5) Person to whom delivered and pounds involved.

§ 725.103 Separate records and reports from persons engaged in more than one business.

Any person who is required to keep any record or make any report as a warehouseman, processor, dealer, buyer, trucker, or as a person engaged in the business of sorting, redrying, prizing, stemming, packing, or otherwise processing tobacco for producers, and who is engaged in more than one such business, shall keep such records as will enable him to make separate reports for each such business in which he is engaged to the same extent for each such business as if he were engaged in no other business.

§ 725.104 Failure to keep records and make reports or making false report or record.

(a) *Warehousemen and dealers*—(1) *Failure to keep records or make reports.* Under the provisions of section 373(a) of the act, any warehouseman, processor, buyer, dealer, trucker, or person engaged in the business of sorting, redrying, prizing, stemming, packing, or otherwise processing tobacco for producers who fails to make any report or keep any record as required, or who makes any false report or record, is guilty of a misdemeanor, and upon conviction shall be subject to a fine of not more than $500 for each offense. In addition, any tobacco warehouseman, dealer, or buyer who fails, upon being requested to do so, to remedy a violation by submitting complete reports and keeping accurate records shall be subject to an additional fine, not to exceed $5,000.

(2) *Failure to obtain producer's marketing card or dealer identification card.* The failure of (i) any dealer or warehouseman to obtain a producer's marketing card, MQ–76, to identify a sale of producer tobacco or (ii) any dealer or warehouseman who fails to obtain a dealer identification card, MQ–79–2, to cover a resale of tobacco, shall constitute a failure to make a report.

(b) *False representations—warehousemen, dealers, and producers.* In addition to the monetary penalties prescribed in §§ 725.94 and 725.95, the penalties designated in paragraph (a)(1) of this section are in addition to penalties prescribed by other criminal statutes including United States Code, title 18, section 1001, which provides for a fine of not more than $10,000 or imprisonment for not more than 5 years, or both, for a person convicted of knowingly and willingly committing such acts as making a false acreage report, altering a marketing card, falsely identifying tobacco or buying and selling unused "110 percent of quota poundage" on marketing cards.

§ 725.105 Registration of warehousemen and dealers.

Any dealer or warehouseman dealing in Flue-cured tobacco shall be registered with the U.S. Department of Agriculture. Such registration will be handled by the North Carolina State ASCS Office, Raleigh, N.C. Any person desiring to register as a dealer or warehouseman shall complete an "Application for Dealer Identification Card" and submit it to the State office. Warehousemen will be assigned a three-digit identification number and dealers will be assigned a four-digit identification number. Persons requesting it will be issued a dealer identification card, Form MQ–79–2.

§ 725.106 Duties of Kansas City ASCS Data Processing Center.

Numerous recordkeeping and reporting provisions required by these regulations are the responsibility of the Kansas City ASCS Data Processing Center (also referred to as KCDPC). The duties of the Center are set forth in writing in frequent issuances of internal procedures.

§ 725.107 Examination of records and reports.

For the purpose of ascertaining the correctness of any report made or record kept, or of obtaining information required to be furnished in any report, but not so furnished, any warehouseman, processor, dealer, buyer, trucker, or person engaged in the business of sorting, redrying, prizing, stemming, packing, or otherwise processing tobacco for producers, shall make available at one place for examination by representatives of the State executive director and by employees of the Office of the Inspector General, and of the Commodity Programs Division and Tobacco Division of the Agricultural Stabilization and Conservation Service, U.S. Department of Agriculture, upon written request by the State executive director, all such books, papers, records, basket tickets, tobacco sale bills, buyer adjustment invoices, accounts, canceled checks, check registers, check

stubs, correspondence, contracts, documents, and memorandas as the State executive director or the Director has reason to believe are relevant and are within the control of such person.

§ 725.108 Length of time records and reports are to be kept.

Records required to be kept and copies of the reports required to be made by any person under this subpart shall be on a marketing year basis and shall be retained by him for 3 years after the end of the marketing year. Records shall be kept for such longer period of time as may be requested in writing by the State executive director, or the Director.

§ 725.109 Information confidential.

All data reported to or acquired by the Secretary pursuant to the provisions of this subpart shall be kept confidential by all officers and employees of the U.S. Department of Agriculture, and by all members of county and community committees, and all county office employees and only such data so reported or acquired, as the Deputy Administrator deems relevant shall be disclosed by them, and then only in a suit or administrative hearing under title III of the act.

DISCOUNT VARIETIES

§ 725.110 Determination of discount varieties.

(a) *Definition.* "Discount variety" means any of the Flue-cured tobacco seed varieties designated as Coker 139, Coker 140, Coker 316, Reams 64, or Dixie Bright 244, or a mixture or strain of such seed varieties, or any breeding line of Flue-cured tobacco seed varieties, including, but not limited to, 187-Golden Wilt (also designated by such names as No-Name, XYZ, Mortgage Lifter, Super XYZ), having the quality and chemical characteristics of the seed varieties designated as Coker 139, Coker 140, Coker 316, Reams 64, or Dixie Bright 244: *Provided*, That where there is growing in a field offtype plants of not more than 2 percent, such offtype plants shall not be considered in certifying the Flue-cured tobacco variety being produced. Flue-cured tobacco which is not certified to be discount variety shall be considered as "acceptable variety".

(b) *Producer's report.* (1) For each farm on which Flue-cured tobacco is produced in the current year, the farm operator or any producer on the farm shall file with the county office a report on MQ–32, Certification of Flue-Cured Tobacco Varieties Planted, showing whether or not discount variety tobacco was planted on the farm.

(2) If the farm operator or any producer on a farm certifies on MQ–32 that there was not planted on the farm any discount variety of Flue-cured tobacco, all of the Flue-cured tobacco produced on such farm shall be considered by the county committee to be acceptable variety tobacco. If the farm operator or any producer thereon has executed and filed a report with the county office on MQ–32, which shows there was not planted on such farm(s) in the current year, any of the discount varieties of Flue-cured tobacco, and the operator or a producer on the farm wishes to change the MQ–32 to show there was planted on such farm(s) a discount variety he may, at any time prior to the issuance of a marketing card for the farm, be permitted to file a new MQ–32 which shall supersede and replace the first MQ–32.

(3) If the farm operator or any producer on a farm certifies on MQ–32 that there was planted on the farm any discount variety of Flue-cured tobacco, all of the Flue-cured tobacco produced on such farm shall be considered by the county committee to be discount variety tobacco.

(c) *Failure to file report.* If the operator of a farm on which Flue-cured tobacco is being produced in the current year fails or refuses, within 7 days after a request of the county committee on MQ–34–1, Notice of Action Required Regarding Determination of Seed Varieties of Flue-Cured Tobacco, to file a report on MQ–32, showing whether or not there was planted any of the discount varieties of Flue-cured tobacco on such farm, all Flue-cured tobacco produced on such farm shall be considered by the county committee to be discount variety tobacco, unless the county committee finds that failure to comply with the request was due to circumstances beyond the control of the farm operator.

(d) *Notice to farm operator.* The farm operator having discount variety tobacco shall be given written notice by certified mail on MQ–34–2, Notice of Discount Variety Flue-Cured Tobacco. The notice to the farm operator shall constitute notice to all persons who as owner, operator, landlord, tenant, or sharecropper, are interested in the tobacco being grown on the farm.

(e) *Producer's right to recertify.* Any producer on a farm who receives a Form MQ–34–2 certifying that the farm has discount variety tobacco when in fact an acceptable variety is being produced may recertify on Form MQ–32.

(f) *Issuance of marketing cards*—(1) *Notation on card.* If a farm is considered to have discount variety tobacco available for marketing and the farm is eligible for price support, the county executive director shall issue MQ–76, bearing the notation "Discount Variety—Limited Price Support". If the farm is considered to have discount variety tobacco but it is not eligible for price support, the county executive director shall issue MQ–76, bearing the notation "Discount Variety—No Price Support".

(2) *Exchange of cards.* (i) Where an MQ–76, bearing the notation "Discount Variety—Limited Price Support" is issued for a farm, the card may be exchanged at the county office for an MQ–76 without the notation, or (ii) where an MQ–76, bearing the notation "Discounty Variety—No Price Support" is issued for a farm the card may be exchanged at the county office for an MQ–76 with the notation "No Price Support": *Provided*, That the farm operator establishes to the satisfaction of the county committee that there has been no commingling or substitution of discount variety tobacco produced on the farm or on any other farm operated by him, and that all discount variety tobacco has been marketed or satisfactorily disposed of, or accounted for.

(3) *Cards for publicly owned experiment stations.* MQ–76 issued to identify marketings of tobacco grown for experimental purposes by or for publicly owned experiment stations shall bear the notation "Discount Variety—Limited Price Support" if such tobacco is discount variety tobacco.

(g) *Identification of Flue-cured leaf account tobacco as acceptable variety and reports on MQ–79–1, Flue-Cured.* Whenever the Director determines there is a significant amount of discount variety tobacco available for marketing in any marketing year he may cause to be initiated the provisions of this paragraph. In addition, the Director may terminate any action initiated hereunder when he determines no discount variety of Flue-cured tobacco remains available for sale during the remainder of the current marketing season. Notification to warehousemen of action required under this paragraph shall be by the State executive director.

(1) *Warehouseman.* (i) Each warehouseman who offers for auction sale any leaf account Flue-cured tobacco on a warehouse floor other than his own, and who requests the other warehouseman to identify such tobacco as being "acceptable variety" shall execute MQ–79–1 (Flue-cured), Dealer's Certification—Resale Tobacco.

(ii) Each warehouseman who is participating in the Commodity Credit Corporation price support program, and who identifies resale tobacco with a "certified" basket ticket indicating that such tobacco, by virtue of an executed MQ–79–1 (Flue-cured), is of an acceptable variety shall at the time the tobacco is weighed in have such tobacco covered by an executed MQ–79–1.

(iii) Each executed MQ–79–1 (Flue-cured) shall show the following information with respect to each lot of resale tobacco:

(*a*) Crop year.

(*b*) Name and address of warehouse where the tobacco is being offered for sale.

(*c*) Tobacco sale bill number and date.

(*d*) Date, signature of dealer and current address, and dealer identification number.

(2) *Dealer.* (i) Each dealer or any other person who offers for auction sale any resale Flue-cured tobacco on a warehouse floor which is participating in the Commodity Credit Corporation price support program and on which floor eligible resale Flue-cured tobacco is identified with a "certified" basket ticket, and who requests the warehouseman to identify his tobacco as being of an "acceptable variety", shall execute MQ–79–1 (Flue-cured), Dealer's Certification—Resale Tobacco.

(ii) Each executed MQ–79–1 (Flue-cured) shall show the following information with respect to resale tobacco:

(*a*) Crop year.

(*b*) Name and address of warehouse where the tobacco is being offered for sale.

(*c*) Date, signature of dealer and current address, and dealer identification number.

(*d*) Tobacco sale bill number and date.

(iii) Each dealer or any person who acquires acceptable variety tobacco in a manner which would make it ineligible for certification on MQ–79–1, or who has on hand both discount variety tobacco and acceptable variety tobacco, and desires to dispose of acceptable variety tobacco prior to disposing of the discount variety tobacco, may apply in writing to the State executive director for a special authorization to have the acceptable variety tobacco certified when offered for auction sale.

(h) *Estimate of production.* For any farm on which discount variety tobacco is being grown, a Form MQ–92, Estimate of Production, shall be obtained.

Prior to the issuance of the proposed regulations, any data, views, or recommendations pertaining thereto which are submitted to the Director, Commodity Programs Division, Agricultural Stabilization and Conservation Service, U.S. Department of Agriculture, Washington, D.C. 20250, will be given consideration, provided such submissions are postmarked not later than 15 days after the date of the publication of this notice in the FEDERAL REGISTER. All written submissions made pursuant to this notice will be made available for public inspection at such time and places and in the manner convenient to the public business (7 CFR 1.27(b)).

Signed at Washington, D.C., on December 3, 1969.

KENNETH E. FRICK,
Administrator, Agricultural Stabilization and Conservation Service.

[F.R. Doc. 69–14537; Filed, Dec. 5, 1969; 8:48 a.m.]

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

[14 CFR Part 71]

[Airspace Docket No. 69–WA–59]

TERMINAL CONTROL AREAS: PROPOSED AIRSPACE CONFIGURATIONS

Notice of Public Hearings

The FAA will hold a series of public hearings to receive the views of interested persons concerning the proposed terminal control area airspace configuration for the following 22 terminals:

Atlanta.	Miami.
Boston.	Minneapolis.
Chicago O'Hare.	New Orleans.
Cincinnati.	New York Complex (La Guardia, Kennedy, Newark).
Cleveland.	Philadelphia.
Dallas.	Pittsburgh.
Denver.	San Francisco.
Detroit.	Seattle.
Houston.	St. Louis.
Kansas City.	Washington.
Las Vegas.	
Los Angeles.	

The FAA published, in Notice 69–41 (34 F.R. 15252, Sept. 30, 1969), its intent to adopt air traffic rules for the control or segregation of all aircraft operated within airspace designated by the Administrator as "terminal control areas." In that notice it was stated that individual area notices would be issued for 22 terminals which would give the specific designation of the individual terminal control areas. Since that time, notices for the following terminals have been published—

Washington, D.C.—Andrews AFB Area, Notice 69–42, 34 F.R. 15252, September 30, 1969;
Atlanta—Airspace Docket No. 69–WA–32, 34 F.R. 15805, October 6, 1969;
Chicago—Airspace Docket No. 69–WA–33, 34 F.R. 15805, October 8, 1969;
Detroit—Airspace Docket No. 69–WA–37, 34 F.R. 15806, October 6, 1969.

Notice 69–41 and these subsequent airspace proposals have stimulated a great deal of public interest and response. The FAA considers that public hearings concerning specific airspace configurations under consideration are justified in light of the number of persons affected by these proposals and the degree of public interest shown. Accordingly, notice is hereby given that the FAA will hold a series of public hearings to receive the views of all interested persons on the proposed terminal control area airspace configurations for the 22 above mentioned terminals. The schedule for these public hearings is as follows:

December 9, 1969, 1 p.m.	Chicago, Ill.	Hangar 4, Palwaukee Airport, Wheeling, Ill.
December 10, 1969, 1 p.m.	Detroit, Mich.	Auditorium, Michigan National Guard Administration Bldg., Detroit Metropolitan Airport.
December 12, 1969, 1 p.m.	Minneapolis, Minn.	American Legion Ridgefield Post, 6301 Portland Ave., Ridgefield, Minn.
December 15, 1969, 1 p.m.	Kansas City, Mo.	Room 140, Federal Office Bldg., 601 East 12th St., Kansas City, Mo.
December 17, 1969, 1 p.m.	St. Louis, Mo.	Air National Guard Base Theater, Lambert Field, St. Louis, Mo.
January 5, 1970, 7 p.m.	Dallas, Tex.	Executive Inn, 3232 West Mockingbird Lane, Dallas, Tex.
January 6, 1970, 7 p.m.	Houston, Tex.	Gulfgate Auditorium A, Gulfgate Shopping Center, Gulf Freeway at Reveille, Houston, Tex.
January 7, 1970, 10 a.m.	Boston, Mass.	Government Center Room, Madison Hotel, North Station, 25 Nashua St., Boston, Mass.
January 7, 1970, 1:30 p.m.	Denver, Colo.	Holiday Inn East, 13800 East Colfax Ave., Aurora, Colo.
January 9, 1970, 9 a.m.	Las Vegas, Nev.	Room 3, Convention Center, Paradise Rd. and Convention Center Dr., Las Vegas, Nev.
January 9, 1970, 7 p.m.	New Orleans, La.	Louisiana State University, New Orleans, University Center, Cabildo Room 242, New Orleans, La.
January 9, 1970, 10 a.m.	Pittsburgh, Pa.	Pittsburgh Institute Aeronautics, Allegheny County Airport, Mifflin, Pa.
January 12, 1970, 7:30 p.m.	San Francisco, Calif.	Holiday Inn, Franciscan Room, South San Francisco, Calif.
January 13, 1970, 10 a.m.	Cincinnati, Ky.	Barkley House Motel, Greater Cincinnati Airport, Erlanger, Ky. 41018.
January 13, 1970, 9:30 a.m.	Atlanta, Ga.	Conference Room 701, FAA Regional Office, 3400 Whipple St., East Point, Ga.
January 14, 1970, 7:30 p.m.	Seattle, Wash.	Orcas Room, Coliseum North Court Building, Seattle Civic Center, Seattle, Wash.
January 15, 1970, 10 a.m.	Washington, D.C.	FAA Bldg., Room 310 Auditorium, 800 Independence Ave. SW., Wash., D.C.
January 16, 1970, 3 p.m.	Los Angeles, Calif.	Airport Junior High School Auditorium, 9000 Airport Blvd., Los Angeles, Calif.
January 19, 1970, 10 a.m.	Cleveland, Ohio.	Rocky River City Hall, 21012 Hilliard Rd., Rocky River, Ohio.
January 21, 1970, 10 a.m.	New York, N.Y.	Riviera Idewild Hotel, 151–20 Baisley Blvd., Jamaica, N.Y.
January 21, 1970, 9:30 a.m.	Miami, Fla.	Conference Room 202, Miami Area Office, FAA WB Bldg., Miami International Airport, Miami, Fla.
January 23, 1970, 10 a.m.	Philadelphia, Pa.	Airport Motel, Brass Rail Meeting Room, Phila., Pa. 19153.

Interested persons are invited to attend the hearings and present oral or written statements on the matter set forth in this notice. These statements will be made a part of the record of the hearing. Any person who wishes to make an oral statement should attend the public hearing for the location in which he is interested. Written information, views, arguments or briefs may be submitted for the record. Written comments should be submitted prior to the hearing, or at the public hearing itself. Written comments may not be accepted after the hearing unless good cause is shown or the submission is requested by the presiding officer or the Director. All comments should be submitted in duplicate and addressed to the Director, Air Traffic Service, FAA, 800 Independence Avenue SW., Washington, D.C., and refer to the public hearing for the appropriate terminal location.

All comments received at these public hearings will be considered by the FAA in any rule-making actions regarding the specific terminal control area airspace configurations at the named terminals. A verbatim transcript will be made and will be entered as a part of the appropriate official airspace docket. In addition, a copy of the transcript will be placed in the docket for Notice 69–41. Anyone may buy a copy of the transcript from the reporter. However, any rule issued in a case in which such

a hearing is held will not be based exclusively on the record of the hearing.

The hearings will be informal hearings conducted by a designated representative of the FAA under § 11.67 of the Federal Aviation Regulations; they will not be judicial or evidentiary type hearing. The hearings are designed to present the airspace configurations under consideration by the FAA and to solicit the views of interested persons.

The following will be the procedure followed in the public hearings. The presiding officer will make an opening statement regarding the purpose of the meeting. FAA spokesmen will then briefly discuss the rules proposed in Notice 69-41 and will present the airspace configuration that is under consideration for that particular terminal area. Questions will be invited from the audience and answers given to each question. Interested persons may present or read any statement into the record. Initial statements are to be made as far as possible without interruption. Arguments and oral statements are limited to the subjects named in this notice.

This notice is proposed under the authority of sections 307 (a) and (c), and 313 of the Federal Aviation Act of 1958 (49 U.S.C. 1348 (a) and (c), and 1354 (a)), and section 6(c) of the Department of Transportation Act (49 U.S.C. 1665(c)).

Issued in Washington, D.C., on December 3, 1969.

FERRIS J. HOWLAND,
Acting Director,
Air Traffic Service.

[F.R. Doc. 69-14513; Filed, Dec. 5, 1969; 8:45 a.m.]

[14 CFR Part 71]

[Airspace Docket No. 69-WA-59-A]

TERMINAL CONTROL AREAS

Proposed Airspace Configurations; Notice of Public Hearings

On December 3, 1969, the Acting Director, Air Traffic Service, issued in Washington, D.C., a notice of public hearings to be conducted at various locations in order to insure that the views of all interested persons would be heard concerning individual terminal control areas that are being proposed for 22 high density terminals listed in that notice.

At the time the notice of public hearings was issued, only four of the 22 terminal airspace configurations had been formalized to the extent that they were published as notices of proposed rule making in the FEDERAL REGISTER. These were the Washington, D.C.—Andrews AFB Area, the Atlanta Area, the Chicago Area, and the Detroit Area.

Copies of the terminal airspace configurations proposed for the remaining 18 high density terminal areas will be mailed locally to all those interested airspace users in the affected area who are presently on the FAA distribution list and customarily receive airspace notices and rules. Other persons not on the mailing list may obtain advanced copies of the airspace configurations proposed for discussion at the hearing by requesting a copy by mail from the appropriate regional office.

The presiding officer will also have copies of the airspace proposal available at the hearing for use by the public.

Issued in Washington, D.C., on December 5, 1969.

FERRIS J. HOWLAND,
Acting Director,
Air Traffic Service.

[F.R. Doc. 69-14612; Filed, Dec. 5, 1969; 11:00 a.m.]

[14 CFR Part 71]

[Airspace Docket No. 69-CE-83]

CONTROL ZONE AND TRANSITION AREA

Proposed Alteration

In a notice of proposed rule making published in the FEDERAL REGISTER on September 11, 1969 (34 F.R. 14285), F.R. Doc. 69-10832, the Federal Aviation Administration proposed to alter the Chesterfield (Spirit of St. Louis), Mo., control zone and the Chesterfield, Mo., transition area.

Subsequent to publication of the notice two VOR instrument approach procedures have been altered. Therefore, it is necessary to issue a supplemental notice of proposed rule making redesignating the Chesterfield (Spirit of St. Louis), Mo., control zone and the Chesterfield, Mo., transition area in order to provide adequate airspace protection for aircraft executing the altered VOR instrument approach procedures.

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, Central Region, Attention: Chief, Air Traffic Division, Federal Aviation Administration, Federal Building, 601 East 12th Street, Kansas City, Mo. 64106. All communications received within 45 days after publication of this supplemental 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 the 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 the supplemental notice in order to become part of the record for consideration. The proposal contained in this supplemental 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, Federal Building, 601 East 12th Street, Kansas City, Mo. 64106.

In consideration of the foregoing, the Federal Aviation Administration proposes to amend Part 71 of the Federal Aviation Regulations by altering the Chesterfield (Spirit of St. Louis), Mo., control zone and the Chesterfield, Mo., transition area as hereinafter set forth:

(1) In § 71.171 (34 F.R. 4557), the following control zone is amended to read:

CHESTERFIELD (SPIRIT OF ST. LOUIS)

Within a 5-mile radius of Spirit of St. Louis Airport (latitude 38°39'35" N., longitude 90°38'45" W.); within 3½ miles each side of the Maryland Heights, Mo., VORTAC 310° radial, extending from the VORTAC to 9½ miles northwest of the VORTAC; and within 5 miles each side of the Maryland Heights VORTAC 241° radial, extending from the VORTAC to 14½ miles of the VORTAC. This control zone is 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.

(2) In § 71.181 (34 F.R. 4637), the following transition area is amended to read:

CHESTERFIELD, MO.

That airspace extending upward from 700 feet above the surface within a 9-mile radius of Spirit of St. Louis Airport (Latitude 38°39'35" N., longitude 90°38'45" W.); within 3½ miles each side of the Maryland Heights, Missouri VORTAC 310° radial, extending from the 9-mile radius area to 12 miles northwest of the VORTAC; within 5 miles each side of the Maryland Heights VORTAC 241° radial, extending from the 9-mile radius area to 16½ miles southwest of the VORTAC; and within 2½ miles each side of the Spirit of St. Louis ILS localizer west course, extending from the 9-mile radius area to 8 miles west of the OM, excluding the portion which overlies the St. Louis, Mo., 700-foot floor transition area.

These amendments are proposed under the authority of section 307(a) of the Federal Aviation Act of 1958 (49 U.S.C. 1348), and of section 6(c) of the Department of Transportation Act, 949 U.S.C. 1655(c)).

Issued in Kansas City, Mo., on November 12, 1969.

ROBERT I. GALE,
Acting Director, Central Region.

[F.R. Doc. 69-14527; Filed, Dec. 5, 1969; 8:47 a.m.]

[14 CFR Part 71]

[Airspace Docket No. 69-WE-82]

CONTROL ZONE AND TRANSITION AREA

Proposed Alteration

The Federal Aviation Administration is considering amendments to Part 71 of the Federal Aviation Regulations that would alter the descriptions of the Lewiston, Idaho, control zone and transition area.

Interested persons may participate in the proposed rule making by submitting such written data, views, or arguments as they may desire. Communications should be submitted in triplicate to the Chief, Airspace and Program Standards

Branch, 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.

As a result of a review of airspace requirements for the Lewiston, Idaho, terminal area the VOR–1 instrument approach procedure for Lewiston-Nez Perce County Airport has been modified to meet the requirements of the U.S. Standards for Terminal Instrument Procedures (TERPS). This has resulted in the requirement for a small amount of additional 700-foot transition area to protect aircraft operating below 1,500 feet above the surface. Additional 1,200-foot transition area is required to comply with the criteria for designation of controlled airspace to protect the procedure turn area. The final approach course has been changed from 246° M (266° T) to 243° M (263° T) therefore, the control zone extension to the east requires alteration to reflect this change.

In consideration of the foregoing the FAA proposes the following airspace actions.

In § 71.171 (34 F.R. 4557) the description of the Lewiston, Idaho, control zone is amended by deleting "* * * 266° radial, * * *" and substituting "* * * 263° radial, * * *" therefor.

In § 71.181 (34 F.R. 4637) the description of the Lewiston, Idaho, transition area as modified by (34 F.R. 1892) is further amended to read as follows:

LEWISTON, IDAHO

That airspace extending upward from 700 feet above the surface within a 5-mile radius of the Lewiston-Nez Perce County Airport (latitude 46°22'34" N., longitude 117°00'53" W.), and within 2.5 miles each side of the Lewiston VOR 065° and 245° radials, extending from 1 mile southwest to 6 miles northeast of the VOR; that airspace extending upward from 1,200 feet above the surface within 9.5 miles northwest and 5 miles southeast of the Lewiston VOR 065° radial, extending from the VOR to 19 miles northeast of the VOR, within 5 miles each side of the Lewiston VOR 266° radial extending from 7 to 15 miles west of the VOR, and that airspace extending upward from 6,500 feet MSL within 12 miles northwest and 8 miles southeast of the Lewiston VOR 065° and 245° radials, extending from 11 miles southwest to 23 miles northeast of the VOR.

These amendments are proposed under the authority of section 307(a) of the Federal Aviation Act of 1958, as amended (72 Stat. 749; 49 U.S.C. 1348(a), and of section 6(c) of the Department of Transportation Act (49 U.S.C. 1655 (c)).

Issued in Los Angeles, Calif., on November 24, 1969.

LEE E. WARREN,
Acting Director, Western Region,

[F.R. Doc. 69–14528; Filed, Dec. 5, 1969; 8:47 a.m.]

[14 CFR Part 71]

[Airspace Docket No. 69–WE–83]

TRANSITION AREA

Proposed Designation

The Federal Aviation Administration is considering an amendment to Part 71 of the Federal Aviation Regulations that would designate a transition area for Bishop, Calif., Airport.

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 Chief, Airspace and Program Standards Branch, 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.

A new State-owned VOR is being installed on the Bishop, Calif. Airport. This facility will support instrument approach, departure, and holding procedures for the Bishop Airport. In addition, transition routes from Bishop to the Nichols Intersection (OAL 250° M and BIH 325° M radials), Beatty VOR and the Lida Intersection are predicated on this facility including two transition routings from Coaldale VOR and Friant VOR which are within the Continental Control Area.

The procedure turn, final approach and holding procedures are accomplished on the Bishop 140° M (156° T) radial. The proposed transition area is required to provide controlled airspace protection for aircraft executing these prescribed instrument procedures.

In consideration of the foregoing the FAA proposes the following airspace action.

In § 71.181 (34 F.R. 4637) the following transition area is added.

BISHOP, CALIF.

That airspace extending upward from 700 feet above the surface within a 5-mile radius of the Bishop VOR (latitude 37°22'37" N., longitude 118°21'56" W.); that airspace extending upward from 1,200 feet above the surface within 8 miles southwest and 12 miles northeast of the Bishop VOR 156° and 336° radials, extending from 10 miles northwest to 22 miles southeast of the VOR; that airspace extending upward from 12,500 feet MSL within 5 miles each side of the Bishop VOR 341° radial extending from the VOR to V–244, within 5 miles each side of a direct course between the Bishop VOR and Lida Intersection, 42 miles 12,500 feet MSL, 10,500 feet MSL Lida Intersection, and within 5 miles each side of a direct course between Bishop VOR and Beatty, Nev., VOR 80 miles 12,500 feet MSL, 10,500 feet MSL Beatty.

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(a), and of section 6(c) of the Department of Transportation Act (49 U.S.C. 1655(c)).

Issued in Los Angeles, Calif., on November 24, 1969.

LEE E. WARREN,
Acting Director, Western Region.

[F.R. Doc. 69–14530; Filed, Dec. 5, 1969; 8:47 a.m.]

[14 CFR Part 73]

[Airspace Docket No. 69–WA–56]

TEMPORARY RESTRICTED AREAS

Proposed Designation

The Federal Aviation Administration is considering amendments to Part 73 of the Federal Aviation Regulations which would designate temporary restricted areas near Hampton, Va., and Sandbridge, Va.

Interested persons are invited to participate in the making of the proposed rule by submitting such written data, views, or arguments as they may desire. Communications should identify the airspace docket number and be submitted in triplicate to the Federal Aviation Administration, Office of the General Counsel, Attention: Rules Docket, 800 Independence Avenue SW., Washington, D.C. 20590. All communications received within 30 days after publication of this notice will be considered by the Administrator before taking action on the proposed rule. The proposals contained in this notice may be changed in the light of comments received. All comments submitted will be available, both before and after the closing date for comments, in the Rules Docket for examination by interested persons.

The National Aeronautics and Space Administration has requested the establishment of temporary restricted areas

in the vicinities of Hampton and Sandbridge, Va. The proposed temporary restricted areas would be utilized for a 1-hour period from 1300 to 1400 e.s.t. on March 7, 1970, for making scientific sightings and studies associated with the solar eclipse which will begin at approximately 1336 e.s.t. and will last for a period of 2 minutes. The 1-hour utilization period for the restricted areas is required for precalibration and postcalibration of the instruments. The scientific experiments to be conducted within the proposed restricted areas require a clear line of sight to the sun which is unobstructed by aircraft and jet aircraft contrails.

If these actions are taken, temporary restricted areas will be designated as follows:

1. HAMPTON, VA.

Boundaries. Beginning at lat. 37°08'29" N., long. 76°24'03" W.; to lat. 36°58'40" N., long. 76°32'30" W.; to lat. 36°55'20" N., long. 76°-24'19" W.; to lat. 37°07'06" N., long. 76°20'-16" W.; thence to point of beginning.

Designated altitudes. Surface to unlimited.

Time of designation. From 1300 to 1400 e.s.t., March 7, 1970.

Using agency. NASA Langley Research Center, Hampton, Va.

2. SANDBRIDGE, VA.

Boundaries. Beginning at lat. 36°43'14" N., long. 75°55'36" W.; to lat. 36°33'29" N., long. 76°04'32" W.; to lat. 36°30'06" N., long. 75°-56'07" W.; to lat. 36°41'40" N., long. 75°51'-55" W.; thence to point of beginning.

Designated altitudes. Surface to unlimited.

Time of designation. From 1300 to 1400 e.s.t., March 7, 1970.

Using agency. NASA Langley Research Center, Hampton, Va.

These amendments are proposed under the authority of section 307(a) of the Federal Aviation Act of 1958 (49 U.S.C. 1348) and section 6(c) of the Department of Transportation Act (49 U.S.C. 1655(c)).

Issued in Washington, D.C., on November 28, 1969.

H. B. HELSTROM,
Chief, Airspace and Air Traffic Rules Division.

[F.R. Doc. 69-14529; Filed, Dec. 5, 1969; 8:47 a.m.]

Notices

FEDERAL POWER COMMISSION

[Docket No. RI70-658, etc.]

GETTY OIL CO. ET AL.

Order Providing for Hearing on and Suspension of Proposed Changes in Rates, and Allowing Rate Changes To Become Effective Subject to Refund [1]

NOVEMBER 28, 1969.

The respondents named herein have filed proposed changes in rates and charges of currently effective rate schedules for sales of natural gas under Commission jurisdiction, as set forth in Appendix A hereof.

The proposed changed rates and charges may be unjust, unreasonable, unduly discriminatory, or preferential, or otherwise unlawful.

The Commission finds: It is in the public interest and consistent with the Natural Gas Act that the Commission enter upon hearings regarding the lawfulness of the proposed changes, and that the supplements herein be suspended and their use be deferred as ordered below.

The Commission orders:

(A) Under the Natural Gas Act, particularly sections 4 and 15, the regulations pertaining thereto (18 CFR, Ch. I), and the Commission's rules of practice and procedure, public hearings shall be held concerning the lawfulness of the proposed changes.

(B) Pending hearings and decisions thereon, the rate supplements herein are suspended and their use deferred until date shown in the "Date Suspended Until" column, and thereafter until made effective as prescribed by the Natural Gas Act: [2] *Provided, however,* That the supplements to the rate schedules filed by respondents, as set forth herein, 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 respondents shall each 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 section 154.102 of the regulations thereunder, accompanied by a certificate showing service of copies thereof upon all purchasers under the rate schedule involved. Unless respondents are advised to the contrary within 15 days after the filing of their respective agreements and undertakings, such agreements and undertakings shall be deemed to have been accepted.[3]

(C) Until otherwise ordered by the Commission, neither the suspended supplements, nor the rate schedules sought to be altered, shall be changed until disposition of these proceedings or expiration of the suspension period.

(D) Notices of intervention or petitions to intervene may be filed with the Federal Power Commission, Washington, D.C. 20426, in accordance with the rules of practice and procedure (18 CFR 1.8 and 1.37(f)) on or before January 12, 1970.

By the Commission.

[SEAL] GORDON M. GRANT, *Secretary.*

[1] Does not consolidate for hearing or dispose of the several matters herein.

[2] As indicated in Appendix A, some of the proposed rates have been accepted subject to refund in existing suspension proceedings as of the dates listed therein. In addition, one proposed rate has been accepted without any refund obligation.

[3] 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 [4]	Effective date unless suspended	Date suspended until—	Cents per Mcf [5] Rate in effect	Cents per Mcf [5] Proposed increased rate	Rate in effect subject to refund in dockets Nos.
RI70-658	Getty Oil Co.	17	20	El Paso Natural Gas Co.		11-3-69	11-3-69	11-4-69	14.5	14.55437	RI70-80.
							[6] 1-7-70		19.2565	19.32775	
		50	15	do		11-3-69	11-3-69	11-4-69	15.74	15.7695	RI70-80.
							[6] 1-7-70		19.12825	19.16387	
		67	6	Northern Natural Gas Co.		11-3-69	11-3-69	11-4-69	14.36	14.41385	RI70-80.
							[6] 1-7-70		18.0	18.0675	
		79	6	West Texas Gathering Co.		11-3-69	11-3-69	11-4-69	14.39	14.44396	RI70-80.
							[6] 1-3-70		18.0	18.0675	
		116	4	Northern Natural Gas Co.		11-3-69	11-3-69	11-4-69	14.5	14.55437	RI70-80.
							[6] 1-3-70		15.0	15.05625	
		151	12	El Paso Natural Gas Co.		11-3-69	11-3-69	11-4-69	14.5	14.527	RI70-80.
							[6] 1-7-70		19.128	19.164	
		148	3	Transwestern Pipeline Co.		11-4-69	11-4-69	11-5-69	14.48	14.532	
		160	2	Natural Gas Pipeline Co. of America		11-3-69	11-3-69	11-4-69	16.95571	17.0193	
RI70-659	Getty Oil Co. (Operator) et al.	170	7	El Paso Natural Gas Co.		11-3-69	11-3-69	11-4-69	15.91	15.97	
		165	9	Transwestern Pipeline Co.		11-3-69	11-3-69	11-4-69	14.86	14.952	RI70-81.
									16.92	16.994	
							[6] 1-7-70		19.25	19.3342	
RI70-660	Atlantic Richfield Co.	589	4	El Paso Natural Gas Co.			10-1-69	10-2-69	15.85	16.1234	RI69-787.
							[6] 1-1-70		17.7345	17.8019	
RI70-661	Transocean Oil, Inc.	13	9	do			10-1-69	10-2-69	14.5	14.5134	
		14	9	do			10-1-69	10-2-69	14.5	14.5134	
		15	9	do			10-1-69	10-2-69	14.5	14.5134	
		16	9	do			10-1-69	10-2-69	14.5	14.5134	
		17	9	do			10-1-69	10-2-69	14.5	14.5134	
RI70-662	Atlantic Richfield Co.	458	5	do			10-1-69	10-2-69	17.19	17.2545	
RI70-663	Atlantic Richfield Co. (Operator) et al.	488	7	do			10-1-69	10-2-69	16.48	16.5148	RI69-791.
							[6] 1-1-70		17.50	17.7723	
RI70-664	Atlantic Richfield Co.	511	13	do			[7] 10-1-69	10-2-69	12.29	12.3361	RI68-502.
									13.947	13.9993	
		514	6	do			10-1-69	10-2-69	16.5	16.5619	RI69-746.
							[6] 10-1-69		19.0	19.0713	
RI70-665	Atlantic Richfield Co. (Operator) et al.	520	11	do			10-1-69	10-2-69	15.74	15.7695	RI70-213.
							[6] 2-8-70		19.1283	19.1639	
RI70-666	Atlantic Richfield Co.	528	4	do			10-1-69	10-2-69	12.81	12.858	
		581	3	do			10-1-69	10-2-69	16.5	16.5619	RI69-787.
							[6] 11-15-69		17.5	17.5656	
		582	2	Northern Natural Gas Co.			10-1-69	10-2-69	16.5	16.5495	
RI70-667	Atlantic Richfield Co. (Operator) et al.	566	3	do			10-1-69	10-2-69	16.5	16.5495	

See footnotes at end of table.

APPENDIX A

Docket No.	Respondent	Rate schedule No.	Supplement No.	Purchaser and producing area	Amount of annual increase	Date filing tendered [4]	Effective date unless suspended	Date suspended until—	Cents per Mcf [3] Rate in effect	Cents per Mcf [3] Proposed increased rate	Rate in effect subject to refund in dockets Nos.
RI70-668	Skelly Oil Co	113	7	El Paso Natural Gas Co		11-3-69	11- 3-69	11- 4-69	14.10	14.15	
RI70-669	Pan American Petroleum Corp.	518	2	Natural Gas Pipeline Co. of America			10- 1-69	10- 2-69	16.40	16.46	
RI70-670	Atlantic Richfield Co	265	1	Northern Natural Gas Co			10- 1-69	10- 2-69	16.0	16.06	
		321	2	do			10- 1-69	10- 2-69	16.1535	16.2141	
RI70-671	do	596	7	El Paso Natural Gas Co		[4] [5]	10- 1-69	10-2-69	14.11	14.1629	RI68-671.
									16.50	16.5619	
		611	3	Northern Natural Gas Co			10- 1-69	10-2-69	14.182	14.2352	
		615	3	Transwestern Pipeline Co			10- 1-69	10-2-69	16.49	16.5725	RI69-746.
									14.48	14.5524	
							[6] 10-22-69		18.0	18.090	
		391	5	Northern Natural Gas Co			10- 1-69	10-2-69	14.50	14.5225	RI69-782.
							[6] 11- 1-69		15.0600	15.0384	
		442	5	Transwestern Pipeline Co			10- 1-69	10-2-69	14.86	14.92501	RI69-787.
							[6] 11-15-69		18.0	18.07875	
		452	3	West Texas Gathering Co			10- 1-69	10-2-69	16.39	16.4515	RI69-746.
							[6] 10-22-69		18.0	18.0675	
RI70-672	Texaco, Inc	25	16	El Paso Natural Gas Co			10- 1-69	10-2-69	15.58	15.7674	
RI70-673	The Superior Oil Co	8	12	do		11-6-69	11- 6-69	11-7-69	14.22	14.27333	
		9	13	do		11-6-69	11- 6-69	11-7-69	15.19	15.24696	
		10	14	do		11-6-69	11- 6-69	11-7-69	13.49	13.54059	
RI70-674	John L. Crawford	1	1	Northern Natural Gas Co			10- 1-69	10-2-69	16.0	16.06	
RI70-675	Pecos Growers Oil Co	1	2	El Paso Natural Gas Co			10- 1-69	10-2-69	16.10	16.1604	
		3	4	Transwestern Pipeline Co			10- 1-69	10-2-69	17.30	17.3757	
RI70-676	Frio-Tex Oil & Gas Co. (Operator) et al.	2	4	Northern Natural Gas Co			10- 1-69	10-2-69	.5	16.5619	
RI70-677	Atapaz Petroleum, Inc	1	3	Natural Gas Pipeline Co. of America			10- 1-69	10- 2-69	16.4	16.4615	
		2	3	do			10- 1-69	10- 2-69	14.0322	14.0848	
RI70-678	Samedan Oil Corp. (Operator) et al.	19	7	El Paso Natural Gas Co		11- 3-69	11- 3-69	11- 4-69	16.50	16.5619	
RI70-679	Southern Minerals Corp. (Operator) et al.	1	4	Northern Natural Gas Co		11- 3-69	11- 3-69	(Accepted)	16.0	16.0525	
						11- 3-69	11- 3-69	11- 4-69	14.4029	14.4485	
RI70-680	Virginia Sherrill	1	4	Phillips Petroleum Co		11- 3-69	11- 3-69	11- 4-69	13.0	13.0315	
RI70-681	Consolidated Gas & Equipment Co. of America.	1	1	Natural Gas Pipeline Co. of America		11- 3-69	11- 3-69	11- 4-69	13.2	13.2459	
RI70-682	Western Oil Fields, Inc	13	2	Transwestern Pipeline Co			10- 1-69	10- 2-69	17.0	17.047375	
RI70-683	Yucca Petroleum Co. (Operator) et al.	12	1	Northern Natural Gas Co			10- 1-69	10- 2-69	19.41	19.487	
RI70-684	Standard Oil Co. of Texas, a division of Chevron Oil Co.	45	1	Michigan Wisconsin Pipe Line Co			10- 1-69	10- 2-69	17.0	17.06375	
RI70-685	Alvin Wilson et al	1	11	Tennessee Gas Pipeline Co			10- 1-69	10- 2-69	15.0	15.05625	
RI70-686	Odessa Natural Gasoline Co.	3	1	Transwestern Pipeline Co			10- 1-69	10- 2-69	17.0	17.0744	
RI70-687	Jack L. Phillips (Operator) et al.	1	1	Lone Star Gas Co		11- 3-69	11- 3-69	11- 4-69	14.49	14.525	
RI70-688	Nafco Oil & Gas Inc. (Operator) et al.	6	8	Texas Gas Transmission Corp		11- 3-69	11- 3-69	11- 4-69	15.0	15.0541	
RI70-689	Harris R. Fender et al	2	8	United Gas P/L Co			10- 1-69	10-2-69	15.0	15.06562	
RI70-690	D. W. Hamilton (Operator) et al.	1	3	Lone Star Gas Co		11-3-69	11- 3-69	11-4-69	14.49	14.525	
RI70-691	Skelly Oil Co. (Operator) et al.	13	8	Texas Gas Transmission Corp			10- 1-69	10-2-69	15.0	15.06	
		14	8	do			10- 1-69	10-2-69	15.0	15.06	
		15	10	do			10- 1-69	10-2-69	15.0	15.06	
		16	9	do			10- 1-69	10-2-69	15.0	15.06	
RI70-692	Skelly Oil Co	241	1	Natural Gas P/L Co. of America			10- 1-69	10-2-69	15.0	15.06	
RI70-693	Horizon Oil & Gas Co. of Texas.	25	2	Northern Natural Gas Co			10- 1-69	10-2-69	17.0	17.06375	
		22	2	do			10- 1-69	10-2-69	15.0	15.05625	
RI70-694	Nafco Oil & Gas, Inc	7	11	Texas Gas Transmission		11-3-69	11- 3-69	11-4-69	15.0	15.0525	
		10	5	Lone Star Gas Co		11-3-69	11- 3-69	11-4-69	14.49	14.5425	
RI70-695	Nafco Oil & Gas, Inc., et al	16	2	Northern Natural Gas Co		11-3-69	11- 3-69	11-4-69	16.5	16.56187	
RI70-696	Nafco Oil & Gas, Inc. (Operator) et al.	22	1	Natural Gas P/L Co. of America		11-3-69	11- 3-69	11-4-69	12.0	12.045	
		19	1	Northern Natural Gas Co		11-3-69	11- 3-69	11-4-69	16.5	16.56187	
RI70-697	Pan American Petroleum Corp.	407	2	do			10- 1-69	10-2-69	15.0	15.056	
		486	1	do			10- 1-69	10-2-69	19.55	19.62	
		447	2	do			10- 1-69	10-2-69	18.7	18.768	
		445	1	do			10- 1-69	10-2-69	15.0	15.056	
		425	3	Panhandle Eastern Pipe Line Co			10- 1-69	10-2-69	17.0	17.0637	
		404	4	Natural Gas Pipeline Co. of America			10- 1-69	10-2-69	17.0	17.0637	
		453	1	do			10- 1-69	10-2-69	17.0	17.063	
		462	1	Michigan Wisconsin Pipeline Co			10- 1-69	10-2-69	18.7	18.77	
		462	3	do			10- 1-69	10-2-69	17.850	17.85	

[1] Pressure base is 14.65 p.s.i.a.
[2] Accepted subject to refund in proceeding listed in "Rate in Effect Subject to Refund in Docket Nos." column as of effective date listed herein.
[3] Date motion is filed to make rate effective subject to refund.
[4] Unless otherwise indicated, the filing was tendered on or before Oct. 31, 1969.

The proposed rate increases herein reflect the 0.5-percent increase in the production tax from 7 percent to 7.5 percent enacted by the State of Texas on September 9, 1969, to be effective as of October 1, 1969. All of the proposed rates herein exceed the applicable area ceiling for the areas involved as announced in the Commission's statement of general policy No. 61-1, as amended (18 CFR, Chapter I, Part 2, § 2.56) with the exception of the rate increases filed by the producers in the Permian Basin Area which exceed the just and reasonable rates established by the Commission in Opinion No. 468, as amended, and the exception noted below.

We believe that it would be in the public interest to waive the statutory notice provided in section 4(d) of the Natural Gas Act. Pursuant to Commission's Order No. 390 issued October 10, 1969, the producers' proposed rate increases from underlying firm rates are suspended for 1 day from October 1, 1969, the effective date of the tax increase enacted by the State of Texas, if filed on or before October 31, 1969, and 1 day from the date of filing if the filing was made after October 31, 1969.

As indicated in this appendix, some of the producers propose tax reimbursement increases to rates that are currently suspended. In these situations, we conclude that the proposed rates should be accepted for filing subject to the current suspension proceeding to be effective as of the expiration date of the suspension period in such suspension proceeding.

The proposed rate of 16.0525 cents per Mcf for the sale of new gas well gas contained in Supplement No. 4 to Southern Minerals' FPC Gas Rate Schedule No. 1 does not exceed the just and reasonable ceiling determined in Opinion No. 468 and will therefore be accepted without refund obligation.

[F.R. Doc. 69-14358; Filed, Dec. 5, 1969; 8:45 a.m.]

[Docket No. RI70-593 etc.]

MONSANTO CO. ET AL.

Order Providing for Hearing on and Suspension of Proposed Changes in Rates, and Allowing Rate Changes To Become Effective Subject to Refund [1]

NOVEMBER 26, 1969.

The respondents named herein have filed proposed changes in rates and charges of currently effective rate schedules for sales of natural gas under Commission jurisdiction, as set forth in Appendix A hereof.

The proposed changed rates and charges may be unjust, unreasonable, unduly discriminatory, or preferential, or otherwise unlawful.

The Commission finds: It is in the public interest and consistent with the Natural Gas Act that the Commission enter upon hearings regarding the lawfulness of the proposed changes, and that the supplements herein be suspended and their use be deferred as ordered below.

The Commission orders:

(A) Under the Natural Gas Act, particularly sections 4 and 15, the regulations pertaining thereto (18 CFR Ch. I), and the Commission's rules of practice and procedure, public hearings shall be held concerning the lawfulness of the proposed changes.

(B) Pending hearings and decisions thereon, the rate supplements herein are suspended and their use deferred until date shown in the "Date Suspended Until" column, and thereafter until made effective as prescribed by the Natural Gas Act: *Provided, however,* That the supplements to the rate schedules filed by respondents, as set forth herein, 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 respondents shall each 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 copies thereof upon all purchasers under the rate schedule involved. Unless respondents are advised to the contrary within 15 days after the filing of their respective agreements and undertakings, such agreements and undertakings shall be deemed to have been accepted.[2]

(C) Until otherwise ordered by the Commission, neither the suspended supplements, nor the rate schedules sought to be altered, shall be changed until disposition of these proceedings or expiration of the suspension period.

(D) Notices of intervention or petitions to intervene may be filed with the Federal Power Commission, Washington, D.C. 20426, in accordance with the rules of practice and procedure (18 CFR 1.8 and 1.37(f)) on or before January 12, 1970.

By the Commission.

[SEAL] GORDON M. GRANT, *Secretary.*

[1] Does not consolidate for hearing or dispose of the several matters herein.

[2] 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 [1] Rate in effect	Cents per Mcf [1] Proposed increased rate
RI70-593	Monsanto Co. et al	65	11	Natural Gas Pipeline Co. of America			10- 1-69	10- 2-69	14.0	14.0525
		68	12	Tennessee Gas Pipeline Co., a division of Tenneco Inc.			10- 1-69	10- 2-69	15.0	15.056
		95	2	Natural Gas Pipeline Co. of America			10- 1-69	10- 2-69	17.0	17.064
		64	12	do			10- 1-69	10- 2-69	14.0	14.0525
RI70-594	Sun Oil Co., DX Division	190	4	United Gas Pipeline Co			10- 1-69	10- 2-69	15.0	15.0375
RI70-595	Union Oil Co. of California	182	5	do			10- 1-69	10- 2-69	15.27	15.3273
RI70-596	Union Producing Co	78	15	do			10- 1-69	10- 2-69	14.0	14.0525
		81	14	Coastal States Gas Producing Co			10- 1-69	10- 2-69	13.3403	13.3869
		227	7	South Texas Natural Gas Gathering Co			10- 1-69	10- 2-69	16.0	16.06
		231	5	Florida Gas Transmission			10- 1-69	10- 2-69	16.0	16.07
		236	9	United Gas Pipe Line Co			10- 1-69	10- 2-69	15.0	15.0563
		250	4	Natural Gas Pipeline Co. of America			10- 1-69	10- 2-69	16.0	16.06
		253	9	United Gas Pipeline Co. of America			10- 1-69	10- 2-69	14.0	14.0314
		259	2	Natural Gas Pipeline Co. of America			10- 1-69	10- 2-69	16.0	16.06
		267	1	Transcontinental Gas Pipe Line Corp			10- 1-69	10- 2-69	15.0	15.0563
		269	1	Natural Gas Pipeline Co. of America			10- 1-69	10- 2-69	16.0	16.06
		270	1	United Gas Pipeline Co			10- 1-69	10- 2-69	16.0	16.0595
RI70-597	Lamar Hunt	10	3	South Texas Natural Gas Gathering Co			10- 1-69	10- 2-69	16.0	16.06
RI70-598	Monsanto Co. (Operator) et al	16	8	United Gas Pipe Line Co			10- 1-69	10- 2-69	15.0	15.075
		61	11	Texas Gas Pipeline Corp			10- 1-69	10- 2-69	15.0	15.0563
		62	10	Tennessee Gas Pipeline Co., a division of Tenneco Inc.			10- 1-69	10- 2-69	15.0	15.056
RI70-599	Union Producing Co. (Operator) et al.	93	8	Union Gas Pipeline Co			10- 1-69	10- 2-69	14.7125	14.7813
		94	6	United Gas Pipeline Co			10 -1-69	10- 2-69	14.6	14.673
RI70-600	Edwin M. Jones Oil Co	6	6	Natural Gas Pipeline Co. of America			10- 1-69	10- 2-69	16.0	16.058125
RI70-601	Mobil Oil Corp	162	10	Trunkline Gas Co			10- 1-69	10- 2-69	14.35	14.4038
RI70-602	Sohio Petroleum Co	28	13	Texas Eastern Transmission Corp			10- 1-69	10- 2-69	14.3732	14.4302
		6	6	Tennessee Gas Pipeline Co., a division of Tenneco Inc.			10- 1-69	10- 2-69	15.0	15.05625
		5	7	Trunkline Gas Co			10- 1-69	10- 2-69	14.0	14.0525
RI70-603	Northern Pump Co. (Operator) et al	41	4	Tennessee Gas Pipeline Co., a division of Tenneco Inc.			10-1-69	10-2-69	15.0	15.05625
RI70-604	Getty Oil Co	93	3	Trunkline Gas Co			10-1-69	10-2-69	18.0	18.0675
		86	9	Florida Gas Transmission Co			10-1-69	10-2-69	16.0	16.07
		125	3	Trunkline Gas Co			10-1-69	10-2-69	17.0	17.0638
RI70-605	George Mitchell & Associates, Inc., Agent for Mitchell & Mitchell Gas & Oil Corp., et al.	35	2	Texas Eastern Transmission Corp			10-1-69	10-2-69	16.0	16.06
RI70-606	George Mitchell & Associates, Inc., Agent for Stephen C. Clark, et al.	27	6	Tennessee Gas Pipeline Co., a division of Tenneco Inc.			10-1-69	10-2-69	15.0	15.05625
		26	7	do			10-1-69	10-2-69	15.0	15.05625
RI70-607	George Mitchell & Associates, Inc., Agent for Oil Drilling, Inc., et al.	28	6	do			10-1-69	10-2-69	15.0	15.05625
		14	8	do			10-1-69	10-2-69	15.0	15.05625
RI70-608	George Mitchell & Associates, Inc., Agent for B. Y. Christie et al.	6	11	Tennessee Gas Pipeline Co., a division of Tenneco Inc.			10-1-69	10-2-69	15.0	15.05625

See footnotes at end of table.

APPENDIX A—Continued

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 [2] Rate in effect	Cents per Mcf [2] Proposed increased rate
RI70-609..	George Mitchell & Associates for Sohio Petroleum Co. et al.	4	12	do			10-1-69	10-2-69	15.0	15.05625
RI70-610..	Getty Oil Co. (Operator) et al.	88	5	Florida Gas Transmission Co.			10-1-69	10-2-69	16.0	16.07
RI70-611..	Prarie Producing Co. (Operator) et al.	1	1	Trunkline Gas Co.			10-1-69	10-2-69	16.0	16.06
		3	1	do			10-1-69	10-2-69	17.0	17.0638
RI70-612..	Prarie Producing Co.	2	5	do			10-1-69	10-2-69	15.0	15.0563
RI70-613..	Hawn Brothers et al.	4	6	Tennessee Gas Pipeline Co., a division of Tenneco Inc.			10-1-69	10-2-69	14.6	14.6548
RI70-614..	Murchison Bros. & Denius	1	8	do			10-1-69	10-2-69	14.6	14.6534
RI70-615..	S. A. Story & Associates	1	2	Texas Eastern Transmission Corp.			10-1-69	10-2-69	16.0	16.06
RI70-616..	Phileon Development Co.	2	2	Northern Natural Gas Co.			10-1-69	10-2-69	19.38	19.45267
RI70-617..	Monsanto Co.	45	13	United Gas Pipe Line Co.			10-1-69	10-2-69	14.6	14.655

[2] Pressure base is 14.65 p.s.i.a.

The proposed rate increases herein reflect the 0.5-percent increase in the production tax from 7 percent to 7.5 percent enacted by the State of Texas on September 9, 1969, to be effective as of October 1, 1969. All of the proposed rates herein exceed the applicable area ceiling for the areas involved as announced in the Commission's statement of general policy No. 61-1, as amended (18 CFR, Chapter I, Part 2, § 2.56) with the exception of the rate increases filed by the producers in the Permian Basin Area which exceed the just and reasonable rates established by the Commission in Opinion No. 468, as amended, and with the further exception of the proposed increase by Union for a sale to Coastal under its FPC Gas Rate Schedule No. 81. The increased rate ceiling applies to the resale by Coastal, but not to the sale by Union to Coastal.

We believe that it would be in the public interest to waive the statutory notice provided in section 4(d) of the Natural Gas Act. Pursuant to Commission's Order No. 390 issued October 10, 1969, the producers' proposed rate increases from underlying firm rates are suspended for 1 day from October 1, 1969, the effective date of the tax increase enacted by the State of Texas.

[F.R. Doc. 69-14359; Filed, Dec. 5, 1969; 8:45 a.m.]

[Docket No. RI70-640 etc.]

ROBERT MOSBACHER ET AL.

Order Providing for Hearing on and Suspension of Proposed Changes in Rates, and Allowing Rate Changes To Become Effective Subject to Refund [1]

NOVEMBER 28, 1969.

The respondents named herein have filed proposed changes in rates and charges of currently effective rate schedules for sales of natural gas under Commission jurisdiction, as set forth in Appendix A hereof.

The proposed changed rates and charges may be unjust, unreasonable, unduly discriminatory, or preferential, or otherwise unlawful.

The Commission finds: It is in the public interest and consistent with the Natural Gas Act that the Commission enter upon hearings regarding the lawfulness of the proposed changes, and that the supplements herein be suspended and their use be deferred as ordered below.

The Commission orders:

(A) Under the Natural Gas Act, particularly sections 4 and 15, the regulations pertaining thereto (18 CFR Ch. I), and the Commission's rules of practice and procedure, public hearings shall be held concerning the lawfulness of the proposed changes.

(B) Pending hearings and decisions thereon, the rate supplements herein are suspended and their use deferred until date shown in the "Date Suspended Until" column, and thereafter until made effective as prescribed by the Natural Gas Act: *Provided, however,* That the supplements to the rate schedules filed by respondents, as set forth herein, 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 respondents shall each 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 copies thereof upon all purchasers under the rate schedule involved. Unless respondents are advised to the contrary within 15 days after the filing of their respective agreements and undertakings, such agreements and undertakings shall be deemed to have been accepted.[2]

(C) Until otherwise ordered by the Commission, neither the suspended supplements, nor the rate schedules sought to be altered, shall be changed until disposition of these proceedings or expiration of the suspension period.

(D) Notices of intervention or petitions to intervene may be filed with the Federal Power Commission, Washington, D.C. 20426, in accordance with the rules of practice and procedure (18 CFR 1.8 and 1.37(f)) on or before January 12, 1970.

By the Commission.

[SEAL] GORDON M. GRANT, *Secretary.*

[1] Does not consolidate for hearing or dispose of the several matters herein.

[2] 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 date 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 [3] Rate in effect	Cents per Mcf [3] Proposed increased rate	Rate in effect subject to refund in dockets Nos.
RI70-640..	Robert Mosbacher et al	5	16	Tennessee Gas Pipeline Co., a division of Tenneco Inc.			10-1-69	10-2-69	[4] 15.0	[4] 15.05543	
RI70-641..	Robert Mosbacher (Operator) et al.	16	3	Transcontinental Gas Pipe Line Corp.			10-1-69	10-2-69	14.189	14.2415	
RI70-642..	Palm Petroleum Corp.	6	1	United Gas Pipe Line Co.			10-1-69	10-2-69	16.0	16.04	
RI70-643..	Sun Oil Co., DX Division	20	24	do			10-1-69	10-2-69	15.0	15.075	
RI70-644..	Pan American Petroleum Corp. (Operator) et al.	519	2	Natural Gas Pipeline Co. of America			10-1-69	10-2-69	17.0	17.03665	
RI70-645..	Phillips Petroleum Co.	455	1	Transcontinental Gas Pipe Line Corp.			10-1-69	10-2-69	15.0	15.0563	
RI70-646..	Jack P. Rayzor et al.	4	5	Tennessee Gas Pipeline Co., a division of Tenneco Inc.			10-1-69	10-2-69	15.0	15.0549	
RI70-647..	Forest Oil Corp. (Operator) et al.	36	7	do			10-1-69	10-2-69	[4] 15.0	[4] 15.0459	

See footnotes at end of table.

APPENDIX A—Continued

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[2] Rate in effect	Cents per Mcf[2] Proposed increased rate	Rate in effect subject to refund in dockets Nos.
R170-648..	Dorothy Hewit Blakeney et al.	1	12	do			10- 1-69	10- 2-69	14.6	14.63	
	do	2	11	United Gas Pipe Line Co			10- 1-69	10- 2-69	14.0	14.052	
R170-649..	Mrs. James R. Dougherty et al.	1	5	Natural Gas Pipeline Co. of America			10- 1-69	10- 2-69	16.0	16.056	
R170-650..	Robert Mosbacher (Operator) et al.	2	7	Texas Eastern Transmission Corp			10- 1-69	10- 2-69	14.6	14.663875	
	do	3	9	do			10- 1-69	10- 2-69	14.6	14.663875	
R170-651..	Tarpon Management Co., Agent for Roland S. Bond et al.	3	1	United Gas Pipeline Co			10- 1-69	10- 2-69	16.5	16.54125	
R170-652..	Michel T. Halbouty (Operator) et al.	7	3	do			10- 1-69	10- 2-69	15.192	15.2295	
R170-653..	Michel T. Halbouty	10	4	do			10- 1-69	10- 2-69	15.192	15.2295	
R170-654..	TransOcean Oil, Inc. (Operator), et al.	7	5	Florida Gas Transmission Co			10- 1-69	10- 2-69	17.0	17.0744	
	do	8	9	Texas Eastern Transmission Corp			10- 1-69	10- 2-69	14.6	14.663875	
R170-655..	Texas Oil & Gas Corp. (Operator) et al.	19	3	Coastal States Gas Producing Co			10- 1-69	10- 2-69	[4] 13.3404	[4] 13.3491	
	do	21	2	South Texas Natural Gas Gathering Co.			10- 1-69	10- 2-69	15.0	15.05625	
	do	26	1	Coastal States Gas Producing Co			10- 1-69	10- 2-69	13.1248	13.17355	
	do	28	9	Tennessee Gas Pipeline Co., a division of Tenneco Inc.			10- 1-69	10- 2-69	16.0	16.06	
	do	42	9	do			10- 1-69	10- 2-69	15.0	15.05625	
R170-655	do	43	12	do			[7] 10-13-69	10-14-69	14.0	14.0525	
R170-656..	Texas Oil & Gas Corp.	44	21	Texas Eastern Transmission Co			10- 1-69	10- 2-69	15.0	15.05625	
	do	50	7	Florida Gas Transmission Co			10- 1-69	10- 2-69	16.0	16.06	
R170-657..	Amerada Hess Corp	46	4	Natural Gas Pipeline Co. of America			10- 1-69	10- 2-69	15.0	15.0563	

[2] Pressure base is 14.65 p.s.i.a.
[4] Subject to 0.21931 dehydration charge by buyer.
[5] Subject to 1.25 cents gathering and dehydration charge and 1.50 cents compression charge by buyer.
[6] Includes 0.2156-cent revenue sharing based on Coastal's resale to Trunkline.
[7] Date 14 cents rate became effective.

The proposed rate increases herein reflect the 0.5-percent increase in the production tax from 7 percent to 7.5 percent enacted by the State of Texas on September 9, 1969, to be effective as of October 1, 1969. All of the proposed rates herein were filed on or before October 31, 1969, and exceed the applicable area ceiling for the areas involved as announced in the Commission's statement of general policy No. 61-1, as amended, with the exception of those filed with respect to Texas Oil & Gas Corp., FPC Gas Rate Schedule Nos. 19 and 26. Texas Oil & Gas Corp. sells the gas under these rate schedules to Coastal which thereafter resells the gas. The increased rate ceiling applies to Coastal's resale, but not to the sale by Texas Oil & Gas Corp. to Coastal.

We believe that it would be in the public interest to waive the statutory notice provided in section 4(d) of the Natural Gas Act. Pursuant to Commission's Order No. 390 issued October 10, 1969, the producers' proposed rate increases from underlying firm rates are suspended for 1 day from October 1, 1969, the effective date of the tax increase enacted by the State of Texas, except for the proposed increase under Texas Oil & Gas Corp. FPC Gas Rate Schedule No. 43 which will be suspended for 1 day from October 13, 1969, the date the underlying firm rate of 14 cents became effective.

[F.R. Doc. 69-14360; Filed, Dec. 5, 1969; 8:45 a.m.]

[Docket No. RI70-547, etc.]

SKELLY OIL CO. ET AL.

Order Providing for Hearing on and Suspension of Proposed Changes in Rates, and Allowing Rate Changes To Become Effective Subject to Refund [1]

NOVEMBER 26, 1969.

The respondents named herein have filed proposed changes in rates and charges of currently effective rate schedules for sales of natural gas under Commission jurisdiction, as set forth in Appendix A hereof.

The proposed changed rates and charges may be unjust, unreasonable, unduly discriminatory, or preferential, or otherwise unlawful.

The Commission finds: It is in the public interest and consistent with the Natural Gas Act that the Commission enter upon hearings regarding the lawfulness of the proposed changes, and that the supplements herein be suspended and their use be deferred as ordered below.

The Commission orders:

(A) Under the Natural Gas Act, particularly sections 4 and 15, the regulations pertaining thereto (18 CFR Ch. I), and the Commission's rules of practice and procedure, public hearings shall be held concerning the lawfulness of the proposed changes.

(B) Pending hearings and decisions thereon, the rate supplements herein are suspended and their use deferred until date shown in the "Date Suspended Until" column, and thereafter until made effective as prescribed by the Natural Gas Act: *Provided, however,* That the supplements to the rate schedules filed by respondents, as set forth herein, 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 respondents shall each 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 copies thereof upon all purchasers under the rate schedule involved. Unless respondents are advised to the contrary within 15 days after the filing of their respective agreements and undertakings, such agreements and undertakings shall be deemed to have been accepted.[2]

(C) Until otherwise ordered by the Commission, neither the suspended supplements, nor the rate schedules sought to be altered, shall be changed until disposition of these proceedings or expiration of the suspension period.

(D) Notices of intervention or petitions to intervene may be filed with the Federal Power Commission, Washington, D.C. 20426, in accordance with the rules of practice and procedure (18 CFR 1.8 and 1.37(f)) on or before January 15, 1970.

By the Commission.

[SEAL] GORDON M. GRANT, *Secretary.*

[1] Does not consolidate for hearing or dispose of the several matters herein.

[2] 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	Cents per Mcf: Proposed increased rate	Rate in effect subject to refund in dockets Nos.
RI70-547	Skelly Oil Co	72	10	El Paso Natural Gas Co		10-30-69	[3] 10-1-69	[4] 10-2-69	[7] 14.94	[8] [9] 15.0	
	do	77	11	do		10-30-69	[3] 10-1-69	[4] 10-2-69	[7] 14.5	[8] [9] 14.55	
	do	159	5	do		10-30-69	[3] 10-1-69	[4] 10-2-69	[7] 14.30	[8] [9] 14.44	
	do	200	6	do		10-30-69	[3] 10-1-69	[4] 10-2-69	[7] 15.91	[8] [9] 15.97	
	do	69	10	do		10-30-69	[3] 10-1-69	[4] 10-2-69	[7] 14.21	[8] [9] 14.26	
	do	108	8	do		10-30-69	[3] 10-1-69	[4] 10-2-69	[7] 12.81	[8] [9] 12.86	
	do	88	8	Tennessee Gas Pipeline Co., a division of Tenneco Inc.		10-30-69	[3] 10-1-69	[4] 10-2-69	15.0	[8] [9] 15.06	
	do	117	6	Texas Eastern Transmission Corp.		10-30-69	[3] 10-1-69	[4] 10-2-69	15.0	[8] [9] 15.06	
	do	130	4	Texas Gas Transmission Corp.		11- 3-69	[10] 11-3-69	[4] 11-4-69	15.0	[8] [9] 15.07	
	do	106	2	Northern Natural Gas Co		11- 3-69	[10] 11-3-69	[4] 11-4-69	[10] 15.0 [11] 16.0	[8] [9] [10] 15.04 [8] [9] [11] 16.04	
	do	170	2	do		10-30-69	[3] 10-1-69	[4] 10-2-69	15.5	[8] [9] 16.56	
	do	204	2	do		10-30-69	[3] 10-1-69	[4] 10-2-69	15.0	[8] [9] 15.05	
	do	214	4	Lone Star Gas Co		10-30-69	[3] 10-1-69	[4] 10-2-69	15.0	[8] [9] 15.06	
	do	218	1	Panhandle Eastern Pipe Line Co.		10-30-69	[3] 10-1-69	[4] 10-2-69	17.0	[8] [9] 17.06	
	do	199	3	Northern Natural Gas Co		10-30-69	[3] 10-1-69	[4] 10-2-69	17.0	[8] [9] 17.06	
RI70-548	Skelly Oil Co. (Operator) et al.	233	13	El Paso Natural Gas Company.		10-30-69	[3] 10-1-69	[4] 10-2-69	[11] 14.94	[8] [9] 15.0	
RI70-549	Sun Oil Co., DX Division	282	4	Transwestern Pipeline Company.		10-31-69	[3] 10-1-69	[4] 10-2-69	[12] 14.48 [13] 16.49	[8] [9] [12] 14.5524 [8] [9] [13] 16.5725	
	do	103	13	El Paso Natural Gas Company.		10-27-69	[3] 10-1-69	[4] 10-2-69	[12] 15.92 [16] 12.79	[8] [9] 15.9797 [8] [9] 12.838	
RI70-550	Standard Oil Co. of Texas, a division of Chevron Oil Co. (Operator).	7	14	do		10-30-69	[3] 10-1-69	[4] 10-2-69	16.71	[8] [9] 16.7409	
RI70-551	do	21	5	Transwestern Pipeline Co		10-30-69	[3] 10-1-69	[4] 10-2-69	14.40	[8] [9] 14.4630	
	do	44	1	Natural Gas Pipeline Co. of America.		10-30-69	[3] 10-1-69	[4] 10-2-69	17.0	[8] [9] 17.0638	
	do	38	1	do		10-30-69	[3] 10-1-69	[4] 10-2-69	17.0	[8] [9] 17.0638	
RI70-552	Caroline Hunt Sands et al	15	1	Northern Natural Gas Co		10-27-69	[3] 10-1-69	[4] 10-2-69	[17] 16.5	[8] [9] 16.5619	
RI70-553	Forest Oil Corp. (Operator) et al.	44	2	do		10-30-69	[3] 10-1-69	[4] 10-2-69	16.1535	[8] [9] 16.2141	
RI70-554	Forest Oil Corp	51	1	Transwestern Pipeline Co		10-30-69	[3] 10-1-69	[4] 10-2-69	16.5	[8] [9] 16.5722	
RI70-555	MWJ Producing Co., Agent.	9	3	El Paso Natural Gas Co		10-31-69	[3] 10-1-69	[4] 10-2-69	14.5	[8] [9] 14.5544	
	do	12	8	do		10-31-69	[3] 10-1-69	[4] 10-2-69	14.5	[8] [9] 14.5544	
	do	1	10	do		10-31-69	[3] 10-1-69	[4] 10-2-69	14.5	[8] [9] 14.5544	
	do	2	5	do		10-31-69	[3] 10-1-69	[4] 10-2-69	14.5	[8] [9] 14.5544	
	do	4	5	do		10-31-69	[3] 10-1-69	[4] 10-2-69	14.5	[8] [9] 14.5544	
	do	5	9	do		10-31-69	[3] 10-1-69	[4] 10-2-69	14.5	[8] [9] 14.5544	
	do	7	5	do		10-31-69	[3] 10-1-69	[4] 10-2-69	14.5	[8] [9] 14.5544	
RI70-556	Martin, Williams & Judson (Operator) et al.	1	6	do		10-31-69	[3] 10-1-69	[4] 10-2-69	14.5	[8] [9] 14.5544	
	do	2	5	do		10-31-69	[3] 10-1-69	[4] 10-2-69	14.5	[8] [9] 14.5544	
RI70-557	Atlantic Richfield Co	289	4	do		10-29-69	[3] 10-1-69	[4] 10-2-69	15.66	[8] [9] 15.7187	
RI70-558	Texaco, Inc	436	4	do		10-30-69	[3] 10-1-69	[4] 10-2-69	14.50	[8] [9] 14.5538	
	do	215	17	Transwestern Pipeline Co		10-30-69	[3] 10-1-69	[4] 10-2-69	17.0	[8] [9] 17.0744	
	do	285	6	do		10-30-69	[3] 10-1-69	[4] 10-2-69	17.0	[8] [9] 17.0744	
	do	338	2	Northern Natural Gas Co		10-30-69	[3] 10-1-69	[4] 10-2-69	17.0	[8] [9] 17.0638	
RI70-559	Frio-Tex Oil & Gas Co	3	2	do		10-30-69	[3] 10-1-69	[4] 10-2-69	16.9	[8] [9] 16.960	
RI70-560	Tenneco Oil Co	46	6	El Paso Natural Gas Co		10-30-69	[3] 10-1-69	[4] 10-2-69	13.85	[8] [9] 13.9019	
	do	179	6	do		10-30-69	[3] 10-1-69	[4] 10-2-69	12.81	[8] [9] 12.8580	
	do	221	2	do		10-30-69	[3] 10-1-69	[4] 10-2-69	13.97	[8] [9] 14.0224	
	do	201	2	Mississippi River Transmission Corp.		10-30-69	[3] 10-1-69	[4] 10-2-69	15.0	[8] [9] 15.0563	
	do	112	8	Texas Eastern Transmission Corp.		10-30-69	[3] 10-1-69	[4] 10-2-69	14.6	[8] [9] 14.6630	
	do	235	1	Tennessee Gas Pipeline Co., a division of Tenneco Inc.		10-30-69	[3] 10-1-69	[4] 10-2-69	14.9	[8] [9] 14.9525	
RI70-561	Tenneco Oil Co. (Operator) et al.	138	11	El Paso Natural Gas Co		10-30-69	[3] 10-1-69	[4] 10-2-69	14.12	[8] [9] 14.1730	
	do	146	6	do		10-30-69	[3] 10-1-69	[4] 10-2-69	12.81	[8] [9] 12.8580	
	do	178	1	Mississippi River Transmission Corp.		10-30-69	[3] 10-1-69	[4] 10-2-69	15.0	[8] [9] 15.0563	
RI70-562	Kerr-McGee Corp	3	9	Texas Gas Transmission Corp.		10-29-69	[3] 10-1-69	[4] 10-2-69	15.0	[8] [9] 15.06563	
	do	88	2	Northern Natural Gas Co		10-29-69	[3] 10-1-69	[4] 10-2-69	17.0	[8] [9] 17.0638	
RI70-563	Sidwell Oil & Gas, Inc	7	1	do		10-30-69	[5] 10-1-69	[4] 10-2-69	19.77	[8] [9] 19.844137	
RI70-564	Sidwell Oil & Gas, Inc. (Operator) et al.	8	1	do		10-30-69	[3] 10-1-69	[4] 10-2-69	19.074	[8] [9] 19.145522	
	do	9	1	Panhandle Eastern Pipe Line Co.		10-30-69	[3] 10-1-69	[4] 10-2-69	17.697	[8] [9] 17.7634	
RI70-565	Robert E. Alkman et al., d.b.a. A.I.K. Ltd.	4	1	Northern Natural Gas Co	[18]	10-27-69	[3] 10-1-69	[4] 10-2-69	17.0	[8] [9] 17.06375	
RI70-566	Alkman Brothers	3	2	do	[18]	10-27-69	[3] 10-1-69	[4] 10-2-69	17.0	[8] [9] 17.06375	
RI70-567	Crown Petroleum, Inc	3	1	do		10-29-69	[3] 10-1-69	[4] 10-2-69	17.799	[8] [9] 17.86575	
	do	4	2	Natural Gas Pipeline Co. of America.		10-29-69	[3] 10-1-69	[4] 10-2-69	14.0	[8] [9] 14.0525	
RI70-568	Longhorn Production Co. (Operator) et al.	7	3	do		10-30-69	[3] 10-1-69	[4] 10-2-69	14.5	[8] [9] 14.5499	
RI70-569	Phillips Petroleum Co. (Operator).	400	2	El Paso Natural Gas Co		10-28-69	[3] 10-1-69	[4] 10-2-69	17.0	[8] [9] 17.0638	
RI70-570	Kerr-McGee Corp. (Operator).	2	4	Northern Natural Gas Co		10-29-69	[3] 10-1-69	[4] 10-2-69	16.038632	[8] [9] 16.062539	
RI70-571	Monsanto Co	41	3	Transwestern Pipeline Co		10-29-69	[3] 10-1-69	[4] 10-2-69	17.0	[8] [9] 17.074	
	do	43	6	do		10-29-69	[3] 10-1-69	[4] 10-2-69	18.210	[8] [9] 18.2897	
RI70-572	Anadarko Production Co	30	2	Natural Gas Pipeline Co. of America.		10-30-69	[3] 10-1-69	[4] 10-2-69	17.0	[8] [9] 17.06375	
	do	84	1	do		10-30-69	[3] 10-1-69	[4] 10-2-69	12.0	[8] [9] 12.045	
	do	128	1	Panhandle Eastern Pipe Line Co.		10-30-69	[3] 10-1-69	[4] 10-2-69	17.9350	[8] [9] 18.0022	

See footnotes at end of table.

APPENDIX A—Continued

Docket No.	Respondent	Rate schedule No.	Supplement No.	Purchaser and producing area	Amount of annual increase	Date filing tendered	Effective date unless suspended	Date suspended until—	Cents per Mcf: Rate in effect	Cents per Mcf: Proposed increased rate	Rate in effect subject to refund in dockets Nos.
RI70-573..	Anadarko Production Co. (Operator) et al.	104	1	Northern Natural Gas Co.		10-30-69	[3] 10-1-69	[4] 10-2-69	17.0	[5] [6] 17.06375	
	do	108	2	do		10-30-69	[3] 10-1-69	[4] 10-2-69	17.0	[5] [6] 17.06375	
	do	124	2	do		10-30-69	[3] 10-1-69	[4] 10-2-69	18.1220	[5] [6] 18.18996	
RI70-574..	Phillips Petroleum Co. (Operator) et al.	23	9	Texas Gas Transmission Corp.		10-31-69	[3] 10-1-69	[4] 10-2-69	15.0	[5] [6] 15.0649	
RI70-575..	Phillips Petroleum Co.	440	1	Natural Gas Pipeline Co. of America.		10-31-69	[3] 10-1-69	[4] 10-2-69	19.1080	[5] [6] 19.1718	
RI70-576..	William H. Allen et al.	2	2	Northern Natural Gas Co.		10-27-69	[3] 10-1-69	[4] 10-2-69	16.5	[5] [6] 16.561875	
RI70-577..	William H. Allen	5	1	do		10-27-69	[3] 10-1-69	[4] 10-2-69	15.0	[5] [6] 15.05625	
RI70-578..	Pioneer Production Corp. (Operator) et al.	25	3	do		10-28-69	[3] 10-1-69	[4] 10-2-69	17.0	[5] [6] 17.06375	
	do	26	2	do		10-28-69	[3] 10-1-69	[4] 10-2-69	17.0	[5] [6] 17.06375	
	do	29	2	do		10-28-69	[3] 10-1-69	[4] 10-2-69	17.0	[5] [6] 17.06375	
	do	23	3	do		10-28-69	[3] 10-1-69	[4] 10-2-69	17.0	[5] [6] 17.06375	
	do	28	2	do		10-28-69	[3] 10-1-69	[4] 10-2-69	17.0	[5] [6] 17.06375	
	do	32	1	do		10-28-69	[3] 10-1-69	[4] 10-2-69	17.0	[5] [6] 17.06375	
	do	37	4	Michigan Wisconsin Pipe Line Co.		10-28-69	[3] 10-1-69	[4] 10-2-69	17.0	[5] [6] 17.06375	
	do	8	6	Transwestern Pipeline Co.		10-28-69	[3] 10-1-69	[4] 10-2-69	17.0	[5] [6] 17.07438	
	do	10	3	Northern Natural Gas Co.		10-28-69	[3] 10-1-69	[4] 10-2-69	16.5	[5] [6] 16.56188	
	do	11	3	do		10-28-69	[3] 10-1-69	[4] 10-2-69	17.0	[5] [6] 17.06375	
	do	15	13	Transwestern Pipeline Co.		10-28-69	[3] 10-1-69	[4] 10-2-69	17.0	[5] [6] 17.07438	
	do	17	2	Northern Natural Gas Co.		10-28-69	[3] 10-1-69	[4] 10-2-69	17.0	[5] [6] 17.06375	
	do	20	3	do		10-28-69	[3] 10-1-69	[4] 10-2-69	17.0	[5] [6] 17.06375	
	do	22	2	do		10-28-69	[3] 10-1-69	[4] 10-2-69	17.0	[5] [6] 17.06375	
RI70-579..	Pioneer Production Corp.	34	1	Panhandle Eastern Pipe Line Co.		10-28-69	[3] 10-1-69	[4] 10-2-69	12.0	[5] [6] 12.045	
	do	3	2	Northern Natural Gas Co.		10-28-69	[3] 10-1-69	[4] 10-2-69	15.5	[5] [6] 15.55813	

[3] Waiver of notice is granted pursuant to the Commission's Order No. 390, issued Oct. 10, 1969.
[4] The suspension period is limited to 1 day.
[5] Tax reimbursement increase.
[6] Pressure base is 14.65 p.s.i.a.
[7] Rate of 16.5 cents per Mcf suspended in Docket No. RI70-288.
[8] Rate of 17.5 cents per Mcf suspended in Docket No. RI70-288.
[9] Rate of 16 cents per Mcf suspended in Docket No. RI70-175.
[10] Schafer Plant.
[11] Crawford and Kingsmill Plants.
[12] Rate of 16.5 cents per Mcf suspended in Docket No. RI70-289.
[13] Old gas-well gas and residue derived therefrom.
[14] New gas-well gas and residue derived therefrom.
[15] High pressure gas.
[16] Low pressure gas.
[17] Initial rate not adjusted for quality.
[18] Corrected by filing received Nov. 6, 1969.
[19] The stated effective date is the date of filing.

The proposed rate increases herein reflect the 0.5-percent increase in the production tax from 7 percent to 7.5 percent enacted by the State of Texas on September 9, 1969, to be effective as of October 1, 1969. All of the proposed rates herein exceed the applicable area ceiling for the areas involved as announced in the Commission's statement of general policy No. 61–1, as amended (18 CFR, Chapter I, Part 2, § 2.56) with the exception of the rate increases filed by the producers in the Permian Basin Area which exceed the just and reasonable rates established by the Commission in Opinion No. 468, as amended.

We believe that it would be in the public interest to waive the statutory notice provided in section 4(d) of the Natural Gas Act. Pursuant to Commission Order No. 390 issued October 10, 1969, the producers' proposed rate increases from underlying firm rates are suspended for 1 day from October 1, 1969, the effective date of the tax increase enacted by the State of Texas, if the filing was made on or before October 31, 1969, and 1 day from the date of filing if the filing was made after October 31, 1969.

[F.R. Doc. 69–14361; Filed, Dec. 5, 1969; 8:45 a.m.]

[Docket No. RI70–618, etc.]

SKELLY OIL CO. ET AL.

Order Providing for Hearing on and Suspension of Proposed Changes in Rates, and Allowing Rate Changes To Become Effective Subject to Refund [1]

NOVEMBER 28, 1969.

The respondents named herein have filed proposed changes in rates and charges of currently effective rate schedules for sales of natural gas under Commission jurisdiction, as set forth in Appendix A hereof.

The proposed changed rates and charges may be unjust, unreasonable, unduly discriminatory, or preferential, or otherwise unlawful.

The Commission finds: It is in the public interest and consistent with the Natural Gas Act that the Commission enter upon hearings regarding the lawfulness of the proposed changes, and that the supplements herein be suspended and their use be deferred as ordered below.

The Commission orders:

(A) Under the Natural Gas Act, particularly sections 4 and 15, the regulations pertaining therto (18 CFR Ch. I), and the Commission's rules of practice and procedure, public hearings shall be held concerning the lawfulness of the proposed changes.

(B) Pending hearings and decisions thereon, the rate supplements herein are suspended and their use deferred until date shown in the "Date Suspended Until" column, and thereafter until made effective as prescribed by the Natural Gas Act: *Provided, however,* That the supplements to the rate schedules filed by respondents, as set forth herein, 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 respondents shall each 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 copies thereof upon all purchasers under the rate schedule involved. Unless respondents are advised to the contrary within 15 days after the filing of their respective agreements and undertakings, such agreements and undertakings shall be deemed to have been accepted.[2]

(C) Until otherwise ordered by the Commission, neither the suspended supplements, nor the rate schedules sought to be altered, shall be changed until disposition of these proceedings or expiration of the suspension period.

(D) Notices of intervention or petitions to intervene may be filed with the Federal Power Commission, Washington, D.C. 20426, in accordance with the rules of practice and procedure (18 CFR 1.8 and 1.37(f)) on or before January 12, 1970.

By the Commission.

[SEAL] GORDON M. GRANT, *Secretary.*

[1] Does not consolidate for hearing or dispose of the several matters herein.

[2] 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 date 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 [1] Rate in effect	Cents per Mcf [1] Proposed increased rate	Rate in effect subject to refund in dockets Nos.
RI70-618..	Skelly Oil Co.	99	8	Tennessee Gas Pipeline Co., a division of Tenneco Inc.			10-1-69	10-2-69	15.0	15.06	
		29	15	Texas Eastern Transmission Corp.			10-1-69	10-2-69	14.5	14.56	
		87	15	do			10-1-69	10-2-69	15.0	15.07	
		115	5	do			10-1-69	10-2-69	14.5	14.56	
RI70-619..	Forest Oil Corp.	41	2	United Gas Pipe Line Co.			10-1-69	10-2-69	16.0	16.04	
RI70-620..	Skelly Oil Co.	150	6	South Texas Natural Gas Gathering Co.			10-1-69	10-2-69	15.0	15.05	
		176	3	Natural Gas Pipeline Co. of America			10-1-69	10-2-69	16.0	16.05	
		222	2	Tennessee Gas Pipeline Co., a division of Tenneco Inc.			10-1-69	10-2-69	16.0	16.06	
RI70-621..	Atlantic Richfield Co.	242	11	Natural Gas Pipeline Co. of America			10-1-69	10-2-69	14.0	14.0508	
		246	13	do			10-1-69	10-2-69	15.0	15.0557	
		247	10	do			10-1-69	10-2-69	14.0	14.052	
		254	4	do			10-1-69	10-2-69	14.0	14.0325	
		314	12	United Gas Pipe Line Co.			10-1-69	10-2-69	15.0	15.0555	
		341	6	Natural Gas Pipeline Co. of America			10-1-69	10-2-69	15.0	15.0557	
		353	2	do			10-1-69	10-2-69	15.0	15.05625	
		430	4	United Gas Pipe Line Co.			10-1-69	10-2-69	15.144	15.20025	
		518	17	do			10-1-69	10-2-69	15.0	15.075	
RI70-622..	Tenneco Oil Company	294	2	Tennessee Gas Pipeline Co., a division of Tenneco Inc.			10-1-69	10-2-69	14.6	14.6548	
RI70-623..	Tenneco Oil Co. (Operator) et al.	5	14	Texas Eastern Transmission Corp.			10-1-69	10-2-69	14.6	14.6639	
RI70-624..	Tenneco Oil Company	18	2	South Texas Natural Gas Gathering Co.			10-1-69	10-2-69	16.0	16.0600	
		127	2	do			10-1-69	10-2-69	15.0	15.0563	
		131	1	Tennessee Gas Pipeline Co., a division of Tenneco Inc.			10-1-69	10-2-69	16.0	16.0600	
		132	1	do			10-1-69	10-2-69	14.0	14.0525	
		154	11	do			10-1-69	10-2-69	15.0	15.0563	
		236	1	do			10-1-69	10-2-69	16.0	16.0600	
		238	1	do			10-1-69	10-2-69	15.0	15.0563	
		239	1	do			10-1-69	10-2-69	15.0	15.0563	
		240	1	do			10-1-69	10-2-69	15.0	15.0563	
		241	1	do			10-1-69	10-2-69	15.0	15.0563	
		150	8	do			10-1-69	10-2-69	15.0	15.0563	

[1] Pressure base is 14.65 p.s.i.a.

The proposed rate increases herein reflect the 0.5-percent increase in the production tax from 7 percent to 7.5 percent enacted by the State of Texas on September 9, 1969, to be effective as of October 1, 1969. All of the proposed rates herein exceed the applicable area ceiling for the areas involved as announced in the Commission's statement of general policy No. 61-1, as amended.

We believe that it would be in the public interest to waive the statutory notice provided in section 4(d) of the Natural Gas Act. Pursuant to Commission's Order No. 390 issued October 10, 1969, the producers' proposed rate increases from underlying firm rates are suspended for 1 day from October 1, 1969, the effective date of the tax increase enacted by the State of Texas.

[F.R. Doc. 69-14362; Filed, Dec. 5, 1969; 8:45 a.m.]

[Dockets Nos. CP70-137, CP70-138]

EL PASO NATURAL GAS CO.

Notice of Applications

DECEMBER 2, 1969.

Take notice that on November 24, 1969, El Paso Natural Gas Co. (applicant), Post Office Box 1492, El Paso, Tex. 79999, filed in Dockets Nos. CP70-137 and CP70-138 applications pursuant to sections 3 and 7(c) of the Natural Gas Act for an order of the Commission authorizing the importation of additional volumes of natural gas and for a certificate of public convenience and necessity authorizing the construction and operation of certain natural gas facilities and the delivery of said volumes to existing customers, all as more fully set forth in the applications which are on file with the Commission and open to public inspection.

Applicant proposes to import an additional 75,000 Mcf daily beginning on November 1, 1971, and another 75,000 Mcf daily on November 1, 1972, all at the existing point of delivery from Westcoast Transmission Co., Ltd. (Westcoast), on the international boundary near Sumas, Wash. Pursuant to its agreement with Westcoast, applicant wishes to import this additional 150,000 Mcf per day in addition to its currently authorized 650,000 Mcf per day from Westcoast. The proposed facilities will also be constructed in two phases, and will consist of a 4,000 horsepower compressor station addition and a total of approximately 108.5 miles of 30-inch O.D. mainline loop.

The total estimated cost of the proposed project is $26,104,148, to be financed initially by working funds supplemented by short-term borrowings.

Any person desiring to be heard or to make any protest with reference to said applications should on or before December 26, 1969, file with the Federal Power Commission, Washington, D.C. 20426, a petition to intervene or a protest in accordance with the requirements of the Commission's rules of practice and procedure (18 CFR 1.8 or 1.10) and the regulations under the Natural Gas Act (18 CFR 157.10). All protests filed with the Commission will be considered by it in determining the appropriate action to be taken but will not serve to make the protestants parties to the proceeding. Any person wishing to become a party to a proceeding or to participate as a party in any hearing therein must file a petition to intervene in accordance with the Commission's rules.

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 these applications 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. 69-14492; Filed, Dec. 5, 1969; 8:45 a.m.]

[Docket No. E-7471]

KANSAS GAS & ELECTRIC CO.

Notice of Application

DECEMBER 1, 1969.

Take notice that on April 22, 1969, the Federal Power Commission issued an order pursuant to section 204 of the Federal Power Act, authorizing Kansas Gas & Electric Co. (applicant) to issue short-term promissory notes in an aggregate principal amount not to exceed $17 million with final maturity dates not later than December 31, 1971.

On November 24, 1969, Kansas Gas & Electric Co. (applicant) filed a supplemental application requesting that the Commission's order of April 22, 1969, be modified to the extent that the applicant be authorized to issue short-term promissory notes in the aggregate principal amount of $25 million instead of the $17 million, as presently authorized, all other terms and conditions of the Commission's order to remain the same.

Proceeds from the additional notes will be used to provide greater flexibility for the applicant in its financing program by making available additional working capital at a time of high interest cost in the bond market. Applicant anticipates that it will undertake permanent financing during 1970 and 1971.

Any person desiring to be heard or to make any protest with reference to said application should on or before December 19, 1969, file with the Federal Power Commission, Washington, D.C. 20426, petitions to intervene or protests in accordance with the requirements of the Commission's rules of practice and procedure (18 CFR 1.8 or 1.10). All protests filed with the Commission will be considered by it in determining the appropriate action to be taken but will not serve to make the protestants parties to the proceeding. Persons wishing to become parties to a proceeding or to participate as a party in any hearing therein must file petitions to intervene in accordance with the Commission's rules. The application is on file with the Commission and available for public inspection.

GORDON M. GRANT,
Secretary.

[F.R. Doc. 69-14493; Filed, Dec. 5, 1969; 8:45 a.m.]

[Docket No. CP70-136]

TEXAS GAS TRANSMISSION CORP.

Notice of Application

DECEMBER 2, 1969.

Take notice that on November 21, 1969, Texas Gas Transmission Corp. (applicant), Post Office Box 1160, Owensboro, Ky. 42301, filed in Docket No. CP70-136 an application pursuant to section 7(c) of the Natural Gas Act, as amended by § 157.7 of the regulations thereunder for a certificate of public convenience and necessity authorizing, during the 12-month period commencing on March 11, 1970, the construction and operation of routine measuring and regulating stations, together with the appurtenant facilities necessary for the establishment of new and additional delivery points for the sale and delivery of natural gas to existing customers for resale in their respective market areas, all as more fully set forth in the application which is on file with the Commission and open to public inspection.

The stated purpose of this budget-type application is to augment applicant's ability to act with reasonable dispatch in installing routine facilities necessary for new and additional delivery points. Applicant states that no deliveries to any one customer shall exceed 100,000 Mcf annually and that none of such gas will be used for boiler fuel purposes.

Applicant also states that the estimated cost of construction for any individual delivery point will not exceed $15,000, and that the total estimated cost of the facilities that may be constructed shall not exceed $100,000.

Any person desiring to be heard or to make any protest with reference to said application should on or before December 22, 1969, file with the Federal Power Commission, Washington, D.C. 20426, a petition to intervene or a protest in accordance with the requirements of the Commission's rules of practice and procedure (18 CFR 1.8 or 1.10) and the regulations under the Natural Gas Act (18 CFR 157.10). All protests filed with the Commission will be considered by it in determining the appropriate action to be taken but will not serve to make the protestants parties to the proceeding. Any person wishing to become a party to a proceeding or to participate as a party in any hearing therein must file a petition to intervene in accordance with the Commission's rules.

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. 69-14495; Filed, Dec. 5, 1969; 8:46 a.m.]

[Docket No. CP70-135]

TRANSCONTINENTAL GAS PIPE LINE CORP.

Notice of Application

DECEMBER 2, 1969.

Take notice that on November 20, 1969, Transcontinental Gas Pipe Line Corp. (applicant), Post Office Box 1396, Houston, Tex. 77001, filed in Docket No. CP70-135 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 facilities related to a new natural gas storage field to be connected to applicant's main line system, all as more fully set forth in the application which is on file with the Commission and open to public inspection.

Applicant states that it is developing the Eminence Salt Dome Storage Field, located adjacent to its main line system in Covington County, Miss., and having a design deliverability of 750,000 Mcf per day. Applicant proposes to construct and operate approximately 1.01 mile of 42-inch main line loop between Compressor Stations Nos. 70 and 80, 1.55 miles of 30-inch pipeline connecting the field to applicant's main line, and a new 2,000 horsepower compressor station located at the field.

The total estimated cost of the proposed project, including the development of the storage caverns is $9,700,000, to be financed initially by short-term borrowings and company funds. Long-term financing will be through the issuance of long-term securities.

Any person desiring to be heard or to make any protest with reference to said application should on or before December 22, 1969, file with the Federal Power Commission, Washington, D.C. 20426, a petition to intervene or a protest in accordance with the requirements of the Commission's rules of practice and procedure (18 CFR 1.8 or 1.10) and the regulations under the Natural Gas Act (18 CFR 157.10). All protests filed with the Commission will be considered by it in determining the appropriate action to be taken but will not serve to make the protestants parties to the proceeding. Any person wishing to become a party to a proceeding or to participate as a party in any hearing therein must file a petition to intervene in accordance with the Commission's rules.

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. 69-14496; Filed, Dec. 5, 1969; 8:46 a.m.]

DEPARTMENT OF THE TREASURY

Internal Revenue Service

WILLIAM H. DUNN, JR.

Notice of Granting of Relief

Notice is hereby given that William H. Dunn, Jr., 116 Holly Drive, Spartanburg, S.C., has applied for relief from disabilities imposed by Federal laws with respect to the acquisition, receipt, transfer, shipment, or possession of firearms incurred by reason of his conviction on October 28, 1940, in the Circuit Court for Prince Georges County, Md., of a crime punishable by imprisonment for a term exceeding 1 year. Unless relief is granted, it will be unlawful for William H. Dunn, Jr., because of such conviction to ship, transport or receive in interstate or foreign commerce any firearm or ammunition, and he would be prevented under chapter 44, title 18, United States Code, from obtaining a license under that chapter as a firearms or ammunition importer, manufacturer, dealer, or collector. In addition under title VII of the Omnibus Crime Control and Safe Streets Act of 1968 (82 Stat. 236; 18 U.S.C., Appendix) because of such conviction it would be unlawful for Mr. Dunn, to receive, possess, or transport in commerce a firearm. Notice is hereby further given that I have considered Mr. Dunn's application and have found:

(1) The conviction was made upon a charge which did not involve the use of a firearm or other weapon or a violation of chapter 44, title 18, United States Code, or of the National Firearms Act; and

(2) It has been established to my satisfaction that the circumstances regarding the conviction, and the applicant's record and reputation, are such that the applicant will not be likely to act in a manner dangerous to public safety, and that the granting of the requested relief to Mr. Dunn from disabilities incurred by reason of his conviction, would not be contrary to the public interest.

It is ordered, Pursuant to the authority vested in the Secretary of the Treasury by section 925(c), of title 18, United States Code and delegated to me by the regulations in Title 26, Part 178, Code of Federal Regulations, that William H. Dunn, Jr., be, and he hereby is, granted relief from any and all disabilities imposed by Federal laws with respect to the acquisition, receipt, transfer, shipment, or possession of firearms, incurred by reason of the conviction hereinabove described.

Signed at Washington, D.C., this 1st day of December 1969.

[SEAL] RANDOLPH W. THROWER,
Commissioner of Internal Revenue.

[F.R. Doc. 69-14533; Filed, Dec. 5, 1969; 8:47 a.m.]

DEPARTMENT OF THE INTERIOR

Bureau of Land Management

[Utah 8777]

UTAH

Notice of Offering of Land for Sale

DECEMBER 1, 1969.

Notice is hereby given that, under the provisions of the Act of September 19, 1964 (78 Stat. 988) and pursuant to an application from Tooele County, Utah, the Secretary of the Interior intends to offer the following lands for sale:

SALT LAKE MERIDIAN

T. 2 N., R. 8 W.,
Sec. 4, S½;
Sec. 9, all.

The lands described aggregate 960 acres.

The lands have been classified as suitable for transfer from Federal ownership to facilitate industrial development and use. The tract has been zoned to permit industrial development. The lands are located about 30 miles northwest of Grantsville, Utah, and are near the west side of the Great Salt Lake.

It is the intention of the Secretary of the Interior to enter into an agreement with authorized county officials to permit Tooele County to purchase the land at the appraised market value.

Any patent resulting from the sale of this land will be issued under the Act of September 19, 1964, supra, and shall contain a reservation to the United States of rights-of-way for ditches and canals under the Act of August 30, 1890 (43 U.S.C. sec. 945), and of all mineral deposits which shall thereupon be withdrawn from appropriation under the public land laws, including the mining and mineral leasing laws. The land will be sold subject to all valid existing rights and reservations for rights-of-way.

R. D. NIELSON,
State Director.

[F.R. Doc. 69-14521; Filed, Dec. 5, 1969; 8:47 a.m.]

National Park Service

ROCKY MOUNTAIN NATIONAL PARK

Notice of Intention To Negotiate Concession Contract

Pursuant to the provisions of section 5, of the Act of October 9, 1965 (79 Stat. 969; 16 U.S.C. 20) public notice is hereby given that thirty (30) days after the date of publication of this notice, the Department of the Interior, through the Director of the National Park Service, proposes to negotiate a concession contract with Hi Country Stables authorizing it to provide concession facilities and services for the public at Glacier Basin and Moraine Park in Rocky Mountain National Park, Colo., for a period of ten (10) years from January 1, 1970, through December 31, 1979.

The foregoing concessioner has performed its obligations under the expiring contract to the satisfaction of the National Park Service and, therefore, pursuant to the Act cited above, is entitled to be given preference in the renewal of the contract and in the negotiation of a new contract. However, under the Act cited above, the Secretary is also required to consider and evaluate all proposals received as a result of this notice. Any proposal to be considered and evaluated must be submitted within thirty (30) days after the publication date of this notice.

Interested parties should contact the Assistant to the Director for Concessions Management, National Park Service, Washington, D.C. 20240 for information as to the requirements of the proposed contract.

Dated: December 2, 1969.

THOMAS F. FLYNN, Jr.,
Deputy Director,
National Park Service.

[F.R. Doc. 69-14522; Filed, Dec. 5, 1969; 8:47 a.m.]

Federal Water Pollution Control Administration

INTERSTATE WATERS OF THE COMMONWEALTH OF VIRGINIA

Notice of Postponement of Standards-Setting Conference

The conference called to convene on December 9, 10, and 11, 1969, at 9:30 a.m. at Sheraton Motor Inn, Belvidere and Franklin Streets, Richmond, Va., to consider appropriate water quality standards for the interstate waters of Virginia, notice of which was published in the FEDERAL REGISTER on November 6, 1969, 34 F.R. 17973, is postponed to such dates as may hereafter be announced.

Dated: December 4, 1969.

WALTER J. HICKEL,
Secretary of the Interior.

[F.R. Doc. 69-14596; Filed, Dec. 5, 1969; 11:45 a.m.]

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Food and Drug Administration

CHEMAGRO CORP.

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 OF0905) has been filed by Chemagro Corp., Post Office Box 4913, Hawthorn Road, Kansas City, Mo. 64120, proposing the establishment of a tolerance (21 CFR 120.234) of 0.02 part per million for residues of the insecticide *O,O*-diethyl O-[p-(methylsulfinyl) phenyl] phosphorothioate in or on the raw agricultural commodity sugarcane.

The analytical method proposed in the petition for determining residues of the insecticide is a thermionic emission-gas chromatographic procedure using a phosphorus-sensitive detector.

Dated: December 1, 1969.

R. E. DUGGAN,
Acting Associate Commissioner for Compliance.

[F.R. Doc. 69-14482; Filed, Dec. 5, 1969; 8:45 a.m.]

CHORIONIC GONADOTROPIN

Drugs for Veterinary 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: Follutein Veterinary; each vial contains 10,000 I.U. of chorionic gonadotropin (human); by E. R. Squibb & Sons, Inc., Georges Road, New Brunswick, N.J. 08903.

The Academy concludes that this product is effective for treatment of nymphomania due to cystic ovaries in cattle. The Food and Drug Administration concurs with the Academy's conclusion.

Supplemental new-drug applications are invited to revise the labeling provided in new-drug applications for this drug to limit the claims and present the conditions of use substantially as follows:

INDICATIONS FOR USE

For parenteral use in cows for the treatment of nymphomania (frequent or constant heat) due to cystic ovaries.

DOSAGE AND ADMINISTRATION

10,000 I.U. as a single deep intramuscular injection.

Dosage may be repeated in 14 days if the animal's behavior or rectal examination of the ovaries indicates the necessity for retreatment.

Doses of 500 to 2,500 I.U. are recommended for intrafollicular administration.

Caution: Federal law restricts this drug to sale by or on the order of a licensed veterinarian.

This evaluation is concerned only with the drug's effectiveness and safety to the animal to which administered. It does not take into account the safety for food use of food derived from drug-treated animals. Nothing herein will constitute a bar to further proceedings with respect to questions of safety of the drug or its metabolites as residues in food products derived from treated animals.

This announcement is published (1) to inform the holders of new-drug applications of the findings of the Academy and of the Food and Drug Administration and (2) to inform all interested persons that such articles may be marketed provided they are the subject of approved new-drug applications and comply with all other requirements of the Federal Food, Drug, and Cosmetic Act.

Holders of the new-drug applications which have inadequate labeling in that it differs from the labeling presented above are provided 6 months from the publication hereof in the FEDERAL REGISTER to submit revised labeling or adequate documentation in support of the labeling used.

Written comments regarding this announcement, including requests for an informal conference, may be addressed to the Bureau of Veterinary Medicine, Food and Drug Administration, 200 C Street SW., Washington, D.C. 20204.

The holder of the new-drug application for the subject drug has been mailed a copy of the NAS-NRC report. Any manufacturer, packer, or distributor of a drug of similar composition and labeling to it or any other interested person may also obtain a copy by writing to the Food and Drug Administration, Press Relations Office, 200 C Street SW., Washington, D.C. 20204.

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: December 1, 1969.

J. K. KIRK,
Associate Commissioner for Compliance.

[F.R. Doc. 69-14483; Filed, Dec. 5, 1969; 8:45 a.m.]

MONSANTO 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 OF0901) has been filed by Monsanto Co., 800 North Lindbergh Boulevard, St. Louis, Mo. 63166, proposing the establishment of tolerances (21 CFR Part 120) for negligible residues of the herbicide 2-chloro-*N,N*-diallylacetamide in or on the raw agricultural commodities cabbage, castor beans, celery, corn grain, forage, and fodder (including field corn, sweet corn, and popcorn), dried beans, lima beans, lima bean forage, onions, peas, pea forage, potatoes, snap beans, snap bean forage, sorghum (grain and forage), soybeans, soybean forage, sugarcane, sweet potatoes, and tomatoes at 0.05 part per million.

The analytical method proposed in the petition for determining residues of the herbicide is a gas chromatographic procedure using a microcoulometric detector with a halogen titration cell.

Dated: December 1, 1969.

R. E. DUGGAN,
Acting Associate Commissioner for Compliance.

[F.R. Doc. 69-14484; Filed, Dec. 5, 1969; 8:45 a.m.]

THOMPSON-HAYWARD 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 OF0900) has been filed by Thompson-Hayward Chemical Co., Post Office Box 2383, Kansas City, Kansas 66110, proposing the establishment of a tolerance (21 CFR Part 120) of 0.05 part per million for negligible residues of the fungicide triphenyltin hydroxide in or on the raw agricultural commodity pecans.

The analytical method proposed in the petition is a colorimetric procedure in which residues are extracted with methylene chloride. After wet ashing, inorganic tin in the ashed residue is determined colorimetrically with phenylfluorone.

Dated: December 1, 1969.

R. E. DUGGAN,
Acting Associate Commissioner for Compliance.

[F.R. Doc. 69-14485; Filed, Dec. 5, 1969; 8:45 a.m.]

[DESI 12-491V]

TYLOSIN

Drugs for Veterinary 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 preparations marketed by Elanco Products Co., Division of Eli Lilly & Co., Post Office Box 618, Indianapolis, Ind. 46206:

1. Tylan 10 Premix containing tylosin phosphate equivalent in activity to 10 grams of tylosin base per pound of premix.

2. Tylan Soluble containing tylosin tartrate equivalent in activity to 100 grams of tylosin base per package. Each package is intended for use in producing 50 gallons of treated water.

The Academy evaluated the described water preparation as probably effective for the treatment and prevention of respiratory infections in chickens and turkeys and the described premix as probably effective as an aid in stimulating the growth and improving the feed efficiency of swine.

The Academy stated that:

1. Claims for growth promotion or stimulation should not be allowed and claims for faster gains and/or feed efficiency should be stated as "may result in faster gains and/or improved feed efficiency under appropriate conditions".

2. Each disease claim should be properly qualified as "appropriate for use in (name of disease) caused by pathogens sensitive to (name of drug)" and if the disease cannot be so qualified the claim should be dropped.

3. The drug label should carry a warning that treated animals under the conditions that prevail must actually consume sufficient medicated water, or medicated feed, to constitute a therapeutic dose.

4. As a precaution, the drug label should indicate what the desired oral dose is in terms of animal weight per day for each indicated species to serve as a guide to effective use of the preparations in drinking water or feed.

5. The label claims "for prevention of" or, "to prevent" should be replaced with "as an aid in the control of" or, "to aid in the control of".

The Food and Drug Administration concurs with the evaluation of the Academy and in addition concludes that any claims for growth stimulation should read "For increase in weight gains and improved feed efficiency. These results may be expected in the presence of growth-suppressant microorganisms sensitive to tylosin."

This evaluation is concerned only with these drugs' effectiveness and safety to the animal to which administered. It does not take into account the safety for food use of food derived from drug-treated animals. Nothing in this announcement will constitute a bar to further proceedings with respect to questions of safety of these drugs or their metabolites as residues in food products derived from treated animals.

This announcement is published (1) to inform the holders of new animal drug applications of the findings of the Academy and of the Food and Drug Administration and (2) to inform all interested persons that such articles may be marketed provided they are the subject of approved new animal drug applications and otherwise comply with all other requirements of the Federal Food, Drug, and Cosmetic Act.

Holders of new animal drug applications are provided 6 months from the publication hereof in the FEDERAL REGISTER to submit adequate documentation in support of the labeling used.

Written comments regarding this announcement, including requests for an informal conference, may be addressed to the Bureau of Veterinary Medicine, Food and Drug Administration, 200 C Street SW., Washington, D.C. 20204.

The holder of the applications for the subject drugs has been mailed a copy of the NAS-NRC report. Any manufacturer, packer, or distributor of a drug of similar composition and labeling to these drugs or any other interested person may also obtain a copy by writing to the Food and Drug Administration, Press Relations Office, 200 C Street SW., Washington, D.C. 20204.

This notice is issued pursuant to the provisions of the Federal Food, Drug, and Cosmetic Act (secs. 502, 512, 52 Stat. 1050–51, 82 Stat. 343–51; 21 U.S.C. 352, 360b) and under authority delegated to the Commissioner of Food and Drugs (21 CFR 2.120).

Dated: December 1, 1969.

J. K. KIRK,
Associate Commissioner for Compliance.

[F.R. Doc. 69-14486; Filed, Dec. 5, 1969; 8:45 a.m.]

UNION CARBIDE CORP.

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 OF0902) has been filed by Union Carbide Corp., 270 Park Avenue, New York, N.Y. 10017, proposing the establishment of a tolerance (21 CFR 120.169) of 0.2 part per million for negligible residues of the insecticide carbaryl in or on the raw agricultural commodity potatoes.

The analytical method proposed in the petition for determining residues of the insecticide is a colorimetric determination using *p*-nitrobenzenediazonium fluoroborate as the reagent. This is accomplished after the residues have been separated from the crop by means of extraction, vacuum distillation, and precipitation.

Dated: December 1, 1969.

R. E. DUGGAN,
Acting Associate Commissioner for Compliance.

[F.R. Doc. 69-14487; Filed, Dec. 5, 1969; 8:45 a.m.]

[Docket No. FDC-D-131; NDA No. 9-654V]

WARREN-TEED PHARMACEUTICALS

Klot Stainless; Notice of Withdrawal of Approval of New Animal Drug Application

A notice of a proposal to withdraw approval of new animal drug application No. 9-654V and all amendments and supplements thereto pertaining to Klot Stainless was published in the FEDERAL REGISTER of June 7, 1969 (34 F.R. 9098).

Warren-Teed Pharmaceuticals, Subsidiary of Rohm & Haas Co., 582 West Goodale Street, Columbus, Ohio 43215, holder of said application has waived opportunity for a hearing on the proposed withdrawal of approval.

Based on the findings set forth in the proposal, the Commissioner of Food and Drugs concludes that approval of said application should be withdrawn. Therefore, pursuant to the provisions of the Federal Food, Drug, and Cosmetic Act (sec. 512(e), 82 Stat. 345–47; 21 U.S.C. 360b(e)) and under authority delegated to the Commissioner (21 CFR 2.120), approval of new animal drug application No. 9-654V, including all amendments and supplements pertaining thereto, is hereby withdrawn effective on the date of signature of this document.

Dated: November 28, 1969.

J. K. KIRK,
Associate Commissioner for Compliance.

[F.R. Doc. 69-14488; Filed, Dec. 5, 1969; 8:45 a.m.]

[Docket No. FDC-D-141; NDA Nos. 10-613 and 8-530]

WINTHROP PRODUCTS, INC., AND WINTHROP LABORATORIES

Alevaire; Notice of Opportunity for Hearing

In an announcement published in the FEDERAL REGISTER of July 17, 1968 (33 F.R. 10227), Winthrop Products, Inc., 90 Park Avenue, New York, N.Y. 10016, holder of new-drug application No. 10-613 for Alevaire (tyloxapol 0.125 percent) and Winthrop Laboratories, Division of Sterling Drug, Inc., 90 Park Avenue, New York, N.Y. 10016, holder of new-drug application No. 8-530 for Alevaire (tyloxapol 0.125 percent), marketed by Breon Laboratories, Inc., were invited to submit data bearing on a proposal to withdraw approval of the new-drug applications for Alevaire. Additional information received, considered together with other information available, do not provide substantial evidence of the effectiveness of the drugs for use in man for the conditions for which they are recommended.

Therefore, notice is hereby given to Winthrop Products, Inc., and Winthrop Laboratories, Division of Sterling Drug, Inc., and to any interested person who may be adversely affected, that the Commissioner of Food and Drugs proposes to issue an order under the provisions of section 505(e) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 355(e)) withdrawing approval of the above-specified new-drug applications and all amendments and supplements thereto on the grounds that there is a lack of substantial evidence that Alevaire has the effect which it purports or is represented to have under the conditions of use prescribed, recommended, or suggested in the labeling thereof.

In accordance with the provisions of section 505 of the act (21 U.S.C. 355) and the regulations promulgated thereunder (21 CFR Part 130), the Commissioner will give the applicant, and any interested person who would be adversely affected by an order withdrawing such approval, an opportunity for a hearing to show why approval of any new-drug application listed herein should not be withdrawn. Promulgation of the proposed order will cause any drug for human use containing tyloxapol and offered for such effect to be a new drug for which an approved new-drug application is not in effect. Any such drug then on the market would be subject to regulatory proceedings.

Within 30 days from the date of publication of this notice in the FEDERAL REGISTER, such persons are required to

file with the Hearing Clerk, Department of Health, Education, and Welfare, Office of the General Counsel, Food, Drug, and Environmental Health Division, Room 5440, 330 Independence Avenue SW., Washington, D.C. 20201, a written appearance electing whether:

1. To avail themselves of the opportunity for a hearing; or

2. Not to avail themselves of the opportunity for a hearing.

If such persons elect not to avail themselves of the opportunity for a hearing, the Commissioner without further notice will enter a final order withdrawing the approval of the new-drug application. Failure of such persons to file such a written appearance of election within 30 days following the date of publication of this notice in the FEDERAL REGISTER will be construed as an election by such persons not to avail themselves of the opportunity for a hearing.

The hearing contemplated by this notice will be open to the public except that any portion of the hearing that concerns a method or process that the Commissioner finds is entitled to protection as a trade secret will not be open to the public, unless the respondent specifies otherwise in his appearance.

If such persons elect to avail themselves of the opportunity for a hearing, they are required to file a written appearance requesting the hearing, giving the reasons why the approval of the new-drug applications should not be withdrawn, together with a well organized and full factual analysis of the clinical and other investigational data they are prepared to prove in support of their opposition to the notice of opportunity for a hearing. The request must set forth specific facts showing that there is a genuine and substantial issue of fact that requires a hearing. If the hearing is requested and justified by the response to the notice of opportunity for hearing, the issues will be defined, a hearing examiner will be appointed, and he shall issue a written notice of the time and place at which the hearing will commence (34 F.R. 14596, Sept. 19, 1969).

This notice is issued pursuant to the provisions of the Federal Food, Drug, and Cosmetic Act (sec. 505, 52 Stat. 1052–53, as amended; 21 U.S.C. 355) and under authority delegated to the Commissioner (21 CFR 2.120).

Dated: December 1, 1969.

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

[F.R. Doc. 69–14489; Filed, Dec. 5, 1969; 8:45 a.m.]

CIVIL AERONAUTICS BOARD

[Docket No. 20291; Order 69–12–21]

INTERNATIONAL AIR TRANSPORT ASSOCIATION

Order Relating to Fare Matters

Issued under delegated authority December 3, 1969.

By Order 69–11–63, dated November 17, 1969, action was deferred, with a view toward eventual approval, on certain resolutions adopted by Joint Conferences 2–3 and 1–2–3 of the International Air Transport Association (IATA). The agreement would amend the existing resolution governing group inclusive tour fares established for travel between Europe/Africa/Middle East and the Australasian area so as to permit the combination of such fares with fares within the area comprised of India/Pakistan/Nepal/Ceylon.

In deferring action on the agreement, 10 days were granted in which interested persons might file petitions in support of or in opposition to the proposed action. No petitions have been received within the filing period and the tentative conclusions in Order 69–11–63 will herein be made final.

Accordingly, it is ordered, That:

Agreement CAB 21381 be and hereby is approved.

This order will be published in the FEDERAL REGISTER.

[SEAL] MABEL MCCART,
Acting Secretary.

[F.R. Doc. 69–14542; Filed, Dec. 5, 1969; 8:48 a.m.]

[Docket No. 20993; Order 69–12–23]

INTERNATIONAL AIR TRANSPORT ASSOCIATION

Order Relating to Worldwide Cargo Rates

Adopted by the Civil Aeronautics Board at its office in Washington, D.C., on the 3d day of December 1969.

By Order 69–8–174, dated August 29, 1969, the Board deferred action, with a view toward eventual approval, on certain resolutions relating to cargo rate matters adopted for a 2-year period of effectiveness beginning October 1, 1969, by the Traffic Conferences of the International Air Transport Association (IATA) at meetings held in Athens in April and May of 1969. After allowing a 15-day period for the receipt of comments from interested persons and parties, the Board, in Order 69–10–30, dated October 7, 1969, finalized its action on all resolutions described in the earlier order except IATA Resolution 513 ("Charges on Mixed Consignments"). Among other things, this resolution would be amended so as to require in cases where an extension list to the air waybill is necessary, pursuant to the amended resolution governing the preparation of air waybills,[1] the separate subtotaling of weights of two or more packages rated as a group.

Emery Air Freight Corp. (Emery), in comments received on September 17, 1969, requested that the Board disapprove the above-described amendment. Since Emery has made a practice of using its manifest as extensions to air waybills, this forwarder stated that the new requirement would retard the orderly flow of paperwork by forcing it to prepare two sets of cargo manifests—one for documents processing and one for rating purposes, and could lead to impediment of final delivery to consignees.

On October 21, 1969, Pan American World Airways, Inc., and Trans World Airlines, Inc., submitted a joint motion for leave to file a reply, and we will herein grant this motion. In this reply, the carriers noted that the substance of the requirements set forth in Resolution 513 was earlier approved by the Board in its approval of Resolution 600j, and that Emery was already preparing documentation which would meet the requirements of the resolution.

By communication dated November 13, 1969, Emery advises that the carriers have indicated that they will accept a worksheet as meeting the requirements of the resolution. Emery therefore suggests that its complaint and the carriers' reply are moot.

In these circumstances and acting pursuant to sections 102, 204(a), and 412 of the Act, the Board does not find the subject resolution to be adverse to the public interest or in violation of the Act. Therefore, the Board will herein make final its tentative approval of the agreement.

Accordingly, it is ordered, That:

1. The motion of Pan American World Airways, Inc., and Trans World Airlines, Inc., to file an unauthorized document is granted.

2. Agreement CAB 21046, R–34, be and hereby is approved.

This order will be published in the FEDERAL REGISTER.

By the Civil Aeronautics Board.

[SEAL] MABEL MCCART,
Acting Secretary.

[F.R. Doc. 69–14543; Filed, Dec. 5, 1969; 8:48 a.m.]

[Docket No. 20781; Order 69–12–19]

INTERNATIONAL AIR TRANSPORT ASSOCIATION

Order Relating to Fare Matters

Issued under delegated authority December 3, 1969.

By Order 69–11–64, dated November 17, 1969, action was deferred, with a view toward eventual approval, on certain resolutions adopted by the Traffic Conferences of the International Air Transport Association (IATA). The agreement amends fare resolutions applicable across the Atlantic by the inclusion of Liege in the list of cities for which fares are specified.

In deferring action on the agreement, 10 days were granted in which interested persons might file petitions in support of or in opposition to the proposed action. No petitions have been received within the filing period and the tentative conclusions in Order 69–11–64 will herein be made final.

[1] Resolution 600j, as amended, was approved by the Board in Order 69–6–77. The amendment, which is basically a restatement of the amendment now proposed to Resolution 513, was described in the Board's order, and no petitions for the review thereof were received.

Accordingly, it is ordered, That:

Agreement CAB 21367, R–3 and R–4, be and hereby is approved.

This order will be published in the FEDERAL REGISTER.

[SEAL] MABEL MCCART,
Acting Secretary.

[F.R. Doc. 69–14544; Filed, Dec. 5, 1969; 8:48 a.m.]

[Docket No. 18936 etc.]

STANDBY YOUTH FARES AND "YOUNG ADULT" FARES

Notice of Prehearing Conference

Notice is hereby given that a prehearing conference in the above-entitled matter is assigned to be held on January 22, 1970, at 10 a.m., e.s.t., in Room 1027, Universal Building, 1825 Connecticut Avenue NW., Washington, D.C., before the undersigned examiner.

In order to facilitate the conduct of the conference interested parties are instructed to submit to the examiner and other parties on or before January 15, 1970, (1) proposed statements of issues; (2) proposed stipulations; (3) requests for information; (4) statements of positions of parties; and (5) proposed procedural dates.

Dated at Washington, D.C., December 2, 1969.

[SEAL] ARTHUR S. PRESENT,
Hearing Examiner.

[F.R. Doc. 69–14545; Filed, Dec. 5, 1969; 8:48 a.m.]

DELAWARE RIVER BASIN COMMISSION

COMPREHENSIVE PLAN

Notice of Public Hearing

On November 21 notice was given that the Delaware River Basin Commission will hold a public hearing on Thursday, December 11, 1969, on three proposed amendments to its Comprehensive Plan. The hearing will take place in Room 1600, Municipal Services Building, 15th and J. F. Kennedy Boulevard in Philadelphia, beginning at 2 p.m. The following proposal will also be included in the public hearing:

Proposal to amend Part III of the Commission's Basin Regulations-Water Quality adopted March 1968.[1]

All persons wishing to testify are requested to register in advance with the Secretary to the Commission.

W. BRINTON WHITALL,
Secretary.

NOVEMBER 26, 1969.

[F.R. Doc. 69–14514; Filed, Dec. 5, 1969; 8:48 a.m.]

[1] Proposed amendments filed as part of the original document. Copies may be obtained from the Commission.

FEDERAL COMMUNICATIONS COMMISSION

[Dockets Nos. 18204, 18205; FCC 69R–483]

SUMITON BROADCASTING CO., INC., ET AL.

Memorandum Opinion and Order Enlarging Issues

In regard applications of Sumiton Broadcasting Co., Inc., Sumiton, Ala., Docket No. 18204, File No. BP–17108; Dan Cole Mitchell and Leon A. Murphree, doing business as Cullman Music Broadcasting Co., Cullman, Ala., Docket No. 18205, File No. BP–17193; for construction permits.

1. This proceeding involves the mutually exclusive applications of Sumiton Broadcasting Co., Inc. (Sumiton), and Cullman Music Broadcasting Co. (Cullman) for new standard broadcast stations in Sumiton, Ala., and Cullman, Ala., respectively. The applications were designated for hearing by the Commission (FCC 68–576, released June 4, 1968) on a variety of issues. Now before the Review Board is a petition to enlarge issues, filed August 21, 1969, by the Broadcast Bureau.[1] The petitioner seeks addition of an issue to determine the authenticity of an affidavit filed with the Commission on August 8, 1968, by Sumiton, and purportedly signed by John Logan Fowler, a former Sumiton principal. The petitioner also requests an issue as to whether Sumiton neglected to report significant changes in its application status, as required by § 1.65 of the rules; and a revision of an existing financial issue allegedly necessitated by changes in Sumiton's composition.

2. The Bureau's request for enlargement rests in large part upon an affidavit dated August 13, 1969, executed by John Logan Fowler, which is submitted with the petition. Fowler recites that until April 18, 1969, he was secretary, director, and stockholder of Sumiton; that, at an earlier stage of the proceeding, an affidavit, dated August 3, 1968, was filed with the Commission on August 8, 1968, bearing his name; that shortly before there was to be a hearing, Cecil F. Ballenger, another officer, director, and stockholder of Sumiton, approached him with a copy of the above-mentioned affidavit of August 3, 1968; and that Fowler recognized that he had not, in fact, signed such affidavit. Fowler further relates that he had not previously read the affidavit of August 3, 1968, until it was shown to him by Ballenger, and that he (Fowler) had no knowledge of who signed it. Finally, Fowler disclaims knowledge of the truth of certain facts asserted in the August 3 affidavit, and states that he never authorized anyone to sign his name to that affidavit. The Bureau further explains that the matter of the alleged forgery of the August 3, 1968, affidavit and Fowler's withdrawal, first came to its attention by a letter, sent to the Bureau by Fowler dated June 16, 1969. In this letter, a copy of which is submitted with the petition, Fowler states that his name was affixed to the August 3, 1968 affidavit by C. F. Ballenger, while he was on vacation; and that, both he and J. L. Sartain, another Sumiton stockholder, have been "forced out" of the applicant. On the basis, then, of the June 16, 1969, letter and the August 13, 1969, affidavit, the Bureau contends that a substantial question is raised as to the authenticity of the August 3, 1968, affidavit and whether it contains false representations as to Fowler's personal knowledge; and that appropriate issues are warranted. The Bureau concedes that, in a pleading filed on June 9, 1969, Sumiton mentions, in passing, that Fowler had terminated his relationship with the applicant. The Bureau states, however, that no formal amendment has been filed reflecting Fowler's certain resignation, Sartain's possible resignation, and who, if anyone, is to replace either. These circumstances, the Bureau urges, require the addition of a § 1.65 issue. Finally, because John Logan Fowler is no longer associated with Sumiton, and because Fowler's letter of June 19, 1969, indicates strongly that J. L. Sartain may also have been forcefully disassociated from Sumiton, the Broadcast Bureau insists that a revision of the previously specified financial issue is required. The financial issue, the Bureau contends, was specified to determine whether Sumiton's principals were willing to personally endorse, as required, a bank loan upon which the applicant relied; withdrawal of one, and possibly two of Sumiton's principals, the Bureau insists, raises a question of whether the bank is still willing to make the loan.

3. Sumiton's opposition suggests that the Bureau's petition to enlarge issues will be rendered moot by withdrawal from the application of principal C. F. Ballenger, the alleged forger of coprincipal John Logan Fowler's name on a collateral proceeding affidavit, explaining that on October 11, 1969, Ballenger's offer of resignation from the Sumiton Corp. was accepted by the two remaining principals, Jerry C. Chapman and J. L. Sartain, and that appropriate amendments will be made to reflect whatever new financial and stock distribution arrangements are devised.[2] Sumiton concedes that Ballenger affixed Fowler's name to the affidavit. It asserts, however, that Ballenger acted under the belief that he had authority for so doing because both men are partners in another business venture in which Ballenger acts as managing partner and, in that capacity, executes all documents for the partner-

[1] Also before the Board are: (a) Opposition to petition to enlarge issues, filed Oct. 14, 1969, by Sumiton Broadcasting Co., Inc.; (b) comments of intervenors with respect to Bureau's petition to enlarge issues, filed Oct. 14, 1969; and (c) Broadcast Bureau's reply to opposition to petition to enlarge issues, filed Oct. 24, 1969.

[2] It is stated that appropriate amendments will be made "before October 17, 1969."

ship; and that Ballenger "inadvertently" treated the interest in Sumiton as "synonomous" with the interest in this other venture. Sumiton further claims that neither of Sumiton's remaining principals, Messrs. Chapman and Sartain, were cognizant of Ballenger's action regarding the August 3 affidavit until the disclosure of Fowler's letter to the Commission; and that Ballenger, desirous of obtaining a station for Sumiton, Ala., and aware that his continued participation will jeopardize that goal, has voluntarily agreed to withdraw from the applicant. Therefore, Sumiton insists, the forgery issue is mooted, and the financial issue will be rendered unnecessary because of the restructuring of the corporation. In addition, Sumiton argues against inclusion of a section 1.65 issue. Sumiton indicates that "as early as May 28, 1969," the Commission was advised by Sumiton counsel, at a prehearing conference, that John Logan Fowler had withdrawn from the application and that in a pleading filed on June 6, 1969, this fact was again adverted to. No amendment was filed, explains Sumiton, because no understanding could be reached by the remaining principals regarding redistribution of John Logan Fowler's stock, purchased at the time of his withdrawal by C. F. Ballenger. Thus, Sumiton concludes, none of the requested issues are warranted.[3] In reply, the Bureau insists that the proposed restructuring of the applicant does not adequately resolve the questions presented. The Bureau charges that Sumiton has not yet amended its application to show either Ballenger's withdrawal or the financial restructuring; that Sumiton has conceded in its opposition that Chapman and Sartain knew of the alleged forgery nearly 2 months (July 1969) prior to the instant petition to enlarge issue (August 1969), but did nothing; and that the opposition "leaves no question" that there has in fact been a violation of § 1.65. Therefore, concludes the Bureau, the requested issues are warranted.

4. In the Review Board's opinion, substantial questions have been raised and the three requested issues will be added. No amendment disclosing Ballenger's withdrawal has been filed; nor would such an amendment, in any event, avail to moot the requested forgery and false representation issue. We are here dealing with a corporate applicant, and the conceded conduct of one of its officers and stockholders—C. F. Ballenger—must, at least for purposes of determining whether an issue is warranted, be considered to be that of the entity, cf. Eleven Ten Broadcasting, 32 FCC 706, 22 RR 699 (1962). While the circumstances surrounding Ballenger's "inadvertent" error (if found to be true); Ballenger's voluntary withdrawal (if that is so); and the alleged lack of knowledge by either of the surviving principals of Ballenger's action may serve to mitigate Ballenger's action, these are matters which require further explanation and should be explored in hearing. In view of Fowler's unchallenged contentions, we conclude that inquiry is warranted into the circumstances surrounding the execution of the August 3, 1968, affidavit and whether false representations have been made therein; and that an appropriate issue should be added. The requested § 1.65 issue is also warranted: the rule, by its terms, requires the filing of an amendment when the application is no longer substantially accurate; the rule is specific as to the type of filing required to insure that the information comes to the attention of the proper authorities, and Sumiton's reference to the change in its composition at a prehearing conference and in ancillary pleadings does not satisfy these disclosure provisions. In any event, Sumiton does not refute Fowler's claim that he withdrew on April 18, 1969. No reference was made to this fact, according to Sumiton itself, until the prehearing conference of May 28, 1969, more than 30 days later, and Sartain's status as a principal has not yet been clarified. Thus, a substantial question as to violation of § 1.65 is raised; because Fowler's withdrawal may affect Sumiton's financial qualifications, and because Sartain's status may have been concealed, we will specify the issue on a disqualifying basis, but we note that the informal disclosure of at least Fowler's status, as well as the circumstances surrounding the nondisclosure, i.e., the alleged necessity for restructuring the corporation, may, if true, go toward mitigation of the apparent violation. Finally, the requested revision of the financial issue is required because withdrawal of principals of whom the bank required personal endorsements for the loan opens the possibility that the loan is no longer available.

5. *Accordingly, it is ordered,* That the petition to enlarge issues, filed August 21, 1969, by the Broadcast Bureau is granted; and

6. *It is further ordered,* That the issues in this proceeding are enlarged by addition of the following issues:

(1) To determine, with respect to an "Affidavit" dated August 3, 1968, and filed with the Commission on August 8, 1968, by Sumiton Broadcasting Co. and purportedly signed "John Logan Fowler":

(a) The facts and circumstances surrounding the preparation, execution, and filing of said affidavit.

(b) Whether such affidavit was filed with the knowledge and consent of John Logan Fowler.

(c) Whether said affidavit contains false representations concerning the knowledge and belief of John Logan Fowler.

(d) Whether, in the light of the evidence adduced under the foregoing, Sumiton Broadcasting Co., Inc. possesses the requisite qualifications to be a licensee of the Commission.

(2) To determine whether Sumiton Broadcasting Co. has failed to report material changes in its application as required by § 1.65 of the Commission's rules; and if so, the effect thereof upon its basic and comparative qualifications to be a Commission licensee;

and

7. *It is further ordered,* That Issue 2(a) in this proceeding is revised to read, in full, as follows:

To determine whether the present Sumiton stockholders are willing to become personally liable for the repayment of a prospective $65,000 bank loan, and, if so, whether securing the personal endorsements of the stockholders will meet the conditions necessary to assure the availability of said bank loan.

and

8. *It is further ordered,* That the burden of proceeding with the introduction of evidence under the issues added herein (this paragraph does not relate to the revised issue) will be on the Broadcast Bureau, and the burden of proof will be on Sumiton Broadcasting Co., Inc.

Adopted: November 28, 1969.

Released: December 1, 1969.

FEDERAL COMMUNICATIONS COMMISSION,[4]

[SEAL] BEN F. WAPLE,
Secretary.

[F.R. Doc. 69-14534; Filed, Dec. 5, 1969; 8:48 a.m.]

[3] Intervenors Hudson Millar, Jr., and James Jerdan Bullard comment simply that any aspect of the Bureau's petition which would relate to them is elsewhere in issue in the proceeding and that the instant request merits no discussion by them.

[4] Board members Kessler and Slone absent.

FEDERAL MARITIME COMMISSION

RAILWAY EXPRESS AGENCY, INC., ET AL.

Independent Ocean Freight Forwarder License Applicants

Notice is hereby given that the following applicants have filed with the Federal Maritime Commission applications for licenses as independent ocean freight forwarders, pursuant to section 44(a), of the Shipping Act, 1916 (75 Stat. 522 and 46 U.S.C. 841(b)).

Persons knowing of any reason why any of the following applicants should not receive a license are requested to communicate with the Director, Bureau of Domestic Regulation, Federal Maritime Commission, Washington, D.C. 20573.

Railway Express Agency, Inc., d.b.a. REA Express, 219 East 42d Street, REA Building, New York, N.Y. 10017.

Officers:
Spencer D. Mosley—President.
Tom Kole—Executive Vice President.
Arthur M. Wisehart—Secretary.
Rocco A. Barbieri—Treasurer.

Alfa Aerofreight Service, Inc., 5409 Northwest 36th Street, Miami Springs, Fla. 33166.

Officers:
John E. Rodrigues—President.
Bobby J. Sivils Sr.—Treasurer.
W. Emory Daugherty—Secretary.
Rogelio Halphen—General and Traffic Manager.
Vicki G. Leonard—Office Manager.

Commercial Airways Agency, Inc., 3240 Northwest 27th Avenue, Miami, Fla. 33142.
Officers:
Edwin U. Woodard—President.
David Romano—Vice President.
Frances E. Woodard—Secretary-Treasurer.

Coronet Brokers International, Ltd., 11 Broadway, New York, N.Y. 10004.
Officers:
Mario Paciaffi—President.
Seymour Haber—Executive Vice President/Secretary.
Morton A. Traub—Treasurer.
Nicholas J. Defonte—Assistant Vice President.
George Helstrom—Assistant Vice President.
Irving G. Freidman—Assistant Vice President.

General Transpac System, 608 McClary Street, Oakland, Calif. 94621.
Officers:
Richard Romo—President.
C. M. Freeman—Treasurer.
Teresa S. Pierce—Secretary.
Paul Hartman, Jr.—Vice President.

Mohegan International Corp. (of Florida), 5350 Northwest 77th Court, Miami, Fla. 33166.
Officers:
Howard G. Seymour—President.
George J. Harig—Vice President.
Mae Schultheis—Secretary.

Door to Door International Inc., 54 Devonshire Street, Boston, Mass. 02109.
Officers:
John R. Crowley—President.
Frederick D. Hannon—Treasurer.
Carl P. Puleo—Clerk.

Dated: December 2, 1969.

FRANCIS C. HURNEY,
Secretary.

[F.R. Doc. 69-14520; Filed, Dec. 5, 1969; 8:47 a.m.]

FEDERAL RESERVE SYSTEM

AFFILIATED BANKSHARES OF COLORADO, INC.

Order Approving Action To Become a Bank Holding Company

In the matter of the application of Affiliated Bankshares of Colorado, Inc., Denver, Colo., for approval of action to become a bank holding company through the acquisition of 67 percent or more of the voting shares of 13 banks in the State of Colorado.

There has come before the Board of Governors, pursuant to section 3(a)(1) of the Bank Holding Company Act of 1956 (12 U.S.C. 1842(a)(1)) and § 222.3(a) of Federal Reserve Regulation Y (12 CFR 222.3(a)), an application by Affiliated Bankshares of Colorado, Inc., Denver, Colo., for the Board's prior approval of action whereby Applicant would become a bank holding company through the acquisition of 67 percent or more of the voting shares of the following banks in the State of Colorado: First National Bank in Boulder, Boulder; Arapahoe National Bank of Boulder, Boulder; First National Bank of Lafayette, Lafayette; First National Bank of Louisville, Louisville; Greeley National Bank, Greeley; Cache National Bank of Greeley, Greeley; West Greeley National Bank, Greeley; Farmers National Bank of Ault, Ault; First National Bank in Loveland, Loveland; Westlake First National Bank, Loveland; First National Bank of Colorado Springs, Colorado Springs; and Fort Carson National Bank, Fort Carson.

As required by section 3(b) of the Act, the Board gave written notice of receipt of the application to the Comptroller of the Currency and the Colorado Commissioner of Banks, and requested their views and recommendations. The Comptroller recommended approval of the application, and the Commissioner replied that he had no comment with respect to the proposal.

Notice of receipt of the application was published in the FEDERAL REGISTER on July 25, 1969 (34 F.R. 12303), which provided 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. The time for filing comments and views has expired and all those received have been considered by the Board.

It is hereby ordered, for the reasons set forth in the Board's statement[1] of this date, that said application be and hereby is approved: *Provided*, That the action so approved shall not be consummated (a) before the 30th calendar day following the date of this order or (b) later than 3 months after the date of this order, unless such 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 1st day of December 1969.

By order of the Board of Governors.[2]

[SEAL] ROBERT P. FORRESTAL,
Assistant Secretary.

[F.R. Doc. 69-14498; Filed, Dec. 5, 1969; 8:46 a.m.]

CENTRAL BANKING SYSTEM, INC.

Notice of Application for Approval of Acquisition of Shares of Bank

Notice is hereby given that application has been made, pursuant to section 3(a) of the Bank Holding Company Act of 1956 (12 U.S.C. 1842(a)), by Central Banking System, Inc., which is a bank holding company located in Oakland, Calif., for prior approval of the Board of Governors of the acquisition by Applicant of 51 percent of the voting shares of Bank of Fairfield, Fairfield, Calif., a proposed new bank.

Section 3(c) of the Act provides that the Board shall not approve:

(1) any acquisition or merger or consolidation under section 3 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 section 3 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 the Board finds that the anticompetitive effects of the proposed transaction are clearly outweighed in the public interest by the probable effect of the transaction in meeting the convenience and needs of the community to be served.

Section 3(c) further provides that, in every case, the Board shall take into consideration the financial and managerial resources and future prospects of the company or companies and the banks concerned, and the convenience and needs of the community to be served.

Not later than thirty (30) days after the publication of this notice in the FEDERAL REGISTER, comments and views regarding the proposed acquisition may be filed with the Board. Communications should be addressed to the Secretary, Board of Governors of the Federal Reserve System, Washington, D.C. 20551. The application may be inspected at the office of the Board of Governors or the Federal Reserve Bank of San Francisco.

Dated at Washington, D.C., this 2d day of December 1969.

By order of the Board of Governors.

[SEAL] ROBERT P. FORRESTAL,
Assistant Secretary.

[F.R. Doc. 69-14499; Filed, Dec. 5, 1969; 8:46 a.m.]

COLONIAL BANK AND TRUST CO.

Order Approving Merger of Banks

In the matter of the application of The Colonial Bank and Trust Co. for approval of merger with The Brooks Bank and Trust Co.

There has come before the Board of Governors, pursuant to the Bank Merger Act (12 U.S.C. 1828(c)), an application by The Colonial Bank and Trust Co., Waterbury, Conn., a State member bank of the Federal Reserve System, for the Board's prior approval of the merger of that bank and The Brooks Bank and Trust Co., Torrington, Conn., under the charter and name of The Colonial Bank and Trust Co. As an incident to the merger, the six offices of The Brooks Bank and Trust Co. would become branches of the resulting bank. Notice of the proposed merger, in form approved by the Board, has been published pursuant to said Act.

Upon consideration of all relevant material in the light of the factors set forth in said Act, including reports furnished by the Comptroller of the Currency, the Federal Deposit Insurance

[1] Filed as part of the original document. Copies available upon request to the Board of Governors of the Federal Reserve System, Washington, D.C. 20551, or to the Federal Reserve Bank of Kansas City. Dissenting Statement of Governor Robertson also filed as part of the original document and available upon request.

[2] Voting for this action: Chairman Martin and Governors Mitchell, Maisel, and Sherrill. Voting against this action: Governor Robertson. Absent and not voting: Governors Daane and Brimmer.

Corporation, and the Attorney General on the competitive factors involved in the proposed merger,

It is hereby ordered, For the reasons set forth in the Board's statement [1] of this date, that said application be and hereby is approved: *Provided*, That said merger 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 Boston pursuant to delegated authority.

Dated at Washington, D.C., this 1st day of December 1969.

By order of the Board of Governors.[2]

[SEAL] ROBERT P. FORRESTAL,
Assistant Secretary.

[F.R. Doc. 69-14500; Filed, Dec. 5, 1969; 8:46 a.m.]

INTERAGENCY TEXTILE ADMINISTRATIVE COMMITTEE

CERTAIN COTTON TEXTILES AND COTTON TEXTILE PRODUCTS PRODUCED OR MANUFACTURED IN THE REPUBLIC OF KOREA

Entry or Withdrawal From Warehouse for Consumption

DECEMBER 3, 1969.

On January 8, 1969, there was published in the FEDERAL REGISTER (34 F.R. 276) a letter dated December 27, 1968, from the Chairman of the President's Cabinet Textile Advisory Committee to the Commissioner of Customs, establishing levels of restraint applicable to certain specified categories of cotton textiles and cotton textile products produced or manufactured in the Republic of Korea and exported to the United States during the 12-month period beginning January 1, 1969. As set forth in that letter, the levels of restraint are subject to adjustment pursuant to paragraph 7 of the bilateral cotton textile agreement of December 11, 1967, between the Governments of the United States and the Republic of Korea, which provides that within the aggregate and applicable group limits, limits on certain categories may be exceeded by not more than five (5) percent. The aforementioned letter also provided that any such adjustment in the levels of restraint would be made to the Commissioner of Customs by letter from the Chairman of the Interagency Textile Administrative Committee.

Accordingly, at the request of the Government of the Republic of Korea and pursuant to the provision of the bilateral agreement referred to above, there is published below a letter of December 3, 1969, from the Chairman of the Interagency Textile Administrative Committee to the Commissioner of Customs adjusting the level of restraint applicable to cotton textiles in Category 31 for the twelve-month period which began on January 1, 1969.

STANLEY NEHMER,
Chairman, Interagency Textile Administrative Committee, and Deputy Assistant Secretary for Resources.

ASSISTANT SECRETARY OF COMMERCE

INTERAGENCY TEXTILE ADMINISTRATIVE COMMITTEE

COMMISSIONER OF CUSTOMS,
Department of the Treasury,
Washington, D.C. 20226

DECEMBER 3, 1969.

DEAR MR. COMMISSIONER: On December 27, 1968, the Chairman of the President's Cabinet Textile Advisory Committee, directed you to prohibit entry of cotton textiles and cotton textile products in certain specified categories, produced or manufactured in the Republic of Korea, and exported to the United States on or after January 1, 1969, in excess of the designated levels of restraint. The Chairman further advised you that in the event that there were any adjustments [1] in the levels of restraint you would be so informed by letter from the Chairman of the Interagency Textile Administrative Committee.

Under the terms of the Long-Term Arrangement Regarding International Trade in Cotton Textiles done at Geneva on February 9, 1962, pursuant to paragraph seven (7) of the bilateral cotton textile agreement of December 11, 1967, between the Governments of the United States and the Republic of Korea, in accordance with Executive Order 11052 of September 28, 1962, as amended by Executive Order 11214 of April 7, 1965, and under the terms of the aforementioned directive of December 27, 1968, the level of restraint provided in that directive for cotton textile products in Category 31, produced or manufactured in the Republic of Korea and exported from the Republic of Korea to the United States for the period beginning January 1, 1969, and extending through December 31, 1969, is hereby amended as follows, to be effective as soon as possible:

Category		*Amended 12-month level of restraint* [2]
31	pieces	1,100,902

[2] This level has not been adjusted to reflect entries made on or after Jan. 1, 1969.

The actions taken with respect to the Government of the Republic of Korea and with respect to imports of cotton textiles and cotton textile products from the Republic of Korea 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. IV, 1965-68). This letter will be published in the FEDERAL REGISTER.

Sincerely yours,

STANLEY NEHMER,
Chairman, Interagency Textile Administrative Committee, and Deputy Assistant Secretary for Resources.

[F.R. Doc. 69-14532; Filed, Dec. 5, 1969; 8:48 a.m.]

SECURITIES AND EXCHANGE COMMISSION

[812-2660]

AMERICAN RESEARCH AND DEVELOPMENT CORP.

Notice of Filing of Application for Order Exempting Proposed Purchase of Shares of an Investment Company

DECEMBER 1, 1969.

Notice is hereby given that American Research and Development Corporation, 200 Berkeley Street, Boston, Mass. 02110, ("applicant"), a Massachusetts corporation which is registered as a closed-end, nondiversified, management investment company under the Investment Company Act of 1940 ("Act"), has filed an application pursuant to section 6(c) of the Act for an order of the Commission exempting from the provisions of section 12(e) of the Act to the extent noted below the proposed purchase by applicant of a maximum of 50,020 shares of capital stock of European Enterprises Development Co. S.A. ("EED"), a Luxembourg investment company, at a price of $12.50 a share. All interested persons are referred to the application on file with the Commission for a statement of applicant's representations which are summarized below.

Applicant, which registered under the Act in 1946, is engaged in furnishing capital to or purchasing securities of companies engaged in the development of new enterprises, products or processes. EED is engaged in the business of investing in and furnishing capital to European companies engaged in substantially the same type of activities as those engaged in by the companies in which applicant invests.

At September 30, 1969, EED had outstanding 34,225 shares of a single class of capital stock, of which applicant owned 2,501 shares, or approximately 7 percent of the total capital stock of EED outstanding. Applicant is one of seven United States institutional stockholders of EED. The shares of EED capital stock owned by applicant were acquired by applicant in 1963 at a cost of $521,077 following the issuance by the Commission on December 12, 1963 of an order

[1] Filed as part of the original document. Copies available upon request to the Board of Governors of the Federal Reserve System, Washington, D.C. 20551, or to the Federal Reserve Bank of Boston.

[2] Voting for this action: Chairman Martin and Governors Robertson, Daane, Maisel, Brimmer and Sherrill. Absent and not voting: Governor Mitchell.

[1] The term "adjustments" refers to those provisions of the bilateral cotton textile agreement of Dec. 11, 1967, between the Governments of the United States and the Republic of Korea which provide in part that within the aggregate and applicable group limits, limits on certain categories may be exceeded by not more than five (5) percent; for the limited carryover of short falls in certain categories to the next agreement year; and for administrative arrangements.

exempting such transition (Investment Company Act Release No. 3857).

EED has taken steps (1) to split each of its outstanding shares into 20 shares of new capital stock without par value, (2) to increase its authorized new capital stock by 800,000 shares, and (3) to offer such 800,000 shares of new capital stock for sale at $12.50 a share. ARD proposes to acquire a maximum of 50,020 EED new shares at a cost of $12.50 a share, but will reduce the number of shares which it purchases so that it will not own 10 percent or more of the outstanding capital stock of EED.

The application states that the proposed acquisition of EED shares is exempt from the provisions of section 17(a) of the Act pursuant to Rule 17a-6 thereunder. In addition to its present holdings of EED stock and the additional shares of EED stock it now proposes to acquire, applicant owns about 9 percent of the voting securities outstanding of Canadian Enterprise Development Corp. Ltd. ("CED"), which is a Canadian venture capital investment company with objectives and policies similar to those of applicant.[1]

Section 12(d)(1) of the Act as here pertinent, prohibits the acquisition by a registered investment of more than 5 percent of the total voting stock outstanding of any other investment company if the policy of such other investment company is the concentration of investments in a particular industry or group of industries, or more than 3 percent of such stock, if the policy is not so to concentrate.

Section 12(e) of the Act provides, among other things, that notwithstanding the provisions of section 12(d)(1), a registered investment company may utilize up to 5 percent of the value of its assets to purchase or otherwise acquire any securities issued by any one investment company engaged in the business of underwriting, furnishing capital to industry, financing promotional enterprises, purchasing securities of issuers for which no ready market is in existence and reorganizing companies or similar activities, provided, among other things, the securities issued by such other investment company consist solely of one class of common stock and shall have been originally issued or sold for investment to registered investment companies only. Unless an exemptive order from section 12(e) is issued, applicant will be prohibited from consummating the proposed purchase of shares of EED, an investment company since (1) following its consummation of the proposed acquisition of additional shares of EED, applicant will have acquired stock of two investment companies (CED and EED) and, (2) registered investment companies were not the only purchasers of the CED and EED shares now outstanding, nor will registered investment companies be the only purchasers of the additional EED shares to be issued. Applicant requests an exemption from section 12(e) to permit the proposed acquisition of EED stock.

Section 6(c) of the Act authorizes the Commission upon application to exempt any transaction from any provisions of the Act or any rule thereunder, if and to the extent that the Commission finds that such exemption is necessary or appropriate and consistent with the protection of investors and the purposes fairly intended by the policy and provisions of the Act.

Applicant contends that the proposed acquisition is not inconsistent with the purposes of sections 12(d)(1) and 12(e) because (1) it will not result in the duplication of investment advisory fees since neither applicant nor EED have contracted to pay such fees to any other person, (2) control of EED will not be unduly or inequitably concentrated in applicant since applicant will not own more than 10 percent of the outstanding stock of EED, and (3) such proposal will not create undue complexities in the structure of portfolio companies. In the latter connection, the application shows that applicant's valuation of its investment in EED and CED at September 30, 1969, as adjusted to reflect a subsequent investment in CED stock and the additional proposed maximum investment of $625,250 in EED stock, is less than 0.5 percent of the value of the net assets of applicant at such date.

Notice is further given that any interested person may, not later than December 15, 1969 at 12:30 p.m., submit to the Commission in writing a request for a hearing on the matter accompanied by a statement as to the nature of his interest, the reason for such request and the issues of fact or law proposed to be controverted, or he may request that he be notified if the Commission should order a hearing thereon. Any such communication should be addressed: Secretary, Securities and Exchange Commission, Washington, D.C. 20549. A copy of such request shall be served personally or by mail (airmail if the person being served is located more than 500 miles from the point of mailing) upon applicant at the address stated above. Proof of such service (by affidavit or in case of an attorney at law by certificate) shall be filed contemporaneously with the request. At any time after said date, as provided by Rule 0-5 of the rules and regulations promulgated under the Act, an order disposing of the application herein may be issued by the Commission upon the basis of the information stated in said application, unless an order for hearing upon said application shall be issued upon request or upon the Commission's own motion. Persons who request a hearing or advice as to whether a hearing is ordered, will receive notice of further developments in this matter, including the date of the hearing (if ordered) and any postponements thereof.

For the Commission (pursuant to delegated authority).

[SEAL] ORVAL L. DUBOIS, *Secretary.*

[F.R. Doc. 69-14501; Filed, Dec. 5, 1969; 8:46 a.m.]

[1] By order dated Nov. 26, 1969, the Commission granted an exemption to permit applicant to purchase a portion of its present holdings of shares of CED (Investment Company Act Release No. 5901).

[812-2655]

CAPITAL SOUTHWEST CORP.

Notice of Filing of Application for Order Authorizing Proposed Transaction

DECEMBER 2, 1969.

Notice is hereby given that Capital Southwest Corp., 750 Hartford Building, Dallas, Tex. ("applicant"), a closed-end, nondiversified registered investment company, has filed an application pursuant to section 17(d) of the Investment Company Act of 1940 ("Act") and Rule 17d-1 thereunder for an order granting said application pursuant to Rule 17d-1 with respect to the sale of shares of common stock of Pandick Press, Inc. ("Pandick"), a New York corporation, by Pandick and by applicant as part of a proposed public offering of Pandick common stock. All interested persons are referred to the application on file with the Commission for a full statement of the representations therein, which are summarized below.

The applicant owns approximately 9.7 percent of the outstanding common stock of Pandick. Under sections 2(a)(3) of the Act, applicant is an affiliate of, Pandick and Pandick is an affiliated person of applicant.

Pandick has filed a registration statement with the Commission under the Securities Act of 1933 with respect to a proposed public offering of 371,709 shares of Pandick common stock, of which 100,000 shares are proposed to be offered by Pandick, 30,000 shares by applicant, and 271,709 shares by other shareholders of Pandick. Applicant and the other selling shareholders will pay underwriting discounts, fees of counsel employed by the selling shareholders and stock transfer taxes. All expenses of registration will be borne by Pandick.

The number of shares included in the proposed public offering was determined by the underwriters after Pandick and each of Pandick's shareholders were given unrestricted opportunity to offer their shares. The participation by Pandick or any of its shareholders is not contingent upon that of any one or more of them. Applicant does not intend to participate in the proposed public offering unless the order requested herein is received prior to the effective date of the offering.

Rule 17d-1, adopted under section 17(d) of the Act, provides, as here pertinent, that no affiliated person of any registered investment company, shall, acting as principal, participate in, or effect any transaction in connection with, any joint enterprise or other joint arrangement in which such registered company, is a participant, unless an application regarding such joint enterprise or arrangement has been filed with the Commission and has been granted by order, and that in passing upon such application the Commission will consider whether the participation of the registered or controlled company in the joint enterprise or arrangement on the basis proposed is consistent with the provisions, policies and purposes of the Act

and the extent to which such participation is on a basis different from or less advantageous than that of other participants.

Notice is further given that any interested person may, not later than December 12, 1969, at 12:30 p.m., submit to the Commission in writing a request for a hearing on the matter accompanied by a statement as to the nature of his interest, the reason for such request and the issues of fact or law proposed to be controverted, or he may request that he be notified if the Commission shall order a hearing thereon. Any such communication should be addressed: Secretary, Securities and Exchange Commission, Washington, D.C. 20549. A copy of such request shall be served personally or by mail (airmail if the person being served is located more than 500 miles from the point of mailing) upon applicant at the address set forth above. Proof of such service (by affidavit or in case of an attorney at law by certificate) shall be filed contemporaneously with the request. At any time after said date, as provided by Rule 0-5 of the rules and regulations promulgated under the Act, an order disposing of the application herein may be issued by the Commission upon the basis of the information stated in said application, unless an order for hearing upon said application shall be issued upon request or upon the Commission's own motion. Persons who request a hearing, or advice as to whether a hearing is ordered, will receive notice of further developments in this matter, including the date of the hearing (if ordered) and any postponements thereof.

For the Commission (pursuant to delegated authority).

[SEAL] ORVAL L. DUBOIS, *Secretary.*

[F.R. Doc. 69-14502; Filed, Dec. 5, 1969; 8:46 a.m.]

RAJAC INDUSTRIES, INC.

Order Suspending Trading

DECEMBER 2, 1969.

It appearing to the Securities and Exchange Commission that the summary suspension of trading in the common stock of Rajac Industries, Inc., a New York corporation, and all other securities of Rajac Industries, Inc., being traded otherwise than on a national securities exchange is required in the public interest and for the protection of investors;

It is ordered, Pursuant to section 15(c)(5) of the Securities Exchange Act of 1934, that trading in such securities otherwise than on a national securities exchange be summarily suspended, this order to be effective for the period December 3, 1969 through December 12, 1969, both dates inclusive.

By the Commission.

[SEAL] ORVAL L. DUBOIS, *Secretary.*

[F.R. Doc. 69-14503; Filed, Dec. 5, 1969; 8:46 a.m.]

INTERSTATE COMMERCE COMMISSION

[Notice 352]

MOTOR CARRIER TEMPORARY AUTHORITY APPLICATIONS

DECEMBER 3, 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 1131), 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 protests 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 field office to which protests are to be transmitted.

MOTOR CARRIERS OF PROPERTY

No. MC 96498 (Sub-No. 31 TA) (Correction), filed November 17, 1969, published in the FEDERAL REGISTER issue of November 26, 1969, and republished in part, as corrected, this issue. Applicant: BONIFIELD BROS. TRUCK LINES, INC., Post Office Box 40, West Frankfurt, Ill. 62896. Applicant's representative: R. W. Burgess, 8514 Midland Boulevard, St. Louis, Mo. 63114. NOTE: The purpose of this partial republication is solely to reflect that regular route authority is sought, inadvertently described as irregular routes in the previous publication. The rest of the application remains as previously published.

No. MC 112822 (Sub-No. 136 TA) (Correction), filed November 12, 1969, published in the FEDERAL REGISTER issue of November 21, 1969, and republished in part, as corrected, this issue. Applicant: BRAY LINES INCORPORATED, Post Office Box 1191, 14 North Little, Cushing, Okla. 74023. Applicant's representative: Joe W. Ballard (same address as above). NOTE: The purpose of this republication is solely to reflect a correction in the supporting shippers name as follows: C. C. Wright, Supervisor, Truck-TOFC, Barge and Air Freight, International Paper Co., Post Office Box 2328, Mobile, Ala. 36601. The rest of the application remains as previously published.

No. MC 118959 (Sub-No. 56 TA) (Correction), filed October 31, 1969, published in the FEDERAL REGISTER issue of November 26, 1969, and republished in part, as corrected, this issue. Applicant: JERRY LIPPS, INC., 130 South Frederick, Cape Girardeau, Mo. 63701. Applicant's representative: David Axelrod, 39 South La Salle Street, Chicago, Ill. 60603. NOTE: The purpose of this partial republication is to include a portion of the commodity description which was inadvertently omitted in the previous publication. Said portion should read as follows: * * *; *sanitary paper and paper products joined to or combined with paper, plastics, synthetics, or cloth;* * * *. The rest of the application remains as previously published.

No. MC 123639 (Sub-No. 116 TA) (Correction), filed November 13, 1969, published in the FEDERAL REGISTER, issue of November 22, 1969, and republished as corrected in part, this issue. Applicant: J. B. MONTGOMERY, INC., 5150 Brighton Boulevard, Denver, Colo. 80216. Applicant's representative: David Senseney, 3395 South Bannock Street, Englewood, Colo. 80110. The purpose of this partial republication is solely to include the States of Massachusetts, New Jersey, Maine, Ohio, Wisconsin, and Pennsylvania as additional States in the destination territory, inadvertently omitted in the previous publication. The rest of the application remains as previously published.

No. MC 125844 (Sub-No. 13 TA) (Correction), filed November 7, 1969, published in the FEDERAL REGISTER issue of November 21, 1969, and republished in part, as corrected, this issue. Applicant: BIO-MED-HU, INC., 8603 Preston Highway, Louisville, Ky. 40219. Applicant's representative: Ollie L. Merchant, Suite 202, 140 South Fifth Street, Louisville, Ky. 40202. NOTE: The purpose of this partial republication is solely to reflect Arizona as an additional State to be included in the origin territory and which State was inadvertently omitted in the previous publication. The rest of the application remains as previously published.

No. MC 134141 (Sub-No. 1 TA) (Correction), filed November 17, 1969, published in the FEDERAL REGISTER issue of November 25, 1969, and republished in part, as corrected, this issue. Applicant: SAMUEL W. GROOME, doing business as A. T. I. TRUCKING COMPANY, Route 94, Florida, N.Y. 10921. The purpose of this partial republication is to clarify the origin point and destination areas following the initial commodity description by inserting the word to immediately following the origin point of West Coxsackie, N.Y., as follows: * * *, in shipper-owned semitrailers, from West Coxsackie, N.Y., to points in * * *. The rest of the application remains as previously published.

No. MC 134149 (Sub-No. 1 TA), filed November 24, 1969. Applicant: COASTAL TRUCKING COMPANY, INC., 1801 Selma Avenue, Selma, Ala. 36701. Applicant's representative: Cecil C. Jackson, Jr., 519 Lauderdale Street, Selma, Ala. Authority sought to operate as a *contract carrier*, by motor vehicle, over irregular routes, transporting: *Clothing*, manufactured under contract with the Department of Defense, U.S. Government, between the plantsites of Coastal Industries, Inc., Selma, Ala., and Choc-

taw Manufacturing Co., Inc., Silas, Ala., to points in Alabama, Arizona, Arkansas, California, Colorado, Georgia, Illinois, Indiana, Kentucky, Louisiana, Maryland, Mississippi, Nevada, New Mexico, North Carolina, Ohio, Oklahoma, Pennsylvania, South Carolina, Tennessee, Texas, Utah, Virginia, and West Virginia; for 180 days. NOTE: Applicant states Shippers' contracts with the Department of Defense contain an option to divert a particular shipment from original destination to new shipping point. Supporting shippers: Choctaw Manufacturing Co., Inc., Silas, Ala. 36919; and Coastal Industries, Inc., Selma, Ala. 36701. Send protests to: Clifford R. White, District Supervisor, Bureau of Operations, Interstate Commerce Commission, Room 814, 2121 Building, Birmingham, Ala.

No. MC 134152 TA (Correction), filed November 18, 1969, published in the FEDERAL REGISTER issue of November 26, 1969, and republished in part, as corrected, this issue. Applicant: BARTON TRUCK LINE, INC., 455 West Fourth South Street, Salt Lake City, Utah 84101. Applicant's representative: William S. Richards, Walker Bank Building, Salt Lake City, Utah 84111. NOTE: the purpose of this partial republication is to redescribe the destination points in the application, some of which were inadvertently omitted in the previous publication, as follows: "* * * to Grand Junction and Glenwood Springs, Colo.; Rock Springs and Cody, Wyo.; Boise, Payette, Pocatello, Idaho Falls, Idaho; Kalispell, Great Falls, Helena, Miles City and Lewistown, Mont.; and Ely, Nev." The rest of the application remains as previously published.

No. MC 134138 (Sub-No. 1 TA) (Amendment), filed November 5, 1969, published FEDERAL REGISTER, issue of November 15, 1969, and republished as amended this issue. Applicant: ALVIN B. HARRISON, JR., doing business as LAND-AIR FREIGHT, 1420 Southerland Avenue, Oshkosh, Wis. 54901. Applicant's representative: Russell F. Williams, Post Office Box 1067, 504 Algona Boulevard, Oshkosh, Wis. 54901. Authority sought to operate as a *contract carrier*, by motor vehicle, over irregular routes, transporting: *General commodities* (except classes A and B explosives, household goods as defined by the Commission, commodities in bulk, and commodities requiring special equipment), restricted to operations moving on airbills of lading, and having prior or subsequent movement by air, from Wittman Field, Oshkosh, Wis., to Mitchell Field, Milwaukee, Wis., and from Mitchell Field, Milwaukee, Wis., to Wittman Field, Oshkosh, Wis., for 150 days. NOTE: Applicant states it intends to interline with other motor carriers at Mitchell Field, Milwaukee, for shipments consigned to O'Hare Field, Chicago, Ill., for subsequent air transportation. The purpose of this republication is to add this note. Supporting shipper: North Central Airlines, Inc., G201 34th Avenue South, Minneapolis, Minn. 55450 (John S. Minerich, Manager, Cargo Administration). 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. 69-14535; Filed, Dec. 5, 1969; 8:48 a.m.]

[Notice 456]

MOTOR CARRIER TRANSFER PROCEEDINGS

DECEMBER 3, 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-71363. By order of November 24, 1969, the Motor Carrier Board approved the transfer, on reconsideration, to McKibben Motor Service, Inc., Arlington Heights, Ohio, of certificate No. MC-32702 (Sub-No. 2) issued July 21, 1959, to McKibben Motor Service, Inc., Arlington Heights, Ohio, authorizing the transportation of: Roofing, paving, building, and insulating materials, from Cincinnati and Lockland, Ohio, to points in specified counties in Kentucky. Richard H. Brandon, 810 Hartman Avenue, Columbus, Ohio 43215, attorney for applicants.

No. MC-FC-71633. By order of December 3, 1969, the Motor Carrier Board on reconsideration, approved the transfer to J & T Transport Inc., Pennsauken, N.J., of certificates Nos. MC-65429 and MC-65429 (Sub-No. 4) issued January 12, 1955, and April 11, 1962, respectively, to Benjamin S. Rizzo, doing business as Bauer Motor Freight Express, Bridgeton, N.J., authorizing the transportation of general commodities, with the usual exceptions, between Philadelphia, Pa., and Bridgeton, N.J., serving all intermediate points as follows: From Philadelphia, Pa., across the Delaware River to Camden, N.J., thence over New Jersey Highway 45 to Millica Hill, N.J., thence over New Jersey Highway 46 to Bridgeton; automobiles and truck parts and accessories, hardware and kindred articles and commodities, instruments, drawings, articles, materials, and supplies, excluding furniture, incidental to the business of physicians, dentists, dental laboratories, optometrists, and opticians, and of engineers which are conducted in their offices or drafting room or laboratories, clothing, and radio and victrola parts, subject to certain restrictions, between Philadelphia, Pa., on the one hand, and, on the other, Woodbury, Vineland, and Millville, N.J., and bakery goods, from Bridgeton, N.J., to Wilmington, Del. Charles E. Creager, Suite 1609, 11215 Oak Leaf Drive, Silver Spring, Md. 20901, representative for applicants.

No. MC-FC-71722. By order of November 25, 1969, the Motor Carrier Board approved the transfer to Polman Transfer, Inc., Wadena, Minn., of the operating rights in permit No. MC-89710 (Sub-No. 3) issued October 6, 1960, to Raymond Bahr, Bemidji, Minn., authorizing the transportation of cut lumber, treated with creosote or other preservatives, and wooden posts, poles, and piling, from Cass Lake, Minn., to points in Iowa, Nebraska, North Dakota, South Dakota, and Wisconsin, and returned shipments of such commodities, from the specified destination points to Cass Lake, Minn. Val M. Higgins, 1000 First National Bank Building, Minneapolis, Minn. 55402, and Howard S. Cox, 715 First National Bank Building, Minneapolis, Minn. 55402, attorneys for applicants.

No. MC-FC-71792. By order of December 2, 1969, the Motor Carrier Board approved the transfer to All-Star Transportation, of certificate No. MC-123393 (Sub-No. 163), issued August 23, 1968, to Bilyeu Refrigerated Transportation Corp., Marshall, Mo., authorizing the transportation of: Frozen prepared foods, and frozen poultry, when transported in the same vehicle with frozen prepared foods, from Carrollton, Macon, Marshall, Milan, Moberly, St. Joseph, and Sedalia, Mo., to points in Connecticut, Delaware, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, Vermont, Virginia, West Virginia, and the District of Columbia. Tom B. Kretsinger, 450 Professional Building, Kansas City, Mo. 64106, attorney for applicants.

[SEAL] H. NEIL GARSON, *Secretary.*

[F.R. Doc. 69-14536; Filed, Dec. 5, 1969; 8:48 a.m.]

[Notice 457A]

MOTOR CARRIER TRANSFER PROCEEDINGS

DECEMBER 4, 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-71694. By order of December 4, 1969, the Motor Carrier Board

approved the transfer to Mercury Freight Lines, a corporation, Los Angeles, Calif., of certificate of registration in No. MC-99991 (Sub-No. 1), issued February 5, 1964, and amended September 19, 1968, to Jack A. Cronshaw, doing business as Mercury Freight Lines, Los Angeles, Calif., authorizing the transportation of a wide variety of commodities between points in the Los Angeles Basin Region. R. Y. Schureman, 1545 Wilshire Boulevard, Los Angeles, Calif. 90017, attorney for applicants.

[SEAL] H. NEIL GARSON,
Secretary.

[F.R. Doc. 69-14549; Filed, Dec. 5, 1969; 8:48 a.m.]

CUMULATIVE LIST OF PARTS AFFECTED—DECEMBER

The following numerical guide is a list of parts of each title of the Code of Federal Regulations affected by documents published to date during December.

1 CFR

	Page
Ch. I	19106

3 CFR

EXECUTIVE ORDER:

11498	19125

5 CFR

213	19258

7 CFR

53	19337
101	19060
102	19060
103	19060
104	19060
105	19060
106	19060
107	19060
108	19060
111	19060
301	19061
718	19063
725	19127
728	19063
777	19063
811	19289
827	19063
871	19064
905	19067
906	19290
907	19068, 19185
910	19128, 19339
929	19290
945	19068
959	19290
966	19185

PROPOSED RULES:

725	19356
812	19293
905	19078
947	19294
1001	19078
1002	19078
1003	19078
1004	19078
1005	19078
1006	19078
1007	19078
1011	19078

7 CFR—Continued

PROPOSED RULES—Continued

1012	19078
1013	19078
1015	19078
1016	19078
1030	19078
1032	19078
1033	19078
1034	19078
1035	19078
1036	19078
1040	19078, 19142
1041	19078
1043	19078
1044	19078
1046	19078
1049	19078
1050	19078
1060	19078
1061	19078
1062	19078
1063	19078
1064	19078
1065	19078
1068	19078
1069	19078
1070	19078
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1078	19078
1079	19078
1090	19078
1094	19078
1096	19078
1097	19078
1098	19078
1099	19078
1101	19078
1102	19078
1103	19078
1104	19078
1106	19078
1108	19078
1120	19078
1121	19078
1124	19078
1125	19078
1126	19078
1127	19078

7 CFR—Continued

PROPOSED RULES—Continued

1128	19078
1129	19078
1130	19078
1131	19078
1132	19078
1133	19078
1134	19078
1136	19078
1137	19078
1138	19078

9 CFR

76	19128, 19129, 19288

12 CFR

526	19186
545	19187
569	19187, 19188

PROPOSED RULES:

563	19299
571	19299

13 CFR

121	19129

14 CFR

39	19188–19191
71	19073, 19130, 19245, 19339, 19340
91	19133
97	19246
121	19133
127	19134
135	19134
159	19192
224	19192
244	19340
296	19341
297	19342
385	19140
399	19344

PROPOSED RULES:

37	19142
39	19200
71	19080, 19297, 19374–19376
73	19376
208	19297
214	19297
295	19297

FEDERAL REGISTER

VOLUME 34 • NUMBER 234

Saturday, December 6, 1969 • Washington, D.C.

PART II

DEPARTMENT OF THE TREASURY

Fiscal Service, Bureau of the Public Debt

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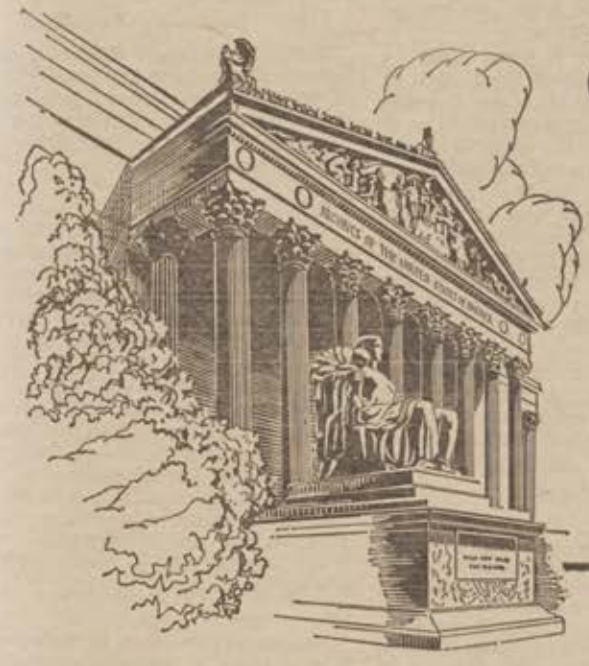
U.S. Savings Bonds, Series E

(Dept. Circ. 653, 8th Rev.)



Title 31—MONEY AND FINANCE: TREASURY

Chapter II—Fiscal Service, Department of the Treasury

SUBCHAPTER B—BUREAU OF THE PUBLIC DEBT

PART 316—OFFERING OF U.S. SAVINGS BONDS, SERIES E

The regulations set forth in Treasury Department Circular No. 653, Seventh Revision, dated March 18, 1966, as revised, amended and supplemented (31 CFR Part 316), have been further revised and amended as shown below. The changes were effected under authority of section 22 of the Second Liberty Bond Act, as amended (49 Stat. 21, as amended; 31 U.S.C. 757c) and 5 U.S.C. 301. Notice and public procedures thereon are unnecessary as public property and contracts are involved.

Table 1 of the tables incorporated in the circular is published herewith. Table 2 and subsequent tables will be published [prior to the next interest accrual date] for all other Series E bonds outstanding on December 1, 1969. The Addendum to this circular contains the December 1969 redemption values for all outstanding Series E savings bonds.

Dated: December 1, 1969.

[SEAL] JOHN K. CARLOCK,
Fiscal Assistant Secretary.

Treasury Department Circular No. 653, Seventh Revision, dated March 18, 1966, and the tables incorporated therein (31 CFR Part 316), as amended, revised and supplemented, are hereby further amended and issued as the Eighth Revision, as follows, effective December 1, 1969.

Sec.

AUTHORITY: The provisions of this Part 316 issued under authority of sec. 22 of the Second Liberty Bond Act, as amended, 49 Stat. 21, as amended (31 U.S.C. 757c).

§ 316.1 Offering of bonds.

The Secretary of the Treasury hereby offers for sale to the people of the United States, U.S. Savings Bonds of Series E, hereinafter generally referred to as "Series E bonds" or "bonds." This offer will continue until terminated by the Secretary of the Treasury.

§ 316.2 Description of bonds.

(a) *General.* Series E bonds bear a facsimile of the signature of the Secretary of the Treasury and of the Seal of the Department of the Treasury. They are issued only in registered form and are nontransferable.

(b) *Denominations and prices.* Series E bonds are issued on a discount basis. The denominations and purchase prices are:

Denomination	*Purchase price*
$25	$18.75
$50	37.50
$75	56.25
$100	75.00
$200	150.00
$500	375.00
$1,000	750.00
$10,000[1]	7,500.00
$100,000[1]	75,000.00

[1] The $10,000 and $100,000 denominations are available only for purchase by trustees of employees' savings and savings and vacation plans (see § 316.5(b)).

(c) *Inscription and issue.* At the time of issue the issuing agent will (1) inscribe on the face of each bond the name and address of the owner, and the name of the beneficiary, if any, or the name and address of the first-named coowner and the name of the other coowner, (2) enter in the upper right-hand portion of the bond the issue date, and (3) imprint the agent's dating stamp in the lower right-hand portion to show the date the bond is actually inscribed. A bond shall be valid only if an authorized issuing agent receives payment therefor and duly inscribes, dates, stamps, and delivers it in accordance with the purchaser's instructions. The Department of the Treasury may require, without prior notice, that the appropriate taxpayer identifying number[2] be furnished for inclusion in the inscription.

(d) *Term.* A Series E bond shall be dated as of the first day of the month in which payment of the purchase price is received by an agent authorized to issue the bonds. This date is the issue date and the bond will mature and be payable at the original maturity value, shown in Table 1 hereof, 5 years and 10 months from the issue date. The bond may not be called for redemption by the Secretary of the Treasury prior to maturity or the end of any authorized extension period (see § 316.8(a)(1)). The bond may be redeemed at the owner's option at any time after 2 months from issue date at fixed redemption values. However, the Department of the Treasury may require reasonable notice of presentation for redemption prior to maturity or any extended maturity period.

[2] The number required to be used on tax returns and other documents submitted to the Internal Revenue Service (an individual's social security account number or employer identification number). Until it becomes mandatory, issuing agents for Series E bonds under any payroll savings plan desiring to place taxpayer identifying numbers on bonds should obtain instructions from the Bureau of the Public Debt, Washington, D.C. 20220.

(e) *Investment yield (interest).* The investment yield (interest) on a Series E bond will be approximately 5 percent per annum, compounded semiannually, if the bond is held to maturity, but the yield will be less if the bond is redeemed prior thereto. The interest will be paid as a part of the redemption value. For the first 6 months from issue date the bond will be redeemable only at issue price. Thereafter, its redemption value will increase at the beginning of each successive half-year period (see Table 1).

(f) *Outstanding bonds with issue dates June 1, 1969, or thereafter.* Series E bonds with issue dates of June 1, 1969, or thereafter, and outstanding on the effective date of the regulations in this part, are deemed to be Series E bonds issued under the terms of this circular and the investment yield and shorter term of maturity provided for in paragraphs (d) and (e) of this section are applicable to such bonds. Series E bond stock on sale prior to June 1, 1969, will be used for issue under this circular until such time as new stock is printed and supplied to issuing agents. Such bonds have the new investment yield and all other privileges as fully as if expressly set forth in the text of the bonds. It will be unnecessary for owners to exchange bonds issued on the old stock for bonds on the new stock as all paying agents will redeem the bonds in accordance with the schedule of redemption values set forth in Table 1. However, when the new stock becomes available, issuance on the new stock may be obtained by presentation for that purpose of bonds issued on the old stock to any Federal Reserve Bank or Branch, or to the Treasurer of the United States, Securities Division, Washington, D.C. 20220.

§ 316.3 Governing regulations.

Series E bonds are subject to the regulations of the Treasury Department, now or hereafter prescribed, governing U.S. Savings Bonds, contained in Department Circular No. 530, current revision (Part 315 of this subchapter).[3]

§ 316.4 Registration.

(a) *General.* Generally, only residents of the United States, its territories and possessions, the Commonwealth of Puerto Rico, the Canal Zone and citizens of the United States temporarily residing abroad are eligible to be named as owners of Series E bonds. The bonds may be registered in the names of natural persons in their own right as provided in paragraph (b) of this section, and in the names and titles or capacities of fiduciaries and organizations as provided in paragraph (c) of this section. Full information regarding authorized forms of registration and restrictions with respect thereto will be found in the governing regulations.

[3] Copies may be obtained from any Federal Reserve Bank or Branch, or the Bureau of the Public Debt, Washington, D.C. 20220, or its Chicago Office, 536 South Clark Street, Chicago, Ill. 60605.

(b) *Natural persons in their own right.* The bonds may be registered in the names of natural persons (whether adults or minors) in their own right, in single ownership, coownership, and beneficiary forms.

(c) *Others.* The bonds may be registered in single ownership form in the names of fiduciaries and private and public organizations, as follows:

(1) *Fiduciaries.* In the names of and showing the titles or capacities of any persons or organizations, public or private, as fiduciaries (including trustees, legal guardians or similar representatives, and certain custodians), but not where the fiduciary would hold the bonds merely or principally as security for the performance of a duty, obligation, or service.

(2) *Private and public organizations.* In the names of private or public organizations (including private corporations, partnerships, and unincorporated associations, and States, counties, public corporations, and other public bodies) in their own right, but not in the names of commercial banks.[4]

§ 316.5 Limitation on holdings.

The amount of Series E bonds originally issued during any 1 calendar year that may be held by any one person, at any one time, computed in accordance with the governing regulations, is limited, as follows:

(a) *General limitation.* $5,000 (issue price) for the calendar year 1969[5] and each calendar year thereafter.[6]

(b) *Special limitation for employees' savings plans.* $2,000 (face amount) multiplied by the highest number of participants in any employees' savings plan, as defined in subparagraph (1) of this paragraph, at any time during the year in which the bonds are issued.[7]

(1) *Definition of plan and conditions of eligibility.* (i) The employees' savings plan must have been established by the employer for the exclusive and irrevocable benefit of his employees or their beneficiaries, afford employees the means of making regular savings from their wages through payroll deductions, and provide for employer contributions to be added to such savings.

(ii) The entire assets thereof must be credited to the individual accounts of participating employees and assets credited to the account of an employee may be distributed only to him or his beneficiary, except as otherwise provided herein.

(iii) Series E bonds may be purchased only with assets credited to the accounts of participating employees and only if the amount taken from any account at any time for that purpose is equal to the purchase price of a bond or bonds in an authorized denomination or denominations, and shares therein are credited to the accounts of the individuals from which the purchase price thereof was derived, in amounts corresponding with their shares. For example, if $37.50 credited to the account of John Jones is commingled with funds credited to the accounts of other employees to make a total of $7,500, with which a Series E bond in the denomination of $10,000 (face value) is purchased in February 1966 and registered in the name and title of the trustee, the plan must provide, in effect, that John Jones' account shall be credited to show that he is the owner of a Series E bond in the denomination of $50 (face value) bearing issue date of February 1, 1966.

(iv) Each participating employee shall have an irrevocable right at any time to demand and receive from the trustee all assets credited to his account or the value thereof, if he so prefers, without regard to any condition other than the loss or suspension of the privilege of participating further in the plan. However, a plan will not be deemed to be inconsistent herewith if it limits or modifies the exercise of any such right by providing that the employer's contribution does not vest absolutely until the employee shall have made contributions under the plan in each of not more than 60 calendar months succeeding the month for which the employer's contribution is made.

(v) Upon the death of an employee, his beneficiary shall have the absolute and unconditional right to demand and receive from the trustee all assets credited to the account of the employee, or the value thereof, if he so prefers.

(vi) When settlement is made with an employee or his beneficiary with respect to any Series E bond registered in the name and title of the trustee in which the employee has a share (see subdivisions (ii) and (iii) of this subparagraph), the bond must be submitted for redemption or reissue to the extent of such share. If an employee or his beneficiary is to receive distribution in kind, bonds bearing the same issue dates as those credited to the employee's account will be reissued in the name of the distributee to the extent to which he is entitled, in authorized denominations, in any authorized form of registration, upon the request and certification of the trustee in accordance with the governing regulations.

(2) *Definition of terms used in this subsection—related provisions.* (i) The term "savings plan" includes any regulations issued under the plan with regard to Series E bonds. A trustee desiring to purchase bonds in excess of the general limitation in any calendar year should submit to the Federal Reserve Bank of the District, a copy of (*a*) the plan, (*b*) any such regulations, and (*c*) the trust agreement, all certified to be true copies, in order to establish its eligibility.

(ii) The term "assets" means all funds, including the employees' contributions and employer's contributions and assets purchased therewith as well as accretions thereto, such as dividends on stock, the increment in value on bonds and all other income; but, notwithstanding any other provision of this subsection, the right to demand and receive "all assets" credited to the account of an employee shall not be construed to require the distribution of assets in kind when it would not be possible or practicable to make such distribution; for example, Series E bonds may not be reissued in unauthorized denominations, and fractional shares of stock are not readily distributable in kind.

(iii) The term "beneficiary" means the person or persons, if any, designated by the employee in accordance with the terms of the plan to receive the benefits of the trust upon his death or the estate of the employee, and the term "distributee" means the employee or his beneficiary.

§ 316.6 Purchase of bonds.

Series E bonds may be purchased, as follows:

(a) *Over-the-counter for cash*—(1) *Bonds registered in names of natural persons in their own right only.* At such incorporated banks, trust companies, and other agencies as have been duly qualified as issuing agents and at selected U.S. post offices.

(2) *Bonds registered in names of trustees of employees' savings plans.* At such incorporated bank, trust company, or other agency, duly qualified as an issuing agent, provided the agent is trustee of an approved employees' savings plan eligible for the special limitation in § 316.5(b) and prior approval to issue the bonds is obtained from the Federal Reserve Bank of the agent's district.

(3) *Bonds registered in all authorized forms.* At Federal Reserve Banks and Branches and at the Office of the Treasurer of the United States, Securities Division, Washington, D.C. 20220.

(b) *On mail order.* By mail upon application to any Federal Reserve Bank or Branch or to the Office of the Treasurer of the United States, Securities Division, Washington, D.C. 20220, accompanied by a remittance to cover the issue price. Any form of exchange, including personal checks, will be accepted subject to collection. Checks or other forms of exchange should be drawn to the order of the Federal Reserve Bank or the Treasurer of the United States, as the case may be. Checks payable by endorsement are not acceptable. Any depositary qualified pursuant to the provisions of Treasury Department Circular No. 92, current revision (Part 203 of this

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[4] Commercial banks, as defined in § 315.7 (c)(1) of this subchapter of Department Circular No. 530, current revision, for this purpose are those accepting demand deposits.

[5] Investors who purchased less than $5,000 (issue price) of the bonds prior to the effective date of these regulations will be entitled only to purchase enough to bring their total for the year to that amount. Investors who purchased more than that amount prior to the effective date will not be entitled to purchase additional bonds during the calendar year.

[6] The proceeds of redemption of bonds of Series F, G, J, and K, all now matured, may be used by owners for the purchase of Series E bonds without regard to the limitation under the conditions and restrictions set forth in § 316.5(b) of the Seventh Revision of this circular.

[7] Savings and vacation plans may be eligible for this special limitation. Questions concerning eligibility of such plans should be addressed to the Bureau of the Public Debt, Division of Loans and Currency Branch, 536 South Clark Street, Chicago, Ill. 60605.

chapter), will be permitted to make payment by credit for bonds applied for on behalf of its customers up to any amount for which it shall be qualified in excess of existing deposits, when so notified by the Federal Reserve Bank of its district.

(c) *Savings stamps.* Savings stamps, in authorized denominations, may be purchased at most post offices and at such other agencies as may be designated from time to time. The stamps may be used for the purchase of Series E bonds. Albums for affixing the stamps will be available without charge, and such albums will be receivable by any authorized issuing agent in the amount of the affixed stamps on the purchase price of the bonds.

§ 316.7 Delivery of bonds by mail.

Issuing agents are authorized to deliver Series E bonds by mail at the risk and expense of the United States, at the address given by the purchaser, but only within the United States, its territories and possessions, the Commonwealth of Puerto Rico, and the Canal Zone. No mail deliveries elsewhere will be made. If purchased by citizens of the United States temporarily residing abroad, the bonds will be delivered at such address in the United States as the purchaser directs.

§ 316.8 Extended terms and improved yields for outstanding bonds.

(a) *Extended maturity periods*—(1) *General.* The terms "extended maturity period" and "second extended maturity period," when used herein, refer to the intervals after the maturity dates during which owners may retain their bonds and continue to earn interest on the maturity values, or the extended maturity values.[8] No special action is required of owners desiring to take advantage of any extensions heretofore or hereby granted. By continuing to hold their bonds after maturity, or extended maturity, as the case may be, owners will continue to earn further interest on their bonds.[9]

(2) *Bonds with issue dates May 1, 1941, through April 1, 1952.* Owners of Series E bonds with issue dates of May 1, 1941, through April 1, 1952, may retain their bonds for a second extended maturity period of 10 years.

(3) *Bonds with issue dates May 1, 1952, or thereafter.* Owners of Series E bonds with issue dates of May 1, 1952, or thereafter, may retain their bonds for an extended maturity period of 10 years.

(b) *Improved yields*[10]—(1) *Outstanding bonds.* The investment yield on all Series E bonds outstanding on the effective date of the regulations in this part is hereby increased to approximately 5 percent per annum, compounded semiannually, as follows:

(i) *Bonds with issue dates June 1, 1963, through May 1, 1969.* For the remaining period to the maturity date.

(ii) *Bonds with issue dates June 1, 1951, through May 1, 1963.* For the remaining period to the maturity date, extended maturity date, or second extended maturity date, as the case may be.

(iii) *Bonds with issue dates June 1, 1949, through May 1, 1951.* For any remaining period to the extended maturity date and for the second extended maturity period.

(iv) *Bonds with issue dates May 1, 1941, through May 1, 1949.* For the remaining period to the second extended maturity date.

The increase in yield will be less if the bonds are redeemed earlier. The increase, on a graduated basis, will begin with the first 6-month interest accrual period starting on or after June 1, 1969.

(2) *Presently authorized extensions.* The investment yield for any presently authorized extension period for which tables of redemption values and investment yields are not announced and published herein will be at the rate in effect for Series E bonds being currently issued on the maturity date or extended maturity date, as the case may be.

§ 316.9 Taxation.

(a) *General.* For the purpose of determining taxes and tax exemptions, the increment in value represented by the difference between the price paid for Series E bonds (which are issued on a discount basis) and the redemption value received therefor shall be considered as interest. Such interest is subject to all taxes imposed under the Internal Revenue Code of 1954. The bonds are subject to estate, inheritance, gift, or other excise taxes, whether Federal or State, but are exempt from all taxation now or hereafter imposed on the principal or interest thereof by any State, or any of the possessions of the United States, or by any local taxing authority.

(b) *Federal income tax on bonds.* An owner of Series E bonds who is a cash basis taxpayer may use either of two methods for reporting the increase in the redemption value of the bonds for Federal income tax purposes, as follows:

(1) Defer reporting of the increase until the year of maturity, actual redemption, or other disposition, whichever is earlier; or

(2) Elect to report the increases each year as they accrue, in which case the election will apply to all Series E bonds then owned by him and to those thereafter acquired, as well as to any other similar obligations sold on a discount basis.

If method (1) is used, the taxpayer may change to method (2) without obtaining permission from the Internal Revenue Service. However, once the election to use method (2) is made, the taxpayer may not change the method of reporting unless he obtains permission to do so from the Internal Revenue Service. Inquiries concerning further information on Federal taxes should be addressed to the District Director, Internal Revenue Service, of the taxpayer's district, or the Internal Revenue Service, Washington, D.C. 20224.

§ 316.10 Payment or redemption.

(a) *General.* A Series E bond may be redeemed in accordance with its terms at the appropriate redemption value as shown in the applicable tables hereof for bonds bearing various issue dates back to May 1, 1941. The redemption values of bonds in the denomination of $100,000[1] (which was authorized as of Jan. 1, 1954) are not shown in the tables. However, the redemption values of bonds in that denomination will be equal to the total redemption values of ten $10,000 bonds bearing the same issue dates. A Series E bond in a denomination higher than $25 (face value) may be redeemed in part but only in the amount of an authorized denomination or multiple thereof.

(b) *Federal Reserve Banks and Branches and Treasurer of the United States.* Owners of Series E bonds may obtain payment upon presentation and surrender of the bonds to a Federal Reserve Bank or Branch or to the Office of the Treasurer of the United States, Securities Division, Washington, D.C. 20220, with the requests for payment on the bonds duly executed and certified in accordance with the governing regulations.

(c) *Incorporated banks, trust companies, and other financial institutions.* An individual (natural person) whose name is inscribed on a Series E bond either as owner or coowner in his own right may also present such bond to any incorporated bank or trust company or other financial institution which is qualified as a paying agent under Department Circular No. 750, current revision (Part 321 of this subchapter). If such bond is in order for payment by the paying agent, the owner or coowner, upon establishing his identity to the satisfaction of the agent and upon signing the request for payment and adding his home or business address, may receive immediate payment of the current redemption value.

§ 316.11 Reservation as to issue of bonds.

The Secretary of the Treasury reserves the right to reject any application for Series E bonds, in whole or in part, and to refuse to issue or permit to be issued hereunder any such bonds in any case or any class or classes of cases if he deems such action to be in the public interest, and his action in any such respect shall be final.

§ 316.12 Preservation of rights.

Nothing contained herein shall limit or restrict rights which owners of Series E bonds heretofore issued have acquired under offers previously in force.

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[8] The redemption value of any bond at the original maturity date is the base upon which interest will accrue during the extended maturity period. The redemption value of any bond at the extended maturity date is the base upon which interest will accrue during the second extended maturity period.

[9] The tables incorporated herein, arranged according to issue dates, show current redemption values and investment yields.

[10] See Appendx for maturities and summary of investment yields to the maturity, extended maturity and second extended maturity dates under regulations heretofore prescrbed for Series E bonds with issue dates May 1, 1941, through May 1, 1969.

[1] The $10,000 and $100,000 denominations are available only for purchase by trustees of employees' savings and savings and vacation plans (see § 316.5(b)).

§ 316.13 Fiscal agents.

Federal Reserve Banks and Branches, as fiscal agents of the United States, are authorized to perform such services as may be requested of them by the Secretary of the Treasury in connection with the issue, delivery, redemption, and payment of Series E bonds.

§ 316.14 Reservations as to terms of offer.

The Secretary of the Treasury may at any time or from time to time supplement or amend the terms of this offering of bonds (this Part 316), or of any amendments or supplements thereto.

APPENDIX

Maturities and summary of investment yields to maturity, extended maturity and second extended maturity dates under regulations heretofore prescribed for Series E Savings Bonds with issue dates May 1, 1941, through May 1, 1969 (rates percent per annum, compounded semiannually).

Issue dates	Term to original maturity	Yields		
		To original maturity date	To extended maturity date (10 years)	To second extended maturity date (10 years)
May 1941–April 1952.	10 years	2.90%	2.90% +0.6% June 1, 1959	3.75%. +0.4% December 1, 1965. +0.1% June 1, 1968.
May 1942–May 1949.	10 years	2.90%	3.00% +0.5% June 1, 1959 +0.4% December 1, 1965 +0.1% June 1, 1968	3.75%. +0.4% December 1, 1965. +0.1% June 1, 1968.
June 1949–April 1952.	10 years	2.90% +0.6% June 1, 1959	3.75% +0.4% December 1, 1965 +0.1% June 1, 1968	4.25%.
May 1952–March 1956.	9 years, 8 months.	3.00% +0.5% June 1, 1959	3.75% +0.4% December 1, 1965 +0.1% June 1, 1968	
April 1956–November 1956.	9 years, 8 months.	3.00% +0.5% June 1, 1959	4.15% +0.1% June 1, 1968	
December 1956–January 1957.	9 years, 8 months.	3.00% +0.5% June 1, 1959 +0.4% December 1, 1965	4.15% +0.1% June 1, 1968	
February 1957–May 1959.	8 years, 11 months.	3.25% +0.5% June 1, 1959 +0.4% December 1, 1965	4.15% +0.1% June 1, 1968	
June 1959–November 1965.	7 years, 9 months.	3.75% +0.4% December 1, 1965 +0.1% June 1, 1968	4.15% +0.1% June 1, 1968 [1]	
December 1965–May 1968.	7 years	4.15% +0.1% June 1, 1968	4.25%	
June 1968–May 1969.	7 years	4.25%	4.25%	

[1] Prior to maturity, the Secretary of the Treasury could prescribe a different yield for extended maturity period for bonds for which Tables of Redemption Values for the extension had not been previously published. Tables of Redemption Values were published for extended maturity period for bonds with issue dates through May 1, 1962.

ADDENDUM [2]

U.S. SAVINGS BONDS, SERIES E—REDEMPTION VALUES BY DENOMINATION—DECEMBER 1969

Issue year	Issue months	$10	$25	$50	$75	$100	$200	$500	$1,000	$10,000
1969	Nov. through Dec.	(Not eligible for payment)								
	July through Oct.	$18.75	$37.50	$56.25	$75.00	$150.00	$375.00		$750.00	$7,500.00
	June	19.05	38.10	57.15	76.20	152.40	381.00		762.00	7,620.00
	Jan. through May	18.96	37.92	56.88	75.84	151.68	379.20		758.40	7,584.00
1968	Dec.	19.33	38.66	57.99	77.32	154.64	386.60		773.20	7,732.00
	July through Nov.	19.32	38.64	57.96	77.28	154.56	386.40		772.80	7,728.00
	June	19.71	39.42	59.13	78.84	157.68	394.20		788.40	7,884.00
	Jan. through May	19.70	39.40	59.10	78.80	157.60	394.00		788.00	7,880.00
1967	Dec.	20.11	40.22	60.33	80.44	160.88	402.20		804.40	8,044.00
	July through Nov.	20.10	40.20	60.30	80.40	160.80	402.00		804.00	8,040.00
	June	20.53	41.06	61.59	82.12	164.24	410.60		821.20	8,212.00
	Jan. through May	20.52	41.04	61.56	82.08	164.16	410.40		820.80	8,208.00

See footnotes at end of table.

ADDENDUM [2]—Continued

U.S. SAVINGS BONDS, SERIES E—REDEMPTION VALUES BY DENOMINATION—DECEMBER 1969

Issue year	Issue months	$10	$25	$50	$75	$100	$200	$500	$1,000	$10,000
1966	Dec.	20.97	41.94	62.91		83.88	167.76	419.40	838.80	8,388.00
	July through Nov.	20.96	41.92	62.88		83.84	167.68	419.20	838.40	8,384.00
	June	21.43	42.86	64.29		85.72	171.44	428.60	857.20	8,572.00
	Jan. through May	21.42	42.84	64.26		85.68	171.36	428.40	856.80	8,568.00
1965	Dec.	21.90	43.80	65.70		87.60	175.20	438.00	876.00	8,760.00
	July through Nov.	21.65	43.30	64.95		86.60	173.20	433.00	866.00	8,660.00
	June	22.15	44.30	66.45		88.60	177.20	443.00	886.00	8,860.00
	Jan. through May	22.11	44.22	66.33		88.44	176.88	442.20	884.40	8,844.00
1964	Dec.	22.62	45.24	67.86		90.48	180.96	452.40	904.80	9,048.00
	July through Nov.	22.58	45.16	67.74		90.32	180.64	451.60	903.20	9,032.00
	June	23.10	46.20	69.30		92.40	184.80	462.00	924.00	9,240.00
	Jan. through May	23.05	46.10	69.15		92.20	184.40	461.00	922.00	9,220.00
1963	Dec.	23.59	47.18			94.36	188.72	471.80	943.60	9,436.00
	July through Nov.	23.54	47.08			94.16	188.32	470.80	941.60	9,416.00
	June	24.09	48.18			96.36	192.72	481.80	963.60	9,636.00
	Jan. through May	24.04	48.08			96.16	192.32	480.80	961.60	9,616.00
1962	Dec.	24.61	49.22			98.44	196.88	492.20	984.40	9,844.00
	July through Nov.	24.55	49.10			98.20	196.40	491.00	982.00	9,820.00
	June	25.13	50.26			100.52	201.04	502.60	1,005.20	10,052.00
	Apr. through May	25.07	50.14			100.28	200.56	501.40	1,002.80	10,028.00
	Jan. through Mar.	25.41	50.82			101.64	203.28	508.20	1,016.40	10,164.00
1961	Dec.	25.41	50.82			101.64	203.28	508.20	1,016.40	10,164.00
	Oct. through Nov.	25.34	50.68			101.36	202.72	506.80	1,013.60	10,136.00
	Sept.	25.97	51.94			103.88	207.76	519.40	1,038.80	10,388.00
	June through Aug.	25.87	51.74			103.48	206.96	517.40	1,034.80	10,348.00
	Apr. through May	25.80	51.60			103.20	206.40	516.00	1,032.00	10,320.00
	Mar.	26.35	52.70			105.40	210.80	527.00	1,054.00	10,540.00
	Jan. through Feb.	26.34	52.68			105.36	210.72	526.80	1,053.60	10,536.00
1960	Dec.	26.34	52.68			105.36	210.72	526.80	1,053.60	10,536.00
	Oct. through Nov.	26.29	52.58			105.16	210.32	525.80	1,051.60	10,516.00
	Sept.	26.84	53.68			107.36	214.72	536.80	1,073.60	10,736.00
	June through Aug.	26.83	53.66			107.32	214.64	536.60	1,073.20	10,732.00
	Apr. through May	26.78	53.56			107.12	214.24	535.60	1,071.20	10,712.00
	Mar.	27.35	54.70			109.40	218.80	547.00	1,094.00	10,940.00
	Jan. through Feb.	27.34	54.68			109.36	218.72	546.80	1,093.60	10,936.00
1959	Dec.	27.34	54.68			109.36	218.72	546.80	1,093.60	10,936.00
	Oct. through Nov.	27.28	54.56			109.12	218.24	545.60	1,091.20	10,912.00
	Sept.	27.86	55.72			111.44	222.88	557.20	1,114.40	11,144.00
	June through Aug.	27.85	55.70			111.40	222.80	557.00	1,114.00	11,140.00
	Feb. through May	27.93	55.86			111.72	223.44	558.60	1,117.20	11,172.00
	Jan.	28.52	57.04			114.08	228.16	570.40	1,140.80	11,408.00
1958	Dec.	28.51	57.02			114.04	228.08	570.20	1,140.40	11,404.00
	Aug. through Nov.	28.38	56.76			113.52	227.04	567.60	1,135.20	11,352.00
	July	28.98	57.96			115.92	231.84	579.60	1,159.20	11,592.00
	June	28.97	57.94			115.88	231.76	579.40	1,158.80	11,588.00
	Feb. through May	28.85	57.70			115.40	230.80	577.00	1,154.00	11,540.00
	Jan.	29.45	58.90			117.80	235.60	589.00	1,178.00	11,780.00
1957	Dec.	29.44	58.88			117.76	235.52	588.80	1,177.60	11,776.00
	Aug. through Nov.	29.31	58.62			117.24	234.48	586.20	1,172.40	11,724.00
	July	29.93	59.86			119.72	239.44	598.60	1,197.20	11,972.00
	June	29.92	59.84			119.68	239.36	598.40	1,196.80	11,968.00
	Feb. through May	29.79	59.58			119.16	238.32	595.80	1,191.60	11,916.00
	Jan.	29.38	58.76			117.52	235.04	587.60	1,175.20	11,752.00
1956	Dec.	29.38	58.76			117.52	235.04	587.60	1,175.20	11,752.00
	Nov.	29.22	58.44			116.88	233.76	584.40	1,168.80	11,688.00
	Oct.	29.83	59.66			119.32	238.64	596.60	1,193.20	11,932.00
	June through Sept.	29.82	59.64			119.28	238.56	596.40	1,192.80	11,928.00
	May	29.75	59.50			119.00	238.00	595.00	1,190.00	11,900.00
	Apr.	30.38	60.76			121.52	243.04	607.60	1,215.20	12,152.00
	Jan. through Mar.	29.88	59.76			119.52	239.04	597.60	1,195.20	11,952.00
1955	Dec.	29.88	59.76			119.52	239.04	597.60	1,195.20	11,952.00
	Nov.	29.81	59.62			119.24	238.48	596.20	1,192.40	11,924.00
	Oct.	30.42	60.84			121.68	243.36	608.40	1,216.80	12,168.00
	June through Sept.	30.37	60.74			121.48	242.96	607.40	1,214.80	12,148.00
	May	30.29	60.58			121.16	242.32	605.80	1,211.60	12,116.00
	Apr.	30.92	61.84			123.68	247.36	618.40	1,236.80	12,368.00
	Jan. through Mar.	30.87	61.74			123.48	246.96	617.40	1,234.80	12,348.00
1954	Dec.	30.87	61.74			123.48	246.96	617.40	1,234.80	12,348.00
	Nov.	30.80	61.60			123.20	246.40	616.00	1,232.00	12,320.00
	Oct.	31.44	62.88			125.76	251.52	628.80	1,257.60	12,576.00
	June through Sept.	31.39	62.78			125.56	251.12	627.80	1,255.60	12,556.00
	May	31.31	62.62			125.24	250.48	626.20	1,252.40	12,524.00
	Apr.	31.97	63.94			127.88	255.76	639.40	1,278.80	12,788.00
	Jan. through Mar.	31.92	63.84			127.68	255.36	638.40	1,276.80	12,768.00

ADDENDUM [2]—Continued

U.S. SAVINGS BONDS, SERIES E—REDEMPTION VALUES BY DENOMINATION—DECEMBER 1969

Issue year	Issue months	$10	$25	$50	$75	$100	$200	$500	$1,000	$10,000
1953	Dec.		$31.92	63.84		127.68	255.36	638.40	1,276.80	12,768.00
	Nov.		31.83	63.66		127.32	254.64	636.60	1,273.20	12,732.00
	Oct.		32.52	65.04		130.08	260.16	650.40	1,300.80	13,008.00
	June through Sept.		32.46	64.92		129.84	259.68	649.20	1,298.40	12,984.00
	May		32.38	64.76		129.52	259.04	647.60	1,295.20	12,952.00
	Apr.		33.08	66.16		132.32	264.64	661.60	1,323.20	13,232.00
	Jan. through Mar.		33.02	66.04		132.08	264.16	660.40	1,320.80	13,208.00
1952	Dec.		33.02	66.04		132.08	264.16	660.40	1,320.80	13,208.00
	Nov.		32.94	65.88		131.76	263.52	658.80	1,317.60	13,176.00
	Oct.		33.66	67.32		134.64	269.28	673.20	1,346.40	13,464.00
	June through Sept.		33.59	67.18		134.36	268.72	671.80	1,343.60	13,436.00
	May		33.51	67.02		134.04	268.08	670.20	1,340.40	13,404.00
	Jan. through Apr.		33.64	67.28		134.56	269.12	672.80	1,345.60	
1951	Dec.		34.39	68.78		137.56	275.12	687.80	1,375.60	
	July through Nov.		34.23	68.46		136.92	273.84	684.60	1,369.20	
	June		35.00	70.00		140.00	280.00	700.00	1,400.00	
	Jan. through May		34.82	69.64		139.28	278.56	696.40	1,392.80	
1950	Dec.		35.62	71.24		142.48	284.96	712.40	1,424.80	
	July through Nov.		35.44	70.88		141.76	283.52	708.80	1,417.60	
	June		36.27	72.54		145.08	290.16	725.40	1,450.80	
	Jan. through May	14.44	36.10	72.20		144.40	288.80	722.00	1,444.00	
1949	Dec.	14.80	37.00	74.00		148.00	296.00	740.00	1,480.00	
	July through Nov.	14.72	36.80	73.60		147.20	294.40	736.00	1,472.00	
	June	15.09	37.72	75.44		150.88	301.76	754.40	1,508.80	
	Jan. through May	14.58	36.46	72.92		145.84	291.68	729.20	1,458.40	
1948	Dec.	14.89	37.23	74.46		148.92	297.84	744.60	1,489.20	
	July through Nov.	14.82	37.04	74.08		148.16	296.32	740.80	1,481.60	
	June	15.13	37.82	75.64		151.28	302.56	756.40	1,512.80	
	Jan. through May	15.06	37.64	75.28		150.56	301.12	752.80	1,505.60	
1947	Dec.	15.37	38.43	76.86		153.72	307.44	768.60	1,537.20	
	July through Nov.	15.30	38.25	76.50		153.00	306.00	765.00	1,530.00	
	June	15.62	39.05	78.10		156.20	312.40	781.00	1,562.00	
	Jan. through May	15.55	38.87	77.74		155.48	310.96	777.40	1,554.80	
1946	Dec.	15.88	39.69	79.38		158.76	317.52	793.80	1,587.60	
	July through Nov.	15.80	39.50	79.00		158.00	316.00	790.00	1,580.00	
	June	16.13	40.33	80.66		161.32	322.64	806.60	1,613.20	
	Jan. through May	16.06	40.15	80.30		160.60	321.20	803.00	1,606.00	
1945	Dec.	16.40	40.99	81.98		163.96	327.92	819.80	1,639.60	
	July through Nov.	16.18	40.45	80.90		161.80	323.60	809.00	1,618.00	
	June	16.51	41.28	82.56		165.12		825.60	1,651.20	
	Jan. through May	16.44	41.10	82.20		164.40		822.00	1,644.00	
1944	Dec.	16.78	41.96	83.92		167.84		839.20	1,678.40	
	July through Nov.	16.72	41.79	83.58		167.16		835.80	1,671.60	
	June	17.06	42.66	85.32		170.64		853.20	1,706.40	
	Jan. through May		42.50	85.00		170.00		850.00	1,700.00	
1943	Dec.		43.38	86.76		173.52		867.60	1,735.20	
	July through Nov.		43.20	86.40		172.80		864.00	1,728.00	
	June		44.10	88.20		176.40		882.00	1,764.00	
	Jan. through May		43.93	87.86		175.72		878.60	1,757.20	
1942	Dec.		44.87	89.74		179.48		897.40	1,794.80	
	July through Nov.		44.65	89.30		178.60		893.00	1,786.00	
	June		45.61	91.22		182.44		912.20	1,824.40	
	May		45.41	90.82		181.64		908.20	1,816.40	
	Jan. through Apr.		45.07	90.14		180.28		901.40	1,802.80	
1941	Dec.		46.05	92.10		184.20		921.00	1,842.00	
	July through Nov.		45.89	91.60		183.20		916.00	1,832.00	
	June		46.82	93.64		187.28		936.40	1,872.80	
	May		46.57	93.14		186.28		931.40	1,862.80	

[2] Expires at close of business Dec. 31, 1969.

[F.R. Doc. 69-14436; Filed, Dec. 2, 1969; 9:25 a.m]

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PART III

DEPARTMENT OF THE TREASURY

Fiscal Service, Bureau of the Public Debt

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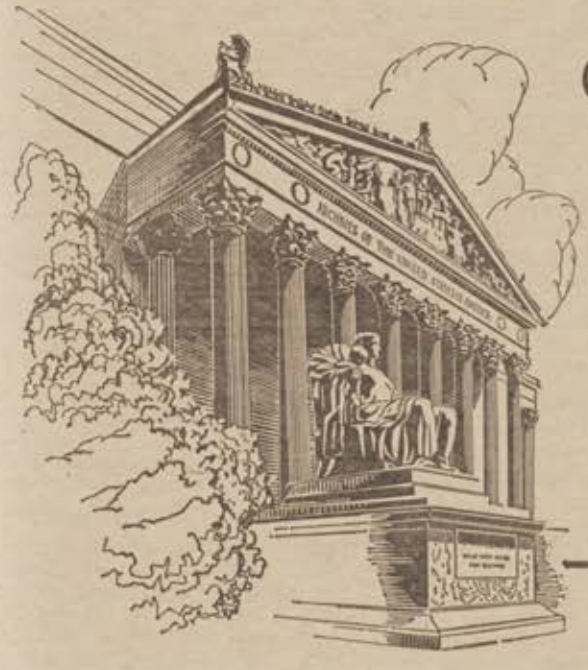
U.S. Savings Bonds, Series H

(Dept. Circ. 905, 5th Rev.)



Title 31—MONEY AND FINANCE: TREASURY

Chapter II—Fiscal Service, Department of the Treasury

SUBCHAPTER B—BUREAU OF THE PUBLIC DEBT

PART 332—OFFERING OF U.S. SAVINGS BONDS, SERIES H

The regulations set forth in Treasury Department Circular No. 905, Fourth Revision, dated April 7, 1966, as revised and amended (31 CFR Part 332), have been further revised and amended as shown below. The changes were effected under authority of section 22 of the Second Liberty Bond Act, as amended (49 Stat. 21, as amended; 31 U.S.C. 757c), and 5 U.S.C. 301. Notice and public procedures thereon are unnecessary as public property and contracts are involved.

Table 1 of the tables incorporated in the circular is published herewith. Table 2 and subsequent tables will be published prior to the next interest payment date for all other Series H bonds outstanding on December 1, 1969. The Addendum to this circular shows the improved December 1969 interest for outstanding Series H savings bonds with December 1, 1969 interest payment dates.

Dated: December 1, 1969.

[SEAL] JOHN K. CARLOCK,
Fiscal Assistant Secretary.

Treasury Department Circular No. 905, Fourth Revision, dated April 7, 1966, and the tables incorporated therein (31 CFR Part 332), as amended and revised, are hereby further amended and revised, and issued as the Fifth Revision, as follows, effective December 1, 1969.

Sec.

AUTHORITY: The provisions of this Part 332 issued under authority of sec. 22 of the Second Liberty Bond Act, as amended, 49 Stat. 21, as amended (31 U.S.C. 757c).

§ 332.1 Offering of bonds.

The Secretary of the Treasury hereby offers for sale to the people of the United States, U.S. Savings Bonds of Series H, hereinafter generally referred to as "Series H bonds" or "bonds." This offer will continue until terminated by the Secretary of the Treasury.

§ 332.2 Description of bonds.

(a) *General.* Series H bonds bear a facsimile of the signature of the Secretary of the Treasury and of the Seal of the Department of the Treasury. They are issued only in registered form and are nontransferable.

(b) *Denominations and prices.* Series H bonds are issued at face (par) amount and are available in denominations of $500, $1,000 and $5,000.

(c) *Inscription and issue.* At the time of issue the issuing agent will (1) inscribe on the face of each Series H bond the name, taxpayer identifying number,[1] and address of the owner, and the name of the beneficiary, if any, or the name and address of the first-named coowner and the taxpayer identifying number [1] of one coowner, (2) enter in the upper righthand portion of the bond the issue date, and (3) imprint the agent's dating stamp in the lower righthand portion to show the date the bond is actually inscribed. A Series H bond shall be valid only if an authorized issuing agent receives payment therefor and duly inscribes, dates, stamps, and delivers it in accordance with the purchaser's instructions.

(d) *Term.* A Series H bond will be dated as of the first day of the month in which payment therefor is received by an agent authorized to issue the bonds. This date is the issue date and the bond will mature and be payable 10 years from the issue date. The bond may not be called for redemption before the maturity date or any authorized extended maturity date, but may be redeemed at par after 6 months from the issue date. However, the Department may require reasonable notice of presentation for redemption before the maturity date or any authorized extended maturity date.

(e) *Interest (investment yield).* The interest on a Series H bond will be paid semiannually by check drawn to the order of the registered owner or coowners, beginning 6 months from issue date. Interest payments will be on a graduated scale, fixed to produce an investment yield of approximately 5 percent per annum, compounded semiannually, if the bond is held to maturity but the yield will be less if the bond is redeemed prior thereto (see Table 1). Interest will cease at maturity, or at the end of the extension period for bonds for which an extension has been granted, or in the case of redemption before maturity, at the end of the interest period next preceding the date of redemption, except that if the date of redemption falls on an interest payment date, interest will cease on that date.

(f) *Outstanding bonds with issue dates June 1, 1969, or thereafter.* Series H bonds with issue dates of June 1, 1969, or thereafter, and outstanding on the effective date of the regulations in this part, are deemed to be Series H bonds issued under the terms of this circular and the interest provided for in paragraph (e) of this section, is applicable to such bonds. Series H bond stock on sale prior to June 1, 1969, will be used for issue under this circular until such time as new stock is printed and supplied to issuing agents. Such bonds have the new interest rate as fully as if expressly set forth in the text of the bonds. It will be unnecessary for owners to exchange bonds issued on old stock for bonds on new stock as the Department of the Treasury will issue interest checks for the bonds in the approriate amounts as set forth in Table 1. However, when the new stock becomes available, issuance on the new stock may be obtained by presentation for that purpose of bonds issued on the old stock to any Federal Reserve Bank or Branch, or to the Treasurer of the United States, Securities Division, Washington, D.C. 20220.

§ 332.3 Governing regulations.

Series H bonds are subject to the regulations of the Treasury Department, now or hereafter prescribed, governing U.S. Savings Bonds, contained in Department Circular No. 530, current revision (Part 315 of this subchapter).[2]

§ 332.4 Registration.

(a) *General.* Generally, only residents of the United States, its territories and possessions, the Commonwealth of Puerto Rico, the Canal Zone and citizens of the United States temporarily residing abroad are eligible to be named as owners of Series H bonds. The bonds may be registered in the names of natural persons in their own right as provided in paragraph (b) of this section, and in the names and titles or capacities of fiduciaries and organizations as provided in paragraph (c) of this section. Full information regarding authorized forms of registration and restrictions with respect thereto will be found in the governing regulations.

(b) *Natural persons in their own right.* The bonds may be registered in the names of natural persons (whether adults or minors) in their own right, in single ownership, coownership, and beneficiary forms.

(c) *Others.* The bonds may be registered in single ownership form in the names of fiduciaries and private and public organizations, as follows:

(1) *Fiduciaries.* In the names of and showing the titles or capacities of any persons or organizations, public or private, as fiduciaries (including trustees, legal guardians or similar representatives, and certain custodians) but not where the fiduciary would hold the bonds merely or principally as security for the

[1] The number required to be used on tax returns and other documents submitted to the Internal Revenue Service (an individual's social security account number or employer identification number). If the coowners are husband and wife, the husband's number should be furnished. If the coowners are a minor and an adult, the adult's number should be furnished.

[2] Copies may be obtained on application to any Federal Reserve Bank or Branch or the Bureau of the Public Debt, Washington, D.C. 20220, or its Chicago Office, 536 South Clark Street, Chicago, Ill. 60605.

performance of a duty, obligation, or service.

(2) *Private and public organizations.* In the names of private or public organizations (including private corporations, partnerships, and unincorporated associations, and States, counties, public corporations, and other public bodies), in their own right, but not in the names of commercial banks.[3]

§ 332.5 Limitation on holdings.

The amount of Series H bonds originally issued during any 1 calendar year that may be held by any one person, at any one time, computed in accordance with the governing regulations, is limited, as follows:

(a) *General limitation.* $5,000 (face amount) for the calendar year 1969 [4] and each calendar year thereafter.[5]

(b) *Special limitation for gifts to exempt organizations under 26 CFR 1.501(c)(3)–1.* $200,000 (face amount) for the calendar year 1969 and each calendar year thereafter for bonds received as gifts by an organization which at the time of purchase was an exempt organization under the terms of 26 CFR 1.501(c)(3)–1.

(c) *Exchanges pursuant to Department Circular No. 1036, as amended.* Series H bonds issued in exchange for bonds of Series E [6] under the provisions of Department Circular No. 1036, as amended (Part 339 of this subchapter), are exempt from the annual limitation.

§ 332.6 Purchase of bonds.

(a) *Agents.* Only the Federal Reserve Banks and Branches and the Treasury Department are authorized to act as official issuing agents for the sale of Series H bonds. However, financial institutions may forward applications for purchase of the bonds. The date of receipt of the application and payment to an issuing agent will govern the issue date of the bonds purchased.

(b) *Application for purchase and remittance.* The applicant for purchase of Series H bonds should furnish (1) instructions for registration of the bonds to be issued, which must be in authorized form, (2) the appropriate taxpayer identifying number,[7] (3) the post office address of the owner or first-named coowner, and (4) the address for delivery of the bonds and for mailing checks in payment of interest, if other than that of the owner or first-named coowner. The application should be forwarded to a Federal Reserve Bank or Branch or the Office of the Treasurer of the United States, Securities Division, Washington, D.C. 20220, accompanied by a remittance to cover the purchase price. Any form of exchange including personal checks will be accepted subject to collection. Checks or other forms of exchange should be drawn to the order of the Federal Reserve Bank or Treasurer of the United States, as the case may be. Checks payable by endorsement are not acceptable. Any depositary qualified pursuant to Treasury Department Circular No. 92, current revision (Part 203 of this chapter), will be permitted to make payment by credit for bonds applied for on behalf of its customers up to any amount for which it shall be qualified in excess of existing deposits, when so notified by the Federal Reserve Bank of its district.

§ 332.7 Delivery of bonds.

Authorized issuing agents will deliver the Series H bonds either in person, or by mail at the risk and expense of the United States, at the address given by the purchaser, but only within the United States, its territories and possessions, the Commonwealth of Puerto Rico, and the Canal Zone. No mail deliveries elsewhere will be made. If purchased by citizens of the United States temporarily residing abroad, the bonds will be delivered at such address in the United States as the purchaser directs.

§ 332.8 Extended term and improved yields for outstanding bonds.

(a) *Extended maturity period*—(1) *General.* The term "extended maturity period," when used herein, refers to the interval after the maturity dates during which owners may retain their bonds and continue to earn interest thereon. No special action is required of owners desiring to take advantage of any extensions heretofore or hereby granted. Merely by continuing to hold their bonds after maturity, owners will continue to earn further interest.[7]

(2) *Bonds with issue dates June 1, 1952, through November 1, 1965.* Owners of Series H bonds with issue dates of June 1, 1952, through November 1, 1965, may retain their bonds for an extended maturity period of 10 years.

(b) *Improved yields* [8]—(1) *Outstanding bonds.* The investment yield on all Series H bonds outstanding on the effective date of the regulations in this part is hereby increased to approximately 5 percent per annum, compounded semiannually, as follows:

(i) *Bonds with issue dates June 1, 1961, through May 1, 1969.* For the remaining period to the maturity date.

(ii) *Bonds with issue dates December 1, 1959, through May 1, 1961.* For any remaining period to the maturity date, and for the extended maturity period.

(iii) *Bonds with issue dates June 1, 1952, through November 1, 1959.* For any remaining period to the extended maturity date.

The yield will be less if the bonds are redeemed earlier. The increase, on a graduated basis, will begin with the first interest period starting on or after June 1, 1969.

(2) *Presently authorized extensions.* The investment yield for any presently authorized extension period for which tables of redemption values and investment yields are not announced and published herein will be at the rate in effect for Series H bonds currently issued on the maturity date.

§ 332.9 Taxation.

The income derived from Series H bonds is subject to all taxes imposed under the Internal Revenue Code of 1954. The bonds are subject to estate, inheritance, gift, or other excise taxes, whether Federal or State, but are exempt from all taxation now or hereafter imposed on the principal or interest thereof by any State, by any of the possessions of the United States, or by any local taxing authority.

§ 332.10 Redemption or payment.

Prior to maturity, or extended maturity for bonds having an extended maturity period, a Series H bond will be redeemed at par at the option of the owner, in whole or in part, in the amount of an authorized denomination or multiple thereof, after 6 months from issue date, upon presentation and surrender of the bond with a duly executed request for payment to (a) a Federal Reserve Bank or Branch, (b) the Office of the Treasurer of the United States, Securities Division, Washington, D.C. 20220, or (c) the Bureau of the Public Debt, Division of Loans and Currency Branch, 536 South Clark Street, Chicago, Ill. 60605. However, a bond received for redemption or payment by an agency during the calendar month preceding an interest payment date will not be redeemed or paid until that date. At or after maturity, or extended maturity for bonds having an extended maturity period, a bond presented for redemption will be paid at par.

§ 332.11 Reservation as to issue of bonds.

The Secretary of the Treasury reserves the right to reject any application for Series H bonds, in whole or in part, and to refuse to issue or permit to be issued hereunder any such bonds in any case or any class or classes of cases if he deems such action to be in the public interest, and his action in any such respect shall be final.

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[3] See page 19409 for footnote.

[3] Commercial banks, as defined in § 315.7 (c)(1) of this subchapter, Department Circular No. 530, current revision, for this purpose are those accepting demand deposits.

[4] Investors who purchased less than $5,000 (face amount) of the bonds prior to the effective date of these regulations will be entitled only to purchase enough to bring their total for the year to that amount. Investors who purchased more than that amount prior to the effective date will not be entitled to purchase additional bonds during the calendar year.

[5] The proceeds of redemption of bonds of Series F, G, J, and K, all now matured, may be used by owners to purchase Series H bonds without regard to the limitation under the conditions and restrictions set forth in § 332.5(b) of the Fourth Revision of this circular.

[6] Series J bonds became ineligible for exchange under Department Circular No. 1036, as amended, on Nov. 1, 1969.

[7] The Tables incorporated herein, arranged according to issue dates, show the current schedules of interest payments and investment yields.

[8] See Appendix for maturities and summary of investment yields to maturity and extended maturity dates under regulations heretofore prescribed for Series H bonds with issue dates June 1, 1952, through May 1, 1969.

§ 332.12 *Preservation of rights.*

Nothing contained herein shall limit or restrict rights which owners of Series H bonds heretofore issued have acquired under offers previously in force.

§ 332.13 **Fiscal agents.**

Federal Reserve Banks and Branches, as fiscal agents of the United States, are authorized to perform such services as may be requested of them by the Secretary of the Treasury in connection with the issue, delivery, redemption, and payment of Series H bonds.

§ 332.14 **Reservation as to terms of offer.**

The Secretary of the Treasury may at any time or from time to time supplement or amend the terms of this offering of bonds (this Part 332), or of any amendments or supplements thereto.

TABLES OF REDEMPTION VALUES AND INVESTMENT YIELDS FOR U.S. SAVINGS BONDS OF SERIES E

Each table shows: (1) the redemption value for each successive half-year term of holding during the current maturity period and the authorized redemption values during any subsequent maturity period, on bonds bearing issue dates covered by the table; (2) for each maturity period shown, the approximate investment yield on the redemption value at the beginning of such maturity period to the beginning of each half-year period thereafter; and (3) the approximate investment yield on the current redemption value from the beginning of each half-year period to next maturity. Yields are expressed in terms of rate percent per annum, compounded semiannually.

TABLE 1

BONDS BEARING ISSUE DATES BEGINNING JUNE 1, 1969

Issue Price	$18.75	$37.50	$56.25	$75.00	$150.00	$375.00	$750.00	$7,500	Approximate investment yield
Denomination	25.00	50.00	75.00	100.00	200.00	500.00	1,000.00	10,000.	

Period after issue date	(1) Redemption values during each half-year period [1] (values increase on first day of period shown)								(2) On purchase price from issue date to beginning of each half-year period [1]	(3) On current redemption value from beginning of each half-year period [1] to maturity
									Percent	*Percent*
First ½ year	$18.75	$37.50	$56.25	$75.00	$150.00	$375.00	$750.00	$7,500	0.00	5.00
½ to 1 year	19.05	38.10	57.15	76.20	152.40	381.00	762.00	7,620	2.29	5.17
1 to 1½ years	19.51	39.02	58.53	78.04	156.08	390.20	780.40	7,804	4.01	5.20
1½ to 2 years	19.95	39.90	59.85	79.80	159.60	399.00	798.00	7,980	4.18	5.29
2 to 2½ years	20.40	40.80	61.20	81.60	163.20	408.00	816.00	8,160	4.26	5.39
2½ to 3 years	20.88	41.76	62.64	83.52	167.04	417.60	835.20	8,352	4.35	5.49
3 to 3½ years	21.39	42.78	64.17	85.56	171.12	427.80	855.60	8,556	4.44	5.60
3½ to 4 years	21.93	43.86	65.79	87.72	175.44	438.60	877.20	8,772	4.53	5.71
4 to 4½ years	22.53	45.06	67.59	90.12	180.24	450.60	901.20	9,012	4.64	5.78
4½ to 5 years	23.16	46.32	69.48	92.64	185.28	463.20	926.40	9,264	4.75	5.85
5 to 5½ years	23.82	47.64	71.46	95.28	190.56	476.40	952.80	9,528	4.84	5.94
5½ years to 5 years and 10 months	24.51	49.02	73.53	98.04	196.08	490.20	980.40	9,804	4.93	6.15
MATURITY VALUE (5 years and 10 months from issue date)	25.01	50.02	75.03	100.04	200.08	500.20	1,000.40	10,004	5.00	

[1] 4-month period in the case of the 5½ year to 5 year and 10 month period.

TABLES OF CHECKS ISSUED AND INVESTMENT YIELDS FOR U.S. SAVINGS BONDS OF SERIES H

Each table shows: (1) The amounts of interest check payments during the current maturity period and during any authorized subsequent maturity period, on bonds bearing issue dates covered by the table; (2) for each maturity period shown, the approximate investment yield on the face value from the beginning of such maturity period to each subsequent interest payment date; and (3) the approximate investment yield on the face value from each interest payment date to next maturity. Yields are expressed in terms of rate percent per annum, compounded semiannually.

TABLE 1

BONDS BEARING ISSUE DATES BEGINNING JUNE 1, 1969

Face value					
	Maturity value	$500	$1,000	$5,000	Approximate investment yield on face value
	Redemption value [1]	500	1,000	5,000	
	Issue price	500	1,000	5,000	

Period of time bond is held after issue date	(1) Amounts of interest checks for each denomination			(2) From issue date to each interest payment date	(3) From each interest payment date to maturity
				Percent	*Percent*
½ year	$8.75	$17.50	$87.50	3.50	5.10
1 year	12.75	25.50	127.50	4.29	5.10
1½ years	12.75	25.50	127.50	4.55	5.10
2 years	12.75	25.50	127.50	4.69	5.10
2½ years	12.75	25.50	127.50	4.76	5.10
3 years	12.75	25.50	127.50	4.82	5.10
3½ years	12.75	25.50	127.50	4.85	5.10
4 years	12.75	25.50	127.50	4.88	5.10
4½ years	12.75	25.50	127.50	4.90	5.10
5 years	12.75	25.50	127.50	4.92	5.10
5½ years	12.75	25.50	127.50	4.94	5.10
6 years	12.75	25.50	127.50	4.95	5.10
6½ years	12.75	25.50	127.50	4.96	5.10
7 years	12.75	25.50	127.50	4.97	5.10
7½ years	12.75	25.50	127.50	4.97	5.10
8 years	12.75	25.50	127.50	4.98	5.10
8½ years	12.75	25.50	127.50	4.99	5.10
9 years	12.75	25.50	127.50	4.99	5.10
9½ years	12.75	25.50	127.50	5.00	5.10
10 years (maturity)	**12.75**	**25.50**	**127.50**	**5.00**	

[1] At all times, except that bond is not redeemable during first 6 months.

APPENDIX

Maturities and summary of investment yields to maturity and extended maturity dates under regulations heretofore prescribed for Series H bonds with issue dates June 1, 1952, through May 1, 1969 (rates percent per annum, compounded semiannually).

Issue dates	Term to original maturity	Yields	
		To original maturity date	To extended maturity date (10 years)
June 1952–January 1957	9 years, 8 months	3.00% +0.8% June 1, 1959 +0.4% December 1, 1965	3.75% +0.4% December 1, 1965 +0.1% June 1, 1968
February 1957–May 1959	10 years	3.25% +0.8% June 1, 1959 +0.4% December 1, 1965 +0.1% June 1, 1968	4.15% +0.1% June 1, 1968
June 1959–November 1965	10 years	3.75% +0.4% December 1, 1965 +0.1% June 1, 1968	4.25%.
December 1965–May 1968	10 years	4.15% +0.1% June 1, 1968	
June 1968–May 1969	10 years	4.25%	

ADDENDUM

December 1969 interest for outstanding Series H Bonds with December 1, 1969 interest payment dates.

Issue dates		Interest due by denominations			
Years	Months	$500	$1,000	$5,000	$10,000
1952	October	10.80	21.60	108.00	216.00
1953	April	10.65	21.30	106.50	213.00
	October	10.60	21.20	106.00	212.00
1954	April	10.30	20.60	103.00	206.00
	October	10.25	20.50	102.50	205.00
1955	April	10.15	20.30	101.50	203.00
	October	10.10	20.20	101.00	202.00
1956	April	10.50	21.00	105.00	210.00
	October	10.50	21.00	105.00	210.00
1957	June	10.50	21.00	105.00	210.00
	December	10.50	21.00	105.00	210.00
1958	June	10.50	21.00	105.00	210.00
	December	10.45	20.90	104.50	209.00
1959	June	12.50	25.00	125.00	250.00
	December	12.62	25.24	126.20	252.40
1960	June	12.05	24.10	120.50	241.00
	December	12.00	24.00	120.00	240.00
1961	June	11.45	22.90	114.50	229.00
	December	11.35	22.70	113.50	227.00
1962	June	11.35	22.70	113.50	227.00
	December	11.25	22.50	112.50	225.00
1963	June	11.20	22.40	112.00	224.00
	December	10.80	21.60	108.00	216.00
1964	June	10.75	21.50	107.50	215.00
	December	10.70	21.40	107.00	214.00
1965	June	10.65	21.30	106.50	213.00
	December	10.85	21.70	108.50	217.00
1966	June	10.85	21.70	108.50	217.00
	December	10.85	21.70	108.50	217.00
1967	June	10.85	21.70	108.50	217.00
	December	10.85	21.70	108.50	217.00
1968	June	10.85	21.70	108.50	217.00
	December	9.80	19.60	98.00	196.00
1969	June	8.75	17.50	87.50	175.00

[F.R. Doc. 69-14437; Filed, Dec. 2, 1969; 9:25 a.m.]