Mr. Reid

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VOLUME 11 NUMBER 251

Washington, Friday, December 27, 1946

The President

EXECUTIVE ORDER 9815

AMENDING SECTION 7 OF EXECUTIVE ORDER NO. 9691 OF FEBRUARY 4, 1946, ENTITLED "DIRECTING THE CIVIL SERVICE COMMISSION TO RESUME OPERATIONS UNDER THE CIVIL SERVICE RULES, AND AUTHORIZING THE ADOPTION OF SPECIAL REGULATIONS DURING THE TRANSITIONAL PERIOD"

By virtue of the authority vested in me by the Civil Service Act of January 16, 1883 (22 Stat. 403), and section 1753 of the Revised Statutes, and in the interest of the internal management of the Government, the proviso of section 7 of Executive Order No. 9691 of February 4, 1946, is hereby amended to read as follows:

"*Provided*, That no person shall continue in employment under the authority of this section after the general revision of Schedule A is promulgated, unless the position occupied by such person shall have been included under Schedule A. This section shall not apply to positions filled by persons having a classified (competitive) civil service status."

HARRY S. TRUMAN

THE WHITE HOUSE,
December 23, 1946.

[F. R. Doc. 46-21962; Filed, Dec. 24, 1946; 10:39 a. m.]

Regulations

TITLE 5—ADMINISTRATIVE PERSONNEL

Chapter I—Civil Service Commission

PART 91—EXECUTIVE ORDERS AFFECTING THE CIVIL SERVICE NOT OTHERWISE COVERED IN THIS CHAPTER

RESUMPTION OF OPERATIONS UNDER CIVIL SERVICE RULES; ADOPTION OF SPECIAL REGULATIONS DURING TRANSITIONAL PERIOD

CROSS REFERENCE: For amendment of Executive Order 9691, which directed the Civil Service Commission to resume operations under the Civil Service Rules and authorized the adoption of special regulations during the transitional period, see Executive Order 9815, *supra*.

TITLE 6—AGRICULTURAL CREDIT

Chapter II—Production and Marketing Administration (Commodity Credit)

PART 245—IRISH POTATOES

SUBPART—1947 ACREAGE GOALS

GENERAL

Sec.
245.68 Applicability of §§ 245.68 to 245.85, inclusive.
245.69 Definitions.
245.70 Extent of calculations and rule of fractions.
2'5.71 Instructions and forms.

NATIONAL AND STATE ACREAGE GOALS AND COUNTY LIMITS

245.72 Establishment of the national acreage goal and apportionment among the States.
245.73 Apportionment of State acreage goals between large and small farms.
245.74 Apportionment of the State acreage for large farm goals among the counties as county limits.

ACREAGE GOALS FOR LARGE FARMS

245.75 Determination of preliminary acreage goals of three or more acres for old farms.
245.76 Old farm acreage goals of three or more acres.
245.77 Determination of acreage goals of three acres or more for new farms.

ACREAGE GOALS FOR SMALL FARMS

245.78 Goal for small farm.

ESTABLISHMENT OF SEPARATE ACREAGE GOALS FOR EARLY COMMERCIAL AND LATE AND OTHER POTATOES IN EARLY COMMERCIAL AREAS

245.79 Separate goals.
245.80 Single goals.

APPROVAL AND CORRECTION OF GOALS

245.81 Approval.
245.82 Correction.

NOTICE AND APPEALS

245.83 Notice.
245.84 Appeals.
245.85 Request for consideration.

(Continued on p. 14663)

CONTENTS

THE PRESIDENT

FEDERAL REGISTER

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CONTENTS—Continued

CODIFICATION GUIDE

A numerical list of the parts of the Code of Federal Regulations affected by documents published in this issue. Proposed rules, as opposed to final actions, are identified as such in parentheses.

[1] E. O. 9815.

CODIFICATION GUIDE—Continued

AUTHORITY: §§ 245.68 to 245.85 inclusive, issued under sec. 4 (a), 55 Stat. 498 as amended by 56 Stat. 768; 15 U. S. C., Sup. 713a-8.

GENERAL

§ 245.68 *Applicability of §§ 245.68 to 245.85 inclusive.* Sections 245.68 to 245.85 inclusive, shall govern the establishment of farm acreage goals for Irish potatoes for use in connection with United States Department of Agriculture price support operations relating to the 1947 crop of such potatoes. No person who plants potatoes in excess of the 1947 goal established for his farm, or, where separate goals are established for early commercial and late and other potatoes, who plants in excess of either of such goals, shall, subsequent to the date of such excess planting, be eligible to participate in 1947 potato price support operations.

§ 245.69 *Definitions.* As used in sections 245.68 to 245.85 inclusive, 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.

(a) *Committees.* (1) "County committee" means the group of persons elected within a county to assist in the administration of the Agricultural Conservation Program in such county.

(2) "State committee" means the group of persons designated as the State Committee of the Production and Marketing Administration charged with the responsibility of administering Production and Market Administration programs within the State.

(b) "Farm" means all adjacent or nearby farm land under the same ownership which is operated by one person, including also:

(1) Any other adjacent or nearby farm land which the county committee, in accordance with instructions issued by the Field Service Branch, Production and Marketing Administration, determines is operated by the same person as part of the same unit with respect to rotation of crops and with workstock, farm machinery, and labor substantially separate from that for any other lands; and

(2) Any other field-rented tract (whether operated by the same or another person) which, together with other land included in the farm, constitutes a unit with respect to the rotation of crops.

A farm shall be regarded as located in the county in which the principal dwelling is situated, or if there is no dwelling thereon it shall be regarded as located in the county in which the major portion of the farm is located.

(c) "Representative period" means the period of consecutive years selected by the State committee to be used uniformly within the State in determining past acreage of potatoes. Such period of consecutive years shall consist of at least three years, and shall end no earlier than 1945 and begin no earlier than 1937. The length of the period selected within these limits shall be determined on the basis of the availability of data and the number of years necessary to arrive at representative averages of past potato acreages within the State.

(d) "New farm" means a farm on which potatoes have not been planted since 1942 (or since 1943 in States where the representative period begins with 1944) and on which the 1947 farm operator's personal history for such period is not used in determining the farm goal.

(e) "Large farm" means a farm for which a 1947 potato acreage goal of three or more acres is established.

(f) "Small farm" means a farm on which potatoes are planted in 1947 and for which a 1947 potato acreage goal of three or more acres is not established.

(g) "Old farm" means a farm on which potatoes have been planted in one or more years since 1942 (or since 1943 in States where the representative period begins with 1944) or on which the 1947 farm operator's personal history for such period is used in determining the farm goal.

(h) "Cropland" means that land on the farm which is included as cropland for purposes of the Agricultural Conservation Program but shall not include wood or wasteland from which no cultivated crop was harvested in any of the years 1942 through 1946.

(i) "National goal" means the total of 2,669,800 acres of early commercial and late and other Irish potatoes established by the United States Department of Agriculture as necessary to produce a 1947 crop sufficient for all domestic and export requirements without unduly curtailing production in any area.

(j) "State goal" means the number of acres out of the National goal allocated by the Production and Marketing Administration to be planted within a particular State.

(k) "County limit" means the number of acres out of the State goal allocated to a particular county for apportioning among large farms within that county.

(l) "County cropland factor" means that percentage determined by dividing the total cropland of all old large farms in the county into the county limit.

(m) "Cropland ratio indication" means that acreage determined by multiplying the number of acres of cropland in a farm by the county cropland factor.

(n) "Average past acreage" means that acreage determined by dividing the total acreage of potatoes planted on a farm (or by an operator if personal history is used), during the representative period established by the State committee by the number of years in such period.

(o) "Operator" means the person who is in charge of the supervision of the farming operations on the entire farm.

(p) "Person" means an individual, partnership, association, corporation, estate or trust or other business enterprise or legal entity, and wherever applicable, a State, a political subdivision of a State, or any agency thereof.

(q) "Early commercial" means potatoes of the early or intermediate harvest, or acreage planted to potatoes for early or intermediate harvest, in areas designated by the Bureau of Agricultural Economics or by the Production and Marketing Administration as Commercial Early Irish Potato Areas.

(r) "Late and other" means all potatoes, or acreage planted to potatoes, not included within the definition of "Early commercial."

(s) "Director" as used with respect to the Director of the Fruit and Vegetable Branch, Production and Marketing Administration, or the Director of the Field Service Branch, Production and Marketing Administration, means such Director or a person or persons duly authorized to act in his behalf.

§ 245.70 *Extent of calculations and rule of fractions.* All acreages except final acreage goals shall be expressed to the nearest one-tenth acre and fractions of fifty-one thousandths of an acre or more shall be rounded upward, and fractions of five-hundredths of an acre or less shall be dropped. Final goals of from three to ten acres may be uniformly established within the county to the nearest half acre, and final goals larger than ten acres may be so established to the nearest acre.

§ 245.71 *Instructions and forms.* The Director of the Fruit and Vegetable Branch shall cause to be prepared and issued such instructions and forms as may be deemed necessary or expedient for carrying out §§ 245.68 to 245.85 inclusive.

NATIONAL AND STATE ACREAGE GOALS AND COUNTY LIMITS

§ 245.72 *Establishment of the national acreage goal and apportionment among the States.* A preliminary national acreage goal of 2,631,000 acres was apportioned among the States on the basis of the simple average of planted potato acreage during the five years 1941–45. In the case of States for which this apportioned acreage was equal to or greater than the 1946 planted acreage, such apportioned acreage, less 75 percent of the number of acres by which it exceeded the 1946 planted acreage, was established as the State goal. The resulting unapportioned acreage was distributed proportionately among the other States. If an acreage of 65 percent or more of the 1946 planted acreage resulted, such acreage was established as the State goal. If any acreage of less than 65 percent of the 1946 planted acreage resulted, the State goal was established at 65 percent of the 1946 planted acreage. The total of the State acreage goals so arrived at comprises the national acreage goal of 2,669,800 acres.

The 1947 State acreage goals are as follows:

[1,000 acres]

State	Late or other guide 1	Early Commercial guide 2	State goal 3
Maine	182.5	----------	182.5
New Hampshire	6.6	----------	6.6
Vermont	10.8	----------	10.8
Massachusetts	21.6	----------	21.6
Rhode Island	5.9	----------	5.9
Connecticut	19.0	----------	19.0
New York	109.1	[1] 53.1	162.2
New Jersey	8.9	47.3	56.2
Pennsylvania	145.2	----------	145.2
Illinois	28.8	----------	28.8
Indiana	33.9	----------	33.9
Iowa	38.2	----------	38.2
Michigan	164.1	----------	164.1
Minnesota	174.5	----------	174.5
Missouri	34.0	3.7	37.7
Nebraska	63.3	5.1	68.4
Ohio	62.4	----------	62.4
South Dakota	30.2	----------	30.2
Wisconsin	122.4	----------	122.4
Delaware	3.6	----------	3.6
Maryland	14.9	4.7	19.6
Virginia	33.0	32.4	65.4
West Virginia	33.6	----------	33.6
North Carolina	54.7	28.0	82.7
Kentucky	41.6	3.5	45.1
Tennessee	35.0	4.2	39.2
Alabama	27.0	21.9	48.9
Arkansas	38.0	6.1	44.1
Florida	3.5	24.9	28.4
Georgia	23.2	3.7	26.9
Louisiana	20.5	24.2	44.7
Mississippi	24.6	3.7	28.3
Oklahoma	23.9	2.0	25.9
South Carolina	10.2	11.5	21.7
Texas	31.3	24.2	55.5
Arizona	----------	4.6	4.6
California	38.4	53.3	91.7
Colorado	85.2	----------	85.2
Idaho	165.3	----------	165.3
Kansas	15.6	5.2	20.8
Montana	19.1	----------	19.1
Nevada	3.0	----------	3.0
New Mexico	4.9	----------	4.9
North Dakota	165.9	----------	165.9
Oregon	45.4	----------	45.4
Utah	16.1	----------	16.1
Washington	48.6	----------	48.6
Wyoming	15.0	----------	15.0
United States	2,302.5	367.3	2,669.8

[1] Long Island, total of Early Commercial and Late.

[1,000 acres]

§ 245.73 *Apportionment of State acreage goals between large and small farms.* Each State committee shall establish, with the approval of the Director of the Field Service Branch, the proportionate part of the State goal to be apportioned among farms for which goals of three or more acres will be established. Such proportionate part of the State goal shall be determined on the basis of the ratio, determined by the State committee to be most representative of potato production in the State during the representative period, between (a) the total acreage of potatoes for farms on which three or more acres of potatoes were planted, and (b) the total acreage of potatoes.

§ 245.74 *Apportionment of the State acreage for large farm goals among the counties as county limits.* Each State committee shall establish, with the approval of the Director of the Field Service Branch, the county limit for each county within the State. The county limit shall be that acreage determined by the State committee and approved by the Director of the Field Service Branch as fair and reasonable for the county in relation to the county limits established for other counties within the State, taking into consideration (a) the ratio, determined by the State committee to be most representative of potato production in the State during the representative period, between the total State acreage of potatoes for farms on which three or more acres of potatoes were planted and the county acreage of potatoes for such farms, and (b) adjustments required in order to obtain a fair and reasonable relationship between the acreage of early commercial potatoes and the acreage of late and other potatoes planted in the State. The sum of the county limits for a State, plus a State reserve withheld for appeals, new farms, and the correction of errors, shall not exceed the approved part of the State goal to be apportioned among large farms. The State reserve shall not exceed five percent of such approved part of the State goal.

ACREAGE GOALS FOR LARGE FARMS

§ 245.75 *Determination of preliminary acreage goals of three or more acres for old farms.* The preliminary acreage goal for an old large farm shall be that acreage determined by the county committee to be fair and reasonable for the farm in relation to the goals established for other old large farms in the county, taking into consideration the cropland ratio indication, average past acreage, topography, crop rotation practice, and labor and equipment available for the production of potatoes. In computing average past acreages, farm acreage only shall be used except in areas or instances where the county committee determines that consideration of personal history is necessary in order to establish fair and reasonable farm acreage goals, such as those areas or instances where it is common practice for the farmer to operate differing tracts of land on a rental basis from year to year.

§ 245.76 *Old farm acreage goals of three or more acres.* The preliminary acreage goals determined for all old large farms in any county pursuant to § 245.75 shall be equitably adjusted by the county committee so that the total of such goal shall not exceed the county limit, and the individual farm acreage goal so adjusted shall be the 1947 farm acreage goal.

§ 245.77 *Determination of acreage goals of three acres or more for new farms.* An application for a new farm goal of three or more acres shall be filed with the county committee prior to the final date set by each State committee for the consideration of such applications. The acreage goal for a new large farm shall be that acreage determined by the county committee and approved by the State committee as fair and reasonable for the farm in relation to the goals established for other new large farms in the county and State, taking into consideration personal and farm past history, topography, crop rotation practices, and land, labor and equipment available for the production of potatoes.

ACREAGE GOALS FOR SMALL FARMS

§ 245.78 *Goal for small farm.* The 1947 acreage goal for any small farm shall be the smaller of the 1947 planted acreage or 2.9 acres. The 1947 acreage goal for the farm of any operator who does not receive formal notice of an acreage goal shall, in the absence of appeal and correction, be the small farm goal.

ESTABLISHMENT OF SEPARATE ACREAGE GOALS FOR EARLY COMMERCIAL AND LATE AND OTHER POTATOES IN EARLY COMMERCIAL AREAS

§ 245.79 *Separate goals.* In areas designated by the Bureau of Agricultural Economics or by the Production and Marketing Administration as Commercial Early Irish Potato Areas, separate farm acreage goals shall be established for early commercial potatoes and for late and other potatoes if the Director of the Field Service Branch determines that separate goals are required to obtain a fair and reasonable relationship between the production of early commercial and late and other potatoes in such area within a State.

§ 245.80 *Single goals.* In early commercial areas for which it is not so determined that the establishment of separate farm acreage goals is necessary, and in all other areas, a single farm acreage goal shall be established for each farm.

APPROVAL AND CORRECTION OF GOALS

§ 245.81 *Approval.* The State committee shall review all farm acreage goals of three or more acres, and may correct or require correction of any goals established by the county committee under §§ 245.75 to 245.77 inclusive. All acreage goals of three or more acres shall be approved by the State committee and no official notice of an acreage goal shall be mailed to an operator until such goal has been so approved.

§ 245.82 *Correction.* The Administrator of the Production and Marketing Administration may correct or require correction of any acreage goals established under §§ 245.75 to 245.77 inclusive, by either the State committee or the county committee.

NOTICE AND APPEALS

§ 245.83 *Notice.* Notice of all farm acreage goals of three or more acres shall be given to the farm operators concerned, whether or not the operator has requested a goal. Notice of a farm acreage goal of less than three acres is not required to be given unless the operator has requested an acreage goal.

§ 245.84 *Appeals.* Any operator who feels that his 1947 potato acreage goal is not fair and reasonable as compared with goals established for other potato farms in the area, may, within 10 days after notice of his farm goal is forwarded to him; request the county committee in writing to reconsider its determination. In its reconsideration the county committee shall base its decision on the standards required to be used in making its original determination, in the light of any new information supplied by the operator or otherwise made available. The county committee shall make its decision and notify the operator in writing within 15 days after receiving notice of the appeal. If the operator is dissatisfied with the decision of the county committee, he may, within 10 days after its decision is forwarded to him, appeal in writing to the State committee. The State committee shall notify him of its decision in writing within 30 days.

§ 245.85 *Request for consideration.* An operator who has not requested a farm goal, and who is not notified of his 1947 farm acreage goal by reason of such goal not being set at three acres or more, shall, if he wishes such goal to be reconsidered, file the necessary request with the county committee within a reasonable time prior to planting potatoes on the farm.

Dated: December 20, 1946.

[SEAL] CLINTON P. ANDERSON,
Secretary.

[F. R. Doc. 46-21922; Filed, Dec. 26, 1946; 8:47 a. m.]

TITLE 7—AGRICULTURE

Chapter I—Production and Marketing Administration (Standards, Inspection, Marketing Practices)

PART 51—FRUITS, VEGETABLES AND OTHER PRODUCTS (GRADING, CERTIFICATION AND STANDARDS)

UNITED STATES STANDARDS FOR FRESH FRUITS AND VEGETABLES AND OTHER PRODUCTS

Pursuant to the provisions of the Department of Agriculture Appropriation Act, 1947 (Pub. Law 422, 79th Cong., 2d Sess., approved June 22, 1946), the following United States Standards for Spinach Leaves (Fresh) are hereby promulgated:

§ 51.393 *Spinach leaves (fresh)*—(a) *Grades.* (1) "U. S. Extra No. 1" shall consist of spinach leaves of similar varietal characteristics which are fairly clean, well trimmed, free from coarse stalks, seedstems, seedbuds, crowns and roots, sandburs or other kinds of burs, decay, and from damage caused by clusters of leaves, wilting, discoloration, freezing, foreign material, disease, insects, mechanical or other means.

(i) In order to allow for variations incident to proper grading and handling, not more than 5 percent, by count, of any lot may fail to meet the requirements of this grade, including not more than 1 percent for spinach leaves which are affected by decay.

(2) "U. S. No. 1" shall consist of spinach leaves of similar varietal characteristics which are well trimmed, free from coarse stalks, seedstems, seedbuds, crowns and roots, sandburs, or other kinds of burs, decay, and from damage caused by blusters of leaves, wilting, discoloration, freezing, dirt, or other foreign material, disease, insects, mechanical or other means.

(i) In order to allow for variations incident to proper grading and handling, not more than 10 percent, by count, of any lot may fail to meet the requirements of this grade, including not more than 1 percent for spinach leaves which are affected by decay.

(3) "U. S. Commercial" shall consist of spinach leaves of similar varietal characteristics which are well trimmed, free from coarse stalks, seedstems, seedbuds, crowns and roots, sandburs, or other kinds of burs, decay, and from damage caused by clusters of leaves, wilting, discoloration, freezing, dirt or other foreign material, disease, insects, mechanical or other means.

(i) In order to allow for variations incident to proper grading and handling, not more than 20 percent, by count, of any lot may fail to meet the requirements of this grade, including not more than 1 percent for spinach leaves which are affected by decay.

(b) *Application of tolerances.* The contents of individual containers in the lot, based on sample inspection, are subject to the following limitations, provided the average for the entire lot are within the tolerances specified:

(1) When a tolerance is 10 percent, or more, individual containers in any lot shall have not more than one and one-half times the tolerance specified.

(2) When a tolerance is less than 10 percent, individual containers in any lot shall have not more than double the tolerance specified.

(c) *Definitions.* (1) "Similar varietal characteristics" means that the spinach shall be generally of one type, as crinkly leaf type, or flat leaf type. No mixture of varieties shall be permitted which materially affects the appearance of the lot.

(2) "Well trimmed" means that the leafstems or petioles are not excessively long in relation to the size of the leaf-blades.

(3) "Damage" means any defect which materially affects the appearance, or the edible or shipping quality of the individual leaves or of the lot as a whole.

It is hereby found and determined that compliance with the notice, public rule making procedure, and effective date requirements of the Administrative Procedure Act (60 Stat. 237; Pub. Law 404, 79th Cong., 2d Sess.) in connection with the issuance of these standards, is impracticable, unnecessary and contrary to the public interests in that: (i) The standards for spinach leaves have been in the process of investigation since January 1946 and they have been prepared on the basis of suggestions of growers, packers, shippers and others interested in the handling of spinach; (ii) The issuance of the standards, effective December 27, 1946 is necessary so that those interested in marketing spinach leaves will have definite official standards to use as a basis of packing and selling this commodity; (iii) The issuance of the standards should be accomplished as soon as possible because seasonal shipments have begun in areas which ship spinach leaves.

(Pub. Law 422, 79th Cong.; Delegation of Authority to Administrator of Production and Marketing Administration, July 11, 1946, 11 F. R. 7713)

Issued at Washington, D. C., this 23d day of December 1946, to be effective on and after the 27th day of December 1946.

[SEAL] E. A. MEYER,
Acting Administrator, Production and Marketing Administration.

[F. R. Doc. 46-21951; Filed, Dec. 26, 1946; 8:45 a. m.]

PART 160—REGULATIONS FOR THE ENFORCEMENT OF THE NAVAL STORES ACT

By virtue of the authority vested in the Secretary of Agriculture by the Naval Stores Act of March 3, 1923 (42 Stat. 1435; 7 U. S. C. 91–99), the regulations appearing in Title 7, Chapter I, Part 160, Cumulative Supplement to the Code of Federal Regulations, are hereby amended to read as follows:

DEFINITIONS

AUTHORITY: §§ 160.1 to 160.100, inclusive, issued under 42 Stat. 1455; 7 U. S. C. 91-99.

DEFINITIONS

§ 160.1 *Definitions of general terms.* The terms as defined in section 2 of the Naval Stores Act shall apply with equal force and effect when used in the regulations in this part. In addition, unless the content requires otherwise, the terms hereinafter set forth shall be defined respectively as follows:

(a) "Act": The Naval Stores Act of March 3, 1923 (42 Stat. 1455; 7 U. S. C. 91-99).

(b) "Department": The United States Department of Agriculture.

(c) "Secretary": The Secretary of Agriculture of the United States Department of Agriculture, or any employee of the Department designated by him to act as his representative.

(d) "Official inspector": Any person designated or licensed by the Secretary to sample, examine, analyze, classify or grade naval stores.

(e) "Licensed inspector": A person licensed by the Secretary with the consent of an accredited processor to act as an official inspector with respect to naval stores produced at an eligible processing plant.

(f) "Eligible processing plant": A plant (1) which has been found on examination by the Secretary to be designed and operated so as to permit an inspector working thereat to make proper samplings and inspections of the turpentine and rosin produced thereby; and (2) where not less than 50 percent of the annual output shall consist of naval stores processed either from oleoresin collected from pine trees other than those owned or leased, and tapped by the owner of such plant, or from stumps of trees removed from land other than that owned or leased by the processor.

(g) "Accredited processor": Any person owning or having charge of or jurisdiction over the operation of an eligible processing plant, to whom a permit has been issued under these regulations to have inspections of naval stores made by a licensed inspector.

(h) "Interested person": Any person who is a party to a factual or prospective transaction in a specific lot of naval stores, whether as producer, seller, shipper, dealer, or purchaser thereof; or any person who in the opinion of the Secretary has sufficient and proper interest in the analysis, classification, grading, or sale of naval stores to merit the loan and use of duplicates of the United States Standards.

(i) "Dealer": Any person who sells or ships in commerce any naval stores produced by a person other than himself.

(j) "Regulations": Regulations promulgated under the act by the Secretary for the administration and enforcement of the act.

(k) "Standards": The official Naval Stores Standards of the United States for classification and grading of spirits of turpentine and rosin.

(l) "Analysis": Any examination by physical, chemical, or sensory methods.

(m) "Classification": Designation as to kind of spirits of turpentine or rosin.

(n) "Grading": Determination of the grade of turpentine or rosin by comparison with the standards.

(o) "Certificate": The official certificate issued under the provisions of the act and the regulations in this part to show the results of any examination, analysis, classification, or grading of naval stores by an official inspector.

(p) "Label": Any word, combination of words, coined or trade name, picturization of any natural scene or article, or any imitation thereof, applied to, superimposed upon, impressed into, or in any other manner attached to a container of naval stores or other article coming within the scope of the act, by which the nature, kind, quality, or quantity of the contents of such container may be indicated.

(q) "Container": Any receptacle in which naval stores are placed for inspection or distribution in commerce; includes barrel, drum, tank, tank car, bag, bottle, can, or other receptacle.

§ 160.2 *Spirits of turpentine defined.* Spirits of turpentine, also commonly known as turpentine, is the colorless or faintly colored volatile oil consisting principally of terpene hydrocarbons of the general empirical formula $C_{10}H_{16}$ and having a characteristic odor and taste.

It occurs naturally in and may be recovered by distillation from the oleoresinous secretions obtained from living trees of the family *Pinaceae*, or present in the cellular structure, or wood, of species thereof.

§ 160.3 *Rosin defined.* Except as provided in § 160.15, rosin is the vitreous, well-strained transparent product, consisting chiefly of noncrystallized resin acids that remain after the removal of the volatile oil from the oleoresinous secretions obtained from species of the family Pinaceae, or present in the wood thereof: *Provided, however,* That resin acids separated or removed by any process from any material other than oleoresin are not rosin within the meaning of the act. Rosin may contain relatively small proportions of resin esters or other esters, nonacid and noncrystalline resenes, or nonresinous foreign matter.

§ 160.4 *Kinds of rosin.* Rosin within the meaning of the act and the regulations in this part consists of gum rosin or wood rosin.

(a) "Gum rosin" is rosin remaining after the distillation of gum spirits of turpentine from the oleoresin (gum) obtained from living trees.

(b) "Wood rosin" is rosin recovered after the distillation of the volatile oil from the oleoresin within or extracted from pine wood, by any suitable chemical or physical process, followed by any necessary further refinement.

§ 160.5 *Reclaimed rosin.* Reclaimed rosin is rosin that has been recovered or reclaimed by any means from waste or deteriorated material: *Provided,* That such reclaimed product may be graded as rosin under the act and the regulations in this part only if the concentration of rosin acids therein has not been reduced below the concentration normal for rosin, and any residual or contaminating component remaining from the waste material itself or from any article used in the recovery process is not sufficient to cause the physical or chemical properties of the reclaimed product to differ substantially from the normal properties of rosin.

ADMINISTRATION

§ 160.6 *Authority of representative of the Secretary.* Any properly authorized representative of the Secretary may supervise the performance by licensed inspectors of the duties of official inspectors in accordance with the Act and the regulations in this part, and may issue recommendations to licensed inspectors and accredited processors as to approved methods of taking samples and maintaining their identity, marking containers, and other inspection and certification procedures. Such representative may also prescribe the manner of issuing and disposing of certificates and may require licensed inspectors to keep such records and make such reports as he may deem necessary in the performance of their duties or otherwise for the enforcement of the act and the regulations in this part.

STANDARDS FOR SPIRITS OF TURPENTINE

§ 160.7 *Standard designations for turpentine.* Spirits of turpentine within the purview of the act and the regulations in this part shall be described by one of the following designations: "gum spirits of turpentine," "steam distilled wood turpentine," "destructively distilled wood turpentine," or "sulphate wood turpentine."

§ 160.8 *Gum spirits of turpentine.* The designation "gum spirits of turpentine" shall refer to the kind of spirits of turpentine obtained by distillation of the oleoresin (gum) from living trees, and commonly known prior to the passage of the act as gum spirits, gum turpentine, spirits of turpentine, or oil of turpentine.

§ 160.9 *Steam distilled wood turpentine.* The designation "steam distilled wood turpentine" shall refer to the kind of spirits of turpentine obtained by steam distillation from the oleoresinous component of wood whether in the presence of the wood or after extraction from the wood, and commonly known prior to the passage of the act as wood turpentine, steam distilled turpentine, steam distilled wood turpentine, or S. D. wood turpentine.

§ 160.10 *Destructively distilled wood turpentine.* The designation "destructively distilled wood turpentine" shall refer to the kind of spirits of turpentine prepared from the distillate obtained in the destructive distillation (carbonization) of wood, and commonly known prior to the passage of the act as destructively distilled wood turpentine or D. D. wood turpentine.

§ 160.11 *Sulphate wood turpentine.* The designation "sulphate wood turpentine" shall refer to the kind of spirits of turpentine prepared from the condensates that are recovered in the sulphate process of cooking wood pulp, and commonly known as sulphate turpentine or sulphate wood turpentine.

§ 160.12 *Quality requirements.* The several standards for spirits of turpentine, as defined in §§ 160.8 to 160.11, inclusive, shall be deemed to mean the respective kinds of spirits of turpentine having properties that conform with the standard specifications adopted therefor by the American Society for Testing Materials, contained in Appendix A attached hereto and made a part hereof.

STANDARDS AND GRADES FOR ROSIN

§ 160.13 *Standards for rosin.* The Official Naval Stores Standards of the United States for rosin include the standard types authorized by the act; the standards established by the Secretary (including the standard of condition designated "Opaque Rosin"); and duplicates of any of such standards prepared by the Secretary under authority of the act.

§ 160.14 *Grade designations for rosin.* The grades of rosin shall be designated, from highest to lowest, by the following letters, respectively: X, WW, WG, N, M, K, I, H, G, F, E, D, B. In addition, the letters OP shall be used to designate the grade of opaque rosin, and the letters FF shall be used to designate the grade of normal wood rosin: *Provided,* That the product recovered in the refining of wood rosin, that is darker in color than the standard for FF grade, and that contains rosin acids in lesser quantity than is normal for such rosin, shall be graded and designated as B wood resin.

§ 160.15 *Opaque rosin.* The term "opaque rosin" shall apply to the article resulting when rosin undergoes internal modification indicated by a turbid, clouded, or opaque appearance, that is, loss of transparency, brought about by the occlusion of moisture or the formation of an excessive quantity of resin acid crystals in the rosin.

ESTABLISHMENT OF NEW AND MODIFIED STANDARDS

§ 160.16 *New standards.* Whenever in the opinion of the Secretary a new standard for any naval stores is necessary in the interest of the trade, he shall announce a hearing thereon, to be held not less than 3 months subsequent to such announcement. Notice of the hearing stating the terms or description of the proposed new standard, or a summary thereof, shall be given by publication in the FEDERAL REGISTER and by such other means as may be practicable. The hearing shall be conducted by an official designated by the Secretary, and reasonable opportunity shall be afforded at the hearing to all interested persons to present their views, arguments and data, verbally or in writing, in favor of or in opposition to the proposed new standard. All relevant material presented at said hearing, or a summary thereof, and a recommendation as to adoption or rejection of the proposed new standard shall be transmitted to the Secretary for his consideration. A new standard established and promulgated by the Secretary shall become effective not less than 3 months after the promulgation thereof.

§ 160.17 *Modification of existing standards.* Whenever in the opinion of the Secretary a modification of an existing standard for naval stores is necessary in the interest of the trade, he shall announce a hearing thereon, to be held not less than 6 months subsequent to such announcement. Notice of the hearing stating the terms or description of the proposed modification of any standard, or a summary thereof, shall be given by publication in the FEDERAL REGISTER and by such other means as may be practicable. The hearing shall be conducted by an official designated by the Secretary, and reasonable opportunity shall be afforded to all interested persons to present their views, arguments and data verbally or in writing, in favor of or in opposition to the proposed modification. All relevant material presented at said hearing, or a summary thereof, and a recommendation as to adoption or rejection of the proposed modification shall be transmitted to the Secretary for his consideration. A modified standard established and promulgated by the Secretary shall become effective not less than 6 months after the promulgation thereof.

METHODS OF ANALYSIS, INSPECTION, SAMPLING AND GRADING

§ 160.18 *Laboratory analysis.* The analysis and laboratory testing of naval stores shall be conducted, so far as is practicable, according to methods of the American Society for Testing Materials.

When any such method is deemed to be insufficient or unsuitable, or when no method has been so presented, the analysis shall be made according to any method deemed appropriate by the Secretary.

§ 160.19 *Determining the grade of rosin.* The grade of rosin shall be determined by comparing a representative sample, taken and prepared in accordance with the regulations in this part, with the appropriate standard types. The grade shall be the grade designation of the standard type which the sample equals or excels in color, but below the next higher grade.

§ 160.20 *Samples of rosin for grading.* Samples of rosin for grading shall be approximately cubical in shape, and shall be seven-eighths inch thick in the direction through which they are viewed or graded. Samples may be taken by any of the following methods:

(a) By cutting or cleaving the same from a lump of the rosin removed from the solid mass in the barrel or drum, the top side of which lump shall come from not less than 4 inches below the surface of the rosin.

(b) By placing a tin mold of suitable design inside the barrel or drum through an opening in the side, the center of which opening is approximately 9 inches from the top or 12 inches from the bottom so that when the container is filled, the rosin within the mold will have come from a position not less than 4 inches below the surface of the rosin. The mold thus placed must be entirely within the barrel or drum and completely encased in the rosin.

(c) By suspending in the barrel or drum of molten rosin a clean tinplate mold, ⅞ inch square (inside) and 1½ inches or more in length, in such a manner that it will be in a horizontal position at least 2 inches below the surface of the rosin after it has thoroughly cooled. Such sample shall not be spiked from the barrel or drum until it is completely cooled.

(d) By withdrawing a quantity of molten rosin from a full container of 150 pounds content or less, pouring the rosin into a suitable mold, and allowing it to cool and solidify slowly: *Provided,* That samples taken to represent a single batch or charge made by intermittent distillation of oleoresin shall be taken from not less than two containers, one of which shall be selected when one fourth of the batch has been placed in the containers, and the other shall be from the last container filled.

(e) By withdrawing a quantity of molten rosin from a full drum that has been filled after a preliminary cooling period, pouring the rosin into a suitable mold, and allowing it to cool and solidify slowly: *Provided,* That such sample shall not be taken until at least one hour has elapsed after the drum was filled: *And provided further,* That the selection of drums to be sampled shall be in accordance with the method of selecting small containers as set forth in paragraph (d) of this section. Rosin in drums sampled in this manner will be graded and certified only when the sampling is performed by an official inspector. Rosin in open head barrels shall not be sampled by this method.

(f) By collecting in a suitable vessel a quantity of molten rosin from each successive batch or charge as it is delivered into a tank car, pouring the respective quantities of rosin into suitable molds, and allowing them to cool and solidify: *Provided,* That any darkening of the rosin subsequent to such sampling will not be recognized as affecting the correctness of the grades assigned to the rosin at the time it was loaded in the car. Rosin so sampled while in process of being placed in a tank car will be graded and certified only when the sampling is performed by an official inspector.

§ 160.21 *More than one grade in a container.* When a sample from the bottom of a barrel or drum shows not more than one grade lower than that of a top sample taken in accordance with § 160.20, the grade of the rosin shall be that of such top sample; *Provided,* That if such "bottom head" sample shows more than one grade lower than the top sample, the grade assigned to the rosin shall be that of the darkest or lowest grade of rosin in the container.

§ 160.22 *Rosin not fit for grading.* An article consisting of rosin with an excessive amount of trash or other visible extraneous foreign material, or an article that is of such color or appearance as not to permit its accurate classification and grading in accordance with the standards provided for rosin, shall not be classified, graded, marked, sold, or offered for sale in commerce as rosin.

§ 160.23 *Collecting samples; issuing certificates.* The collection of official samples for the purpose of putting into effect any of the provisions of the act, and the issuance of certificates reporting the results of any analysis, classification, or grading shall be limited to official inspectors and to such other personnel of the Department as may be authorized.

§ 160.24 *Disposition of samples.* All samples taken by an official inspector or submitted by an interested person shall become and remain the property of the Department, to be disposed of as the Secretary may determine.

ANALYSIS, INSPECTION AND GRADING ON REQUEST

§ 160.25 *Inspection on request.* Insofar as it may be practicable, official inspectors shall sample, analyze, classify, or grade any naval stores at the request of any interested person, as provided for by the act and in accordance with the regulations in this part.

§ 160.26 *How requests shall be made.* An interested person desiring the analysis, classification, or grading of any naval stores, or of samples thereof, shall submit to the nearest official inspector a written request, in which he shall state the number and kind of containers of rosin, or the number and kind of containers and the number of gallons of turpentine, as the case may be, together with the name of the interested person for whose account such service is requested, his interest in the naval stores, and other information by which the identity of the naval stores in question and the propriety of its examination may be determined. Requests for seasonal or recurrent services shall so indicate, and the approximate quantity of naval stores to be graded and the duration of the desired service shall be stated. Fees for such service shall be paid in accordance with these regulations.

§ 160.27 *Withdrawal of request.* A request for service under the regulations in this part may be withdrawn at any time before the service has been completed, on notice to the official inspector: *Provided, however,* That the interested person shall reimburse the United States for the time spent and any expenses incurred prior to receipt of such withdrawal notice.

§ 160.28 *Containers to be made ready.* The interested person shall cause the naval stores to be made available, and shall provide any help required to remove the bungs or heads, or otherwise open the containers for sampling, to spike the rosin or extract the sampler devices from the barrels or drums, to rebung or otherwise close the containers, to handle the commodity for weighing, and to mark the containers at the direction of the official inspector.

§ 160.29 *Tank cars of turpentine.* A tank car loaded for shipment with spirits of turpentine shall, after the same has been sampled for analysis, classification, and certification, be sealed by the official inspector. Any certificate issued thereon prior to shipment shall be valid only for a reasonable time to permit arrival at destination, and only so long as the seals placed thereon by the inspector remain unbroken.

§ 160.30 *Containers and contents to remain intact.* A written report will be furnished to the interested person requesting any analysis, classification, or grading of naval stores. Such report shall be certified, in accordance with § 160.63, only when the naval stores described thereby remain intact and undisturbed from time of inspection until the results of such examination have been reported: *Provided,* That spirits of turpentine in a tank car subject to demurrage may be unloaded prior to the issuance of a certificate.

§ 160.31 *Contents of containers to be declared.* Containers of naval stores, other than tank cars, offered for grading shall be marked, prior to inspection, to show the nature of the contents, by the designation "gum rosin" or "wood rosin," or in the case of turpentine, with its standard of identity, to show the producer's declaration of the material from which it was produced.

§ 160.32 *Identification of small containers.* When the official inspector does not personally observe the sampling of rosin in bags or other small containers, all such containers shall be marked to identify the batch or charge and in addition, to show the order in which they were filled. Any sample taken therefrom and submitted for grading shall also be marked and numbered to identify it with the batch and container, and shall be stored in a cool dark place, encased in its mold, until removed therefrom by the inspector. One sampled container from each batch shall remain unclosed until the inspector determines the grade of the rosin, which in the case of containers filled by dipping, shall be the last one filled. The inspector may take samples from such additional containers as he may select.

§160.33 *Grading rosin in small containers.* An official inspector may accept and use a sample of rosin taken and identified by the producer thereof in accordance with §§ 160.20 (d) and 160.32, for the purpose of grading and certifying rosin in bags or other containers of 150 pounds content or less, at the request of such interested person, when the inspector is satisfied that such samples are representative of the grade and condition of the rosin.

§ 160.34 *Marking containers.* The interested person shall provide any labor necessary for marking the containers, after the contents have been sampled and graded, at the direction of the official inspector. The container of an article which does not conform with any United States Standard for naval stores as to kind or grade, shall not be marked or certified, and any unauthorized marks appearing on the container shall be removed.

§ 160.35 *Containers not acceptable for inspection.* Any container so filled or packed as to conceal the fact that it contains anything other than naval stores within the meaning of the act or the regulations in this part, and any naval stores in a container deemed by an official inspector to be unsuitable for use as a container of naval stores in commerce, shall not be accepted for classification or grading.

§ 160.36 *Responsibility of interested person.* The sampling or acceptance of any sample of naval stores by an official inspector for use in grading and certifying the same at the request of an interested person, or the placing of any incorrect classification or grade marks upon the container thereof or the issue of any incorrect certificate inadvertently to cover the contents, because of inability of the inspector to observe the true condition of the naval stores, shall not prevent the correction or recall of any such certificate, nor relieve the interested person from responsibility for the condition of the article or its container.

§ 160.37 *Illegible inspection marks.* In case any mark placed on a container of rosin by or under the direction of an official inspector has become illegible, he will make such examination before remarking as may be necessary to establish the proper grade or identity of the rosin. No fee will be charged for this service, but the cost of handling, opening, spiking, and closing the container shall be borne by the interested person.

§ 160.38 *Authority for changing marks.* No mark placed upon any container of naval stores by or at the direction of an official inspector shall be obliterated, covered up, defaced, or otherwise made illegible, except under authority of an official inspector.

§ 160.39 *Prior marks to be removed.* Any mark appearing upon a second-hand container or upon a second-hand part of a container of naval stores, whereby classification or grade was indicated for the original contents thereof, shall be removed before naval stores of a different kind, classification, or grade are placed therein.

REQUEST INSPECTION BY LICENSED INSPECTORS

§ 160.40 *Permit to use licensed inspector.* Any naval stores produced at an eligible processing plant, as herein defined, may be inspected, classified, graded and certified by a licensed inspector, after the accredited processor has applied to and has been granted a permit by the Secretary to use a licensed inspector.

§ 160.41 *Form of application for license or permit.* Applications for licenses to inspect and permits to have inspections made by licensed inspectors shall be made to the Secretary upon forms provided for the purposes. Each such application shall fully and truly state the information therein required and shall be signed by the applicant.

§ 160.42 *Applicant for license to be examined.* Each applicant for a license shall be required to demonstrate his qualifications and competency to perform the duties of an official inspector at such time and place and in such manner as may be determined by the Secretary.

§ 160.43 *Issuance of temporary license.* In a case of special urgency, and in the discretion of the Secretary, a temporary license may be issued without reference to § 160.42 upon presentation of satisfactory evidence by the accredited processor of the need therefor and the competency of the applicant for such temporary license. Such processor shall receive prompt notice of the issuance of any such temporary license. A temporary licensee shall be subject to all the provisions of the regulations in this part. A temporary license shall be valid for a specified period not to exceed 30 days, except that if application is made for a permanent license by a person at the same time he applies for a temporary license, any temporary license issued to him shall not expire until a permanent license has been denied or granted.

§ 160.44 *Limitation of license.* The license issued by the Secretary to a licensed inspector of naval stores shall state the name of the processing plant or plants at which the licensee may perform the duties of an official inspector, and shall be countersigned by such official as may be designated and authorized.

§ 160.45 *Inspector to be disinterested.* No person having a direct financial interest in any naval stores to be inspected at a processing plant, or who occupies a position in the processing firm, company, association or cooperative, in which position he participates in the determination of financial, buying, selling or operating policies of such organization shall be eligible to serve as a licensed inspector.

§ 160.46 *Other duties of licensed inspectors.* A licensed inspector may perform duties other than those of an official inspector, to the extent indicated by the accredited processor and not disapproved in writing by the Secretary: *Provided,* That such additional duties not pertaining to the official inspection work shall not be permitted to interfere with the proper performance of the duties of the licensee as an official inspector.

§ 160.47 *Conditions governing licensed inspection.* Each drum or small container of naval stores inspected, graded and certified by a licensed inspector shall be marked to show the name and location of the eligible processing plant (or with other markings approved by the Secretary to indicate the point of origin of the commodity), the grade and the classification of the commodity, and the legend "U. S. Licensed Inspection." The handling, sampling, classifying, grading, marking and certification of naval stores at an eligible processing plant by a licensed inspector shall in all respects be in accordance with the act and the regulations in this part and subject to supervision by any official designated by the Secretary for the purpose.

§ 160.48 *Periodic re-inspection.* Any eligible processing plant may from time to time be re-inspected and any rosin produced by such plant may be graded or re-graded by any official inspector authorized to make such examinations. The results of such examinations shall be made known only to the affected processor, the licensed inspector, and to such employes of the Department officially authorized to receive such information.

§ 160.49 *Form of certificate.* The certificates issued hereunder by licensed inspectors shall be on forms approved by the Secretary.

§ 160.50 *Responsibility for inspection certificates and forms.* Certificate forms and other inspection record forms may be issued to an accredited processor, and the said processor shall be responsible for and accountable to the Department for all such material supplied to him. We shall require the licensed inspector to submit or otherwise make disposition of issued certificates in accordance with instructions received from the Secretary.

§ 160.51 *Reports to be made by accredited processors.* Each accredited processor shall furnish the Secretary such reports and other information relative to the operation and output of his eligible processing plant as the Secretary may deem necessary or appropriate for the administration of the regulations in this part applicable to licensed inspection, subject to the approval of the Bureau of the Budget. Failure by an accredited processor to keep such records as may be necessary for him to submit correct reports, or failure by the processor to supply correct information to the Secretary shall be deemed a violation of the regulations in this part, and cause for suspension or revocation of his inspection permit.

§ 160.52 *Report of non-conformance.* Each licensed inspector shall promptly report to his supervising inspector and to the accredited processor, any evidence of which he has knowledge indicating non-conformance with the regulations in this part, and shall also so report any attempt or effort to influence him to sample, grade or certify any naval stores incorrectly or contrary to the regulations in this part.

§ 160.53 *Suspension or revocation of licenses.* (a) Any license to inspect, grade and certify naval stores may be suspended or revoked for repeated failure by the licensee correctly to inspect, grade, classify or certify naval stores, or upon the persistence of any condition which renders him unfit to perform the duties of a licensed inspector, or for other continued non-conformance with any provision of the act or the regulations in this part. A license may be suspended for similar failures, conditions or non-conformance of shorter duration or less serious nature.

(b) A license to inspect, grade and certify naval stores may be summarily suspended or revoked by any official authorized to issue or countersign such licenses where the public health, interest or safety so requires or for wilful acts or omissions by the licensee which constitute grounds for suspension or revocation of his license under paragraph (a) of this section. In all other cases, prior to the institution of proceedings for the suspension or revocation of a license, such authorized official shall cause to be served upon the licensee, in person or by registered mail, a statement of the facts which appear to warrant such suspension or revocation, specifying a reasonable time, depending upon the circumstances in each case, within which the licensee may demonstrate or achieve compliance with the act, and the regulations in this part. The licensee may demonstrate compliance by the presentation of evidence in writing or, in the discretion of such authorized official, at an oral hearing. If, at the end of the time allowed for the licensee to demonstrate or achieve compliance, such authorized official finds he is in compliance, his license shall not be suspended or revoked. If such authorized official finds the licensee is not in compliance, the licensee may be suspended or revoked after service upon the licensee, in person or by registered mail, of a notice that such action is under consideration for reasons specified in the statement of facts previously served upon him and after reasonable opportunity is given the licensee to present further evidence in his behalf. Within 7 days after receipt of notice of the suspension or revocation of his license, the inspector by letter may appeal to the Secretary for its reinstatement, and may attach to such letter any evidence he may wish to submit.

§ 160.54 *Stopping inspection by suspended inspector.* An accredited processor upon receipt of notice of the suspension or revocation of a license shall discontinue the use of the licensee as an official inspector, and the marking of his products to indicate official inspection, until the suspension is lifted, or another inspector is licensed or assigned.

§ 160.55 *Suspension or revocation of permits.* (a) Any permit issued to an accredited processor to have naval stores inspected, graded and certified by a licensed inspector may be suspended or revoked for the failure of the processor, after official notice, to correct any condition which renders his plant unqualified for licensed inspection service, or for repeated or continued non-conformance with any other provision of the act or the regulations in this part. A permit may be suspended for similar non-conformance or failure of shorter duration or less serious nature.

(b) A permit for licensed inspection may be summarily suspended or revoked by any official authorized to issue or countersign such permits where the public health, interest, or safety so requires or for wilful acts or omissions by the permittee which constitute grounds for suspension or revocation of his permit under paragraph (a) of this section. In all other cases, prior to the institution of proceedings for the suspension or revocation of a permit, such authorized official shall cause to be served upon the permittee, in person or by registered mail, a statement of the facts which appear to warrant such suspension or revocation, specifying a reasonable time, depending upon the circumstances in each case, within which the permittee may demonstrate or achieve compliance with the act and the regulations in this part. The permittee may demonstrate compliance by the presentation of evidence in writing or, in the discretion of such authorized official, at an oral hearing. If, at the end of the time allowed for the permittee to demonstrate or achieve compliance, such authorized official finds he is in compliance, his permit shall not be suspended or revoked. If such authorized official finds the permittee is not in compliance, the permit may be suspended or revoked after service upon the permittee, in person or by registered mail, of a notice that such action is under consideration for reasons specified in the statement of facts previously served upon him after reasonable opportunity is given the permittee to present further evidence in his behalf. Within 7 days after receipt of notice of the suspension or revocation of his permit, the processor by letter may appeal to the Secretary for its reinstatement, and may attach to such letter any evidence he may wish to submit.

§ 160.56 *Voluntary discontinuance of licensed inspection.* An accredited processor desiring to discontinue the use of licensed inspectors for making official inspections, grading, and certifications of naval stores, shall give not less than 30 days notice in writing to the Secretary of the intention to discontinue such service. At the termination of the service such processor shall surrender to the authorized representative of the Secretary the permit for licensed inspection, together with all unused certificates, forms, or other supplies and equipment furnished by the Department and held by the processor for the use of his licensed inspectors, other than standards or such other material as may be covered by a separate loan application or agreement.

§ 160.57 *Compensation of licensed inspectors.* Each licensed inspector shall be paid directly by the accredited processor for his services as an official inspector and for such other services or duties to which he may be assigned in accordance with § 160.46: *Provided,* That whenever the Secretary shall deem it to be in the best interest of the Federal inspection service, he may require such processor to report to him the terms and amounts of compensation paid to a licensed inspector during any specified period.

§ 160.58 *Fees for licensed inspection permits.* Each accredited processor shall pay to the Department annually such permit fee for each eligible processing plant for which a permit has been issued, as may be prescribed by the Secretary.

§ 160.59 *Fees for inspection and certification by licensed inspectors.* Each accredited processor for whom naval stores have been inspected and certified hereunder by a licensed inspector during any calendar month shall on receipt of invoice pay to the Department the fee for each container of naval stores so inspected and certified as may be prescribed by the Secretary.

§ 160.60 *Appeal inspections.* Any inspection certificate issued by a licensed inspector may be appealed in writing to the Secretary, such appeal to state the circumstances, the certificate number, and the quantity and certified grade of the naval stores covered thereby. A prompt regrade inspection shall be made by an official inspector other than the original inspector.

§ 160.61 *Charge for appeal inspection.* If the findings in an appeal inspection confirm the original inspection, the accredited processor shall pay for such re-inspection in accordance with the fees established for original inspections made by inspectors who are paid employees of the Department. If the findings do not confirm the original inspection, a corrected certificate will be issued and no charge will be made for re-inspection.

CERTIFICATES AND REPORTS

§ 160.62 *Kinds of certificates issued.* A certificate as provided for by section 4 of the act shall be issued in duplicate to the interested person, on naval stores examined at his request, and such additional copies as may be necessary may be retained by the inspector. The kind of certificates issued are as follows:

(a) Turpentine analysis and classification certificate.

(b) Turpentine field classification certificate.

(c) Rosin classification and grade certificate.

(d) Rosin grade and weight certificate.

(e) Loan and sale certificate for United States graded rosin.

(f) Classification and grade certificate for rosin in small containers.

§ 160.63 *When a certificate may be issued.* A certificate showing the results of any analysis, classification, or grading shall be issued on any naval stores which conform with a United States Standard as to kind and grade and which have been sampled by or under the direction and supervision of an official inspector in accordance with the regulations in this part. The certificate shall be valid only so long as the naval stores described therein shall remain under seal or in the identical condition obtaining at the time of their examination.

§ 160.64 *When a certificate may not be issued.* A certificate shall not be issued for naval stores of which the samples were not taken by or under the direction of an official inspector, or which if in containers of 150 pounds or less, have not been packed, sampled, marked, and identified as required by the regulations in this part, or for any article which does not conform with the standards provided therefor by the act or by the Secretary. The results of the examination of such naval stores or anything offered as such may be covered by a written report, which is no case shall be construed as a certificate.

§ 160.65 *Issuance of loan and sale certificate.* On request of the owner, a "Loan and Sale Certificate for United States Graded Rosin" (hereinafter designated "L. S. Certificate") may be issued to cover any rosin for which a Rosin Classification and Grade Certificate has previously been issued by an official inspector, and which remains in the original container. No inspector shall issue an L. S. Certificate until he has made certain that the rosin had previously been officially inspected and certified. The request for such certificate may be made to the nearest inspector.

§ 160.66 *Prior certification required.* If an L. S. Certificate is desired for a quantity of rosin, a part of which has not been previously classified and graded by an official inspector and covered by a certificate, such part shall be so inspected, classified, graded, marked and certified, as provided by the regulations in this part.

FEES AND CHARGES FOR SERVICES RENDERED

§ 160.67 *Fees for inspection services.* The Secretary shall from time to time establish fees and charges for examination, sampling, grading, analysis and certification of naval stores as he may deem fair and reasonable, and commensurate with the cost of the service rendered. Such fees and charges may be announced to the trade in such manner as the Secretary considers practicable.

§ 160.68 *Fees under cooperative agreements.* Fees and charges for any inspection and grading service covered by the terms of any cooperative agreement with any interested person may be established by and incorporated into such agreement.

§ 160.69 *Fees deposited to Miscellaneous Receipts.* Fees and charges collected for services rendered, other than those to be credited to a trust fund under any cooperative agreement, shall be transmitted to the United States Treasury for deposit to Miscellaneous Receipts.

§ 160.70 *Fees deposited to trust fund.* Fees and charges collected under the terms of a cooperative agreement providing for the establishment of a trust fund to defray the cost of providing an inspection service contemplated thereby shall be deposited in the United States Treasury to the credit of such trust fund.

§ 160.71 *Charges for laboratory examination.* For laboratory work involved in the examination, analysis, classification, or grading of naval stores, or any samples thereof, when the charges for such service, computed in accordance with established fees, do not compensate the United States for the full cost of the services rendered, or when no fee rate has been provided, then in lieu thereof, the person requesting such service shall pay for such laboratory work an amount computed at the rate of $20 per eight hour day or $3.00 per hour for fractional parts of a day less than 4 hours. The person requesting such service will be advised as to the approximate cost of doing the work covered by the request, and his authority to proceed shall be obtained before analysis or other examination is made.

§ 160.72 *Charges for other inspection work.* Whenever in complying with a request for examination, inspection, classification or grading of naval stores an inspector must make a special trip or deviate from his regular schedule of travel, and the charges to be collected for such services, when computed in accordance with established inspection fees, are insufficient to cover the full cost of the services rendered, then the person requesting such services shall pay such full cost, including allowances for time spent in collecting and preparing samples, obtaining identification records, travel, or other necessary work, and in addition any official travel and subsistence expense incurred in connection therewith. The charge for time shall be computed at the rate of $16.00 per eight-hour, day or $2.50 per hour for fractional parts of a day less than 4 hours.

§ 160.73 *Expenses to be borne by person requesting service.* All expenses incurred by the United States in connection with the sampling, analysis, classification, or grading of naval stores on request, not otherwise provided for by suitable regulation, shall be borne by the person making the request.

§ 160.74 *Rendition of claims.* As soon as practicable after the end of each month, or sooner if deemed advisable, there shall be mailed to each interested person at whose request any services have been performed, a claim for payment of moneys due the United States for the services rendered or for the loan or repair of any standards.

§ 160.75 *Delinquent claims.* Any claim remaining unpaid after 30 days from the date of its rendition shall be considered as delinquent, and notice thereof shall be brought to the attention of the interested person. After a claim becomes delinquent, the Secretary may order the discontinuance of any further service, and shall take such action as may be necessary to collect any amounts due. A deposit in advance sufficient to cover the fees and expenses for any subsequent service may be required of any person failing to pay his claim after issuance of such notice of delinquency.

LOAN AND CARE OF UNITED STATES STANDARDS

§ 160.76 *Standards available on loan.* Duplicates of the United States Standards provided by the Department for classifying and grading rosin in commerce, shall remain the property of the Department, and may be loaned, but not sold, to such interested persons as may be approved by the Secretary. Any interested person desiring the loan of duplicates of the United States Standards for rosin shall submit to the Secretary a form application, properly signed, which will show his interest in naval stores and his eligibility to receive and use such duplicates, in accordance with these regulations. Standards so loaned shall be returned promptly on request.

§ 160.77 *Loan of standards without security.* Duplicates of the United States Standards for rosin may be loaned without deposit of security, insofar as the supply in the possession of the Department will permit, to:

(a) Any State, County or Municipal official duly authorized to inspect and grade rosin, who is actually engaged in inspection and grading work, and who shall have been approved by the Secretary to act as custodian of such standards.

(b) Any bona fide dealer or distributor of rosin who shall have been approved by the Secretary to act as depositary for such standards, and who shall maintain and operate a regular naval stores yard which is available to and is regularly used by other persons for the purpose of having rosin inspected, graded, stored, or sold thereon: *Provided, however,* That a person whose principal use of such standards is the grading of rosin of his own production shall not be deemed to come within the scope of this paragraph, but shall be required to post the security provided for in § 160.78: *And provided, further,* That no person shall receive more than two sets of duplicates under this paragraph.

(c) Any trade organization or institution of higher learning having a direct relationship to the production or marketing of naval stores other than by reason of the private interests or operations of its individual members, when in the opinion of the Secretary such standards are necessary to the normal functioning of the organization or institution.

§ 160.78 *Loan of standards under security deposit.* Duplicates of the United States Standards for rosin may be loaned to interested persons other than those specified in § 160.77, on deposit with the Department of security in the sum of $100, by remittance payable to the Treasurer of the United States.

§ 160.79 *Annual charge for use of standards.* The cost of providing duplicates of the United States Standards for rosin, and of maintaining such duplicates in accurate and proper condition for use in grading rosin, and of keeping necessary records thereof, shall be borne by the interested persons to whom the duplicates have been issued under § 160.77 (a) or (b) or § 160.78, and shall be defrayed by an annual charge of $4.00 for each set of duplicates, payable at the end of each Government fiscal year, or on surrender of the duplicates, computed pro-rata for the number of quarters of the fiscal year during which the duplicates were held.

§ 160.80 *Reporting on use of standards.* Each person to whom any duplicates of the United States Standards for rosin have been loaned under any provision of the regulations in this part shall, from time to time, submit such reports on the use and condition thereof as may be required by the Secretary.

§ 160.81 *Loss or damage of standards.* In case any duplicates become damaged or are missing, the person to whom they were loaned shall promptly inform the Secretary in writing, stating what damage or loss was sustained and how the same occurred. The cost of making necessary repairs to any duplicates, or of replacing those damaged beyond repair, or missing, shall be paid promptly by the person to whom they were originally loaned.

§ 160.82 *Request for additional standards.* Any person to whom any duplicates have been loaned without security deposit, who shall request and be granted the loan of additional duplicates to replace the original ones, shall be required to deposit the security provided for in § 160.78 prior to the loan of such additional duplicates. If the set of duplicates first loaned to such person, or any part thereof, is recovered, it shall be returned for inspection or repair. The cost of any repairs or replacements shall be paid, whereupon such original set may be returned to such person, and he shall surrender the second set, on receipt of which the security posted therefor shall be returned.

§ 160.83 *Denial of loan of additional standards.* It shall be deemed impracticable under the act to loan additional duplicates to any person who has permitted duplicates previously loaned to him, with or without security, to become lost, damaged or destroyed, if in the opinion of the Secretary, such loss, damage or destruction resulted from any failure on the part of the interested person or his agent to take suitable precaution to prevent the loss, damage or destruction, or when the available supply of duplicates is deemed insufficient to warrant the loan of additional duplicates to such person.

§ 160.84 *Surrender of standards.* On the death of any person, or the dissolution or reorganization of any partnership, firm or corporation, holding any duplicates of the United States Standard for rosin, they shall be promptly returned to the Secretary by the holder thereof.

§ 160.85 *Return of security.* The security deposit received from any person to whom duplicates of the United States Standards for resin have been loaned will be held in the special deposit account of the Department, and the same will be returned to the person from whom received, or his legal representative, on surrender of the duplicates secured thereby: *Provided,* That before refund may be made the cost of any repairs or replacement shall be deducted.

§ 160.86 *Miscellaneous receipts.* All moneys received or withheld to cover the cost of repairs, or of replacing any missing parts of duplicates, or as rental for duplicates, shall be paid into the United States Treasury as Miscellaneous Receipts.

SALES AND SHIPMENTS

§ 160.87 *Identification of shipments.* The invoice or contract of sale of any naval stores in commerce shall identify and describe the article in accordance with the classification and the standard of kind and grade provided by the act or established by the Secretary.

§ 160.88 *Sale of mixed turpentine not lawful.* Since no standard has been provided for a mixture of two or more kinds of spirits of turpentine, the sale in commerce of any such mixture is prohibited under any designation.

§ 160.89 *Prohibited use of United States Standards.* It shall be deemed unlawful under any conditions to sell, under or by reference to any United States Standard for naval stores, as provided by the act and defined in the regulations in this part, any article which fails to conform with such standard in all respects: *Provided,* That the phrase "under or by reference to United States Standards" as it appears in the act and the regulations in this part, shall include the use of any words, letters, brands, labels, or marks constituting any of the United States Standards for naval stores on any container of naval stores, on anything attached to or supplied therewith on delivery, or on any inspection, sale, or shipping record or invoice, in describing the kind, classification, or grade of the naval stores covered thereby.

§ 160.90 *Prohibited use of word "turpentine" or derivatives thereof.* It shall be deemed unlawful to use in commerce the word "turpentine" or a compound, derivative or imitation thereof, or any word or combination of words which are a part of a United States Standard for any kind of spirits of turpentine, to describe in any manner a mixture of spirits of turpentine with any other oil or solvent.

§ 160.91 *Permitted use of words "turpentine" and "rosin".* The use of the word "turpentine" or the word "rosin" is not prohibited in the name of an article made, prepared, or processed from spirits of turpentine or rosin, or to indicate the process whereby such article was made or prepared: *Provided,* That this section shall not apply to any article covered by § 160.90.

§ 160.92 *Medicinal preparations.* A compound or mixture containing spirits of turpentine or rosin, or both, with other drugs, when sold for medicinal purposes, is not subject to the provisions of the Naval Stores Act or of the regulations in this part.

LABELING, ADVERTISING AND PACKING

§ 160.93 *False, misleading, or deceitful practices.* No label or other means or practice used in connection with the sale of naval stores in commerce or of anything offered as such shall be false, misleading, or deceitful in any manner.

§ 160.94 *Meaning of words "pine" and "pine tree".* The words "pine" or "pine tree", when used to designate the source of spirits of turpentine, shall be deemed to mean a living, growing plant of the genus Pinus, family Pinaceae, unless the words "wood of" are used in connection therewith. The terms "oleoresin of the southern pine" or "oleoresin from the southern pine" shall be deemed to mean the gum or oleoresin exuded by such living growing trees, the source of gum spirits of turpentine.

§ 160.95 *Meaning of word "gallon."* The word "gallon," when used on or impressed into any container of spirits of turpentine, or when used in an invoice referring to spirits of turpentine in containers of 10 gallons content or less, shall mean a United States standard gallon of 231 cubic inches of turpentine, regardless of any other definitive terms used therewith: *Provided,* That this shall not apply to the meaning of the words "Imperial gallon", when placed on containers intended for foreign shipment. For the purpose of these regulations a measured gallon of turpentine, or any indicated multiple or fractional part thereof, shall be such quantity when measured at a temperature of not more than 75° Fahrenheit, and a weighed gallon shall be construed to mean 7.2 pounds of turpentine.

§ 160.96 *Powdered rosin.* The classification and grade of any rosin sold in commerce in a powdered or finely broken condition shall be stated in the invoice or contract of sale in accordance with the kind and grade of the rosin before it was powdered or broken. For the purpose of preventing coalescence there may be incorporated in such article a limited and necessary quantity of inert, nonresinous foreign material: *Provided,* That the nature and quantity of such inert material shall be stated on the label.

§ 160.97 *Spirits of turpentine for medicinal use.* Spirits of turpentine so packed, described, labeled, or sold as to indicate that it is offered as a medicament shall nevertheless be subject to the requirements of the Naval Stores Act and of the regulations in this part, as well as any requirements under any other statute.

PROCEEDINGS IN CASE OF VIOLATION

§ 160.98 *Proceedings prior to reporting violations of the act.* Whenever it shall appear to the Secretary that any violation of the act should be reported to the United States Department of Justice for appropriate action, he shall serve notice in writing upon the person apparently responsible for the alleged violation and shall give such person an opportunity to show in duplicate to the

Secretary within 20 days after the receipt of such notice why the alleged violation should not be reported to the Department of Justice. The person so notified may within the period stated apply for an opportunity to present his views in person, or by his attorney. If the Secretary deems the request appropriate he will designate a time and place for hearing the applicant.

§ 160.99 *Report of violations for prosecution.* In the event of failure of the person notified of an apparent violation of the Act to submit to the Secretary a written answer as provided in § 160.98, or if, after such person has filed his answer or in addition, been given an opportunity to present his views orally, no sufficient reason has been shown why the alleged violation should not be reported for prosecution, the Solicitor of the Department, acting for and on behalf of the Secretary, shall report the alleged violation to the Department of Justice for appropriate action.

§ 160.100 *Publication.* Composite data regarding inspections, analyses, classifications, and grading of naval stores made under any provision of the act or the regulations in this part may be published from time to time in such mediums as the Secretary may designate for the purpose.

These regulations shall become effective thirty days after publication.

NOTE: The foregoing regulations under the Naval Stores Act consist in part of previously promulgated regulations reprinted without change for the convenience of the public and in part of new and amended regulations to establish procedures for the inspection, grading and certification of naval stores by private persons licensed to perform the duties of official inspectors at eligible processing plants, to eliminate specification in the regulations of fees for certain inspection work and to provide for announcement of such fees, to delete references in the regulations to officials other than the Secretary of Agriculture, and to make such revision in the definitions and other provisions of the regulations as the foregoing changes require. These new provisions and amendments were formulated after notice and public procedure required by section 4 of the Administrative Procedure Act and after due consideration of all relevant material presented by interested persons. The regulations hereby promulgated also include provisions relating to agency policy, procedure, and practice under the Naval Stores Act. Such provisions are exempted from the notice and public procedure requirements of section 4 of the Administrative Procedure Act. The regulations promulgated hereby also increase fees for laboratory examinations of naval stores and certain other inspection work to equal as nearly as may be the cost of such service as required by the Naval Stores Act. Inasmuch as the level of the fees is set by statute and information on the cost of the service is wholly within the knowledge of the Secretary of Agriculture, notice and public procedure on establishment of such fees are deemed unnecessary. Notice and public procedure are also deemed unnecessary with respect to various changes in and additions to the present regulations made hereby merely to clarify the intent of such regulations.

The reporting requirements of these regulations have been approved by the Bureau of the Budget in accordance with the Federal Reports Act of 1942.

Done at Washington, D. C., this 20th day of December 1946. Witness my hand and seal of the United States Department of Agriculture.

[SEAL] CLINTON P. ANDERSON,
Secretary of Agriculture.

APPENDIX A — STANDARD SPECIFICATIONS FOR SPIRITS OF TURPENTINE

1. These specifications shall cover the following kinds of spirits of turpentine: gum spirits of turpentine; steam distilled wood turpentine; sulphate wood turpentine; destructively distilled wood turpentine.

2. Spirits of turpentine shall be clear and free from suspended matter and water.

3. Spirits of turpentine shall have a color not darker than the grade known by the trade as "Standard."

4. Spirits of turpentine shall have a mild odor characteristic of the kind of spirits of turpentine specified.

5. Spirits of turpentine shall be pure and conform with the following physical requirements:

	Gum spirits turpentine, steam distilled wood turpentine, sulphate wood turpentine	Destructively distilled wood turpentine
Specific gravity at 15.5/15.5° C.	0.860-0.875	0.860-0.866.
Refractive index at 20° C.	1.465-1.478	1.463-1.483.
Residue after polymerization, maximum.	2.0%	2.0%.
Refractive index of residue, 20° C., minimum.	1.500	1.480.
Initial distilling temperature.	150-160 C	150-157 C.
Distilling below:		
170° C., minimum	90%	60%.
180° C., minimum		90%.

6. The properties enumerated in these specifications may be determined in accordance with the Methods of Sampling and Testing Turpentine (A. S. T. M. Designation D 233) of the American Society for Testing Materials.

[F. R. Doc. 46-21921; Filed, Dec. 26, 1946; 8:48 a. m.]

Chapter XI—Production and Marketing Administration (War Food Distribution Orders)

PART 1596—FOOD IMPORTS

STATEMENT OF POLICY GOVERNING THE ISSUANCE OF IMPORT AUTHORIZATIONS FOR SUGAR SYRUPS, MOLASSES, SUGAR CONTAINING PRODUCTS AND RELATED ITEMS

Pursuant to the authority vested in me under the provisions of War Food Order 63, as amended (10 F. R. 8950, 11 F. R. 2630, 5105), it is hereby declared to be the policy of the Department of Agriculture to issue, or to deny issuance of, import authorizations for sugar syrups, molasses, sugar-containing solutions, sugar mixtures, sugar-containing products, and related products as outlined herein:

§ 1596.3 *Statement of policy re the issuance of import authorizations for sugar syrups and related items under WFO 63*—(a) *Definitions.* For the purposes of this statement the following terms shall be given the meaning hereby assigned to them.

(1) "Administrator" means the Administrator or the Alternate Administrator of War Food Order 63.

(2) "Base period" when applied to countries or areas of the Western Hemisphere or to territories and possessions of the United States, means the period January 1, 1944, through March 31, 1945, and when applied to all other countries or areas means the period September 1, 1938 through August 31, 1939.

(3) "Normal trade product" means:

(i) Any sugar-containing product for individual, industrial, or institutional use, which was regularly imported prior to December 31, 1941; or

(ii) Any sugar-containing product which is imported in consumer-size containers or which, immediately upon importation, is to be packaged in the United States in consumer-size containers by the importer, which is to be distributed through wholesale and retail channels for individual or household consumption, and which in the judgment of the Administrator, is not a product which lends itself to industrial use contrary to the ration regulations of the Office of Temporary Controls. (In the discretion of the Administrator, the submission of samples may be required at any time in order to determine whether or not any product to be imported is a normal trade product. Also, as a condition for the granting of an import authorization, samples of each entry may be required to be submitted in order to insure compliance with the provisions of the authorization).

(4) "Consumer-size containers" means containers containing less than three pounds of the product or less than one-half U. S. liquid gallon.

(5) Any term not defined herein shall have the meaning assigned to it in War Food Order 63.

(b) *Terms and conditions re issuance of import authorizations.* (1) No import authorization shall be granted for any sugar syrups, edible molasses, sugar-containing solutions, mixtures, or any other liquid saccharine substances derived in whole or in part from sugar, sugar beets, or sugarcane.

(2) Import authorizations may be granted without restriction as to country or area of origin or as to quantity for products other than those within subparagraph (1) of this pargraph containing less than 20 percent of added sugar by weight, provided the commodity is regarded by the Department of Agriculture as a normal trade product.

(3) Import authorizations may be granted without restriction for all drugs and pharmaceuticals, provided the importer establishes to the satisfaction of the Administrator that the product is a bona-fide drug or pharmaceutical in that it is listed in the United States Pharmacopoeia or a written statement is submitted from the U. S. Food and Drug Administration that the proposed import is regarded by that Administration as a bona-fide drug or pharmaceutical.

(4) Import authorizations for all normal trade products which do not come within the bar of subparagraph (1) of this paragraph and which do not meet the requirements set forth in subparagraph (2) or (3) of this paragraph may be granted as outlined below:

(i) Import authorizations for products manufactured in Puerto Rico may be granted, *Provided:*

(*a*) The importer furnishes the Administrator with:

(*1*) A sample of the proposed import together with any other information the Administrator may require in order to establish that the product which is to be imported is a normal trade product; and

(*2*) A certificate, or a photostatic copy thereof, issued by the General Supplies Administrator of the Government of Puerto Rico, setting forth the name of the proposed producer, the name of the product to be exported to the mainland, the percentage of sugar contained in the product, the quantity of sugar which has been authorized by the General Supplies Administrator for the manufacture of the product, and the period for which the certificate has been granted;

(*b*) The volume of import authorizations granted for Puerto Rican products be commensurate with the volume of sugar authorized by the General Supplies Administration for the manufacture of the product.

(ii) Import authorizations for products from countries and areas of the Western Hemisphere other than Puerto Rico, may be granted, *Provided:*

(*a*) The importer has a history of importing the identical product during the base period; and

(*b*) The import authorization for 1947 is restricted to the identical product for export from the country or area of origin for which the base period was established and the total authorizations to the importer during 1947 do not exceed 80 percent of such imports during the base period.

(iii) Import authorizations for products from all countries and areas other than those of the Western Hemisphere may be granted, provided:

(*a*) The importer has a history of importation of the idential product during the base period;

(*b*) Import authorization for 1947 is restricted to the identical product for export from country or area of origin for which the base period was established and the total authorizations to the importer during 1947 do not exceed 100 percent of such imports during the base period.

(iv) Importers who wish to import normal trade products in excess of the amount permitted under subparagraphs (4) (ii) and (iii) of this paragraph and importers who have no history of imports of normal trade products during the base period may be granted an import authorization, *Provided:*

(*a*) Where requested, a sample of the product is submitted and it is determined that the product is a normal trade product;

(*b*) The product will be packaged in consumer-size containers prior to importation or will immediately upon importation be packaged by the importer in consumer-size containers.

(5) All import authorizations shall contain a notification as follows:

The importer agrees that, if sales of this product are made for industrial or institutional use or if the product can be used for industrial or institutional use, he will notify the purchaser in writing that ration evidence must be surrendered for the sugar content. A copy of this authorization has been sent to the Sugar Rationing Division of the Office of Temporary Controls, Washington 25, D. C. This authorization may be cancelled at any time such action is required to protect United States sugar supplies.

(6) All import authorizations shall be granted on a quarterly basis except where, in the discretion of the administrator, it may be desirable to make grants for longer periods, or where the seasonal nature of the product requires heavy shipments during certain periods of the year, provided that in no case shall authorizations be granted for any period in excess of six months.

(7) Import authorizations for transshipments in bond of sugar-containing products may be granted for any product which may, under this policy, be imported into the United States.

(c) *Procedure.* Persons wishing to secure import authorizations under the provisions of this policy shall submit to the Administrator of War Food Order 63, Production and Marketing Administration, United States Department of Agriculture, Washington 25, D. C., form War Food Order 63-2 (obtainable from said Order Administrator) properly completed, together with the information and samples required under the pertinent paragraphs of this policy.

(d) *Effective date.* The policy set forth herein will be effective on and after publication hereof.

(Sec. 2 (a), 54 Stat. 676, as amended; 50 U. S. C. War App. Sup. 1152 (a); E. O. 9280, Dec. 5, 1942, 7 F. R. 10179; E. O. 9579, June 29, 1945, 10 F. R. 8087)

Issued this 23d day of December 1946.

[SEAL] E. A. MEYER,
Assistant Administrator for the Administrator.

[F. R. Doc. 46-21947; Filed, Dec. 26, 1946; 8:45 a. m.]

TITLE 9—ANIMAL AND ANIMAL PRODUCTS

Chapter III—Bureau of Dairy Industry

PART 301—SANITARY INSPECTION OF PROCESS OR RENOVATED BUTTER

On October 30, 1946, notice of proposed revised regulations with respect to the sanitary inspection of process or renovated butter was published in the FEDERAL REGISTER (11 F. R. 12798), the adoption of revised regulations in that regard being necessary by reason of the fact that the laws (26 U. S. C., 2325, 2326, and 2327) which formerly prescribed the functions and supervisory powers which the United States Department of Agriculture was authorized to perform or exercise in connection with the manufacture of process or renovated butter were revised and rewritten by the act of Congress approved June 24, 1946, entitled "An Act to authorize the condemnation of materials which are intended for use in process or renovated butter and which are unfit for human consumption, and for other purposes" (60 Stat. 300; Pub. Law 427, 79th Cong.) so as to vest more functions and greater supervisory powers in the Department. After consideration of all relevant matters presented, including oral testimony given at a hearing held in Room 2953, South Building, United States Department of Agriculture, Washington, D. C., on November 13, 1946, and written data, views, and arguments filed with the Hearing Clerk, Office of the Solicitor, Room 0308, South Building, United States Department of Agriculture, Washington, D. C., before 5:30 p. m., November 12, 1946, it is hereby ordered that the regulations applicable to the sanitary inspection of process or renovated butter (9 CFR, 301.1 to 301.61, both inclusive) are revised to read as follows:

AUTHORITY: §§ 301.1 to 301.12, inclusive, issued under 60 Stat. 300; Pub. Law 427, 79th Cong.

§ 301.1 *Chief of Bureau of Dairy Industry charged with administration of regulations in this part.* The Chief of the Bureau of Dairy Industry, Agricultural Research Administration, United States Department of Agriculture, is charged with the administration of the regulations in this part.

§ 301.2 *Definitions.* For the purpose of the regulations in this part, the following terms shall be construed, respectively, to mean:

(a) *"Department."* The United States Department of Agriculture.

(b) *"Bureau."* The Bureau of Dairy Industry, Agricultural Research Administration, United States Department of Agriculture.

(c) *"Chief of Bureau."* The administrative head of the bureau.

(d) *"Inspector."* Any officer or other employee of the bureau who is authorized or directed to make any inspection in connection with the administration of these regulations.

(e) *"Person."* Any natural person, a corporation, a partnership, a company, a trust or estate, a joint-stock company, an association, or other unincorporated organization or group. It includes a guardian, committee, trustee, executor, administrator, trustee in bankruptcy, receiver, assignee for the benefit of creditors, conservator, or any person acting in a fiduciary capacity.

(f) *"Butter."* The food product usually known as butter which is made exclusively from milk or cream, or both, with or without common salt, and with or without additional coloring matter.

(g) *"Process" or "renovated butter."* Butter which has been subjected to any process by which it is melted, clarified, or refined, and made to resemble butter as defined in paragraph (f) of this section, excepting "adulterated butter" as defined in 26 U. S. C. 2320 (b).

(h) *"Process or renovated butter act."* The act of Congress approved June 24, 1946, entitled "An act to authorize the condemnation of materials which are intended for use in process or renovated butter and which are unfit for human consumption, and for other purposes" (60 Stat. 300; Pub. Law 427, 79th Cong.).

§ 301.3 *Maintenance of inspection and access to premises*—(a) *Maintenance of sanitary inspections of premises and products.* Inspection will be maintained at each process or renovated butter factory and the premises connected therewith during all periods of its operation. The factory management shall give the inspector reasonable advance notice of any change in its usual operating hours.

(b) *Access to factory premises, etc., for inspection purposes.* The inspector shall have full and free access at all times to every part of any process or renovated butter factory, and to all other premises and grounds used in connection therewith.

§ 301.4 *Sanitary requirements for process or renovated butter factories*—(a) *Factories, storehouses, etc., to be kept sanitary and separate.* All factories, storehouses, and other premises where process or renovated butter is manufactured, packaged, stored, or otherwise handled, and all premises where ingredients intended for use therein are stored, shall be used exclusively for such purposes, shall be separated by solid walls or partitions from any premises used for other purposes, and shall be maintained in a sanitary condition.

(b) *Lighting, screening, ventilating, and draining.* All factories, storehouses, and other premises where process or renovated butter is manufactured, packaged, stored, or otherwise handled, and all premises where ingredients intended for use therein are stored, shall be suitably lighted, screened, and ventilated. All such premises shall also be provided with adequate drains, which shall be properly trapped and sewer connected. Rooms shall be kept reasonably free from steam and other vapors.

(c) *Care of floors, ceilings, walls, partitions, etc.* All parts of any premises where process or renovated butter is manufactured, packaged, stored, or otherwise handled, and all premises where ingredients intended for use therein are stored, including, but not limited to, the floors, ceilings, walls, pillars, partitions, platforms, and stairways of such premises, shall be kept clean, and shall be scraped, washed, painted, or otherwise treated as required by the inspector. When any part of the premises, or any equipment, become so old or in such poor condition that it cannot readily be kept clean and sanitary, it shall be satisfactorily replaced. Walks, platforms, and other approaches to all such premises shall be kept clean.

(d) *Care of equipment.* All churns, melting tanks, butter workers, cans, vats, blowing tanks, settling tanks, trucks, trays, and other receptacles, chutes, platforms, racks, tables, and all other utensils, machinery, and equipment used in preparing, cutting, chopping, and otherwise handling the ingredients used in the manufacture of process or renovated butter, or in the packaging, storing, or other handling of process or renovated butter, shall be kept in a clean and sanitary condition.

(e) *Sanitary pumps, pipes, and fittings required.* All pumps, pipes, and fittings used for conveying or conducting milk, skim milk, cream, mixtures containing milk or cream, or butter oil shall be of the so-called sanitary types. Specifically: (1) The pumps shall be so constructed that all parts with which milk, skim milk, cream, mixtures containing milk or cream, or butter oil, come into contact shall be made of an approved non-corrosive metal, or shall be suitably nickeled, tinned, or coated with other approved non-corrosive metal, and all such parts shall be readily accessible for cleaning; (2) all pipes shall have smooth outer and inner surfaces coated with nickel, tin, or other approved non-corrosive metal; and (3) all fittings shall have smooth outer and inner surfaces coated with nickel, tin, or other approved non-corrosive metal, and shall be of such design that there are no pockets or recesses on the inside. All pumps, pipes, and fittings shall be kept in a sanitary condition, and shall, after the completion of each daily operation, be disassembled and thoroughly washed and sterilized before being reassembled and used again.

(f) *Cleanliness of employees and of clothing worn.* All employees or other persons who handle process or renovated butter, or any ingredient entering into its manufacture, shall be required to keep themselves clean, particularly their hands, and signs to that effect shall be posted in conspicuous places in the manufacturing room and elsewhere on the premises as conditions require. Aprons, smocks, and other outer clothing worn by employees or other persons who handle, or in any way come in contact with process or renovated butter, or with any ingredient entering into its manufacture, shall be of materials that may be made sanitary by washing, and only clean garments shall be worn. Boots and shoes shall be kept reasonably clean.

(g) *Communicable diseases of employees.* No person affected with any infectious, contagious, or other communicable disease, or who is a carrier thereof, shall be employed in any factory where process or renovated butter is manufactured, packaged, stored, or otherwise handled, and any employee suspected of being so affected shall be reported by the inspector to the factory management and to the chief of bureau.

(h) *Lavatories, toilets, and dressing rooms; location and equipment.* All lavatories, toilets, and dressing rooms shall be separate and distinct from the rooms in which process or renovated butter is manufactured, packaged, stored, or otherwise handled, as well as from rooms in which ingredients intended for use in the manufacture of process or renovated butter are stored; and where any such lavatory, toilet, or dressing room opens into a room used for any of the aforesaid purposes it shall be provided with automatically closing doors. Such lavatories, toilets, and dressing rooms shall also be conveniently located, sufficient in number (including separate facilities for women where both sexes are employed), adequate in size, and fitted with appropriate accommodations, including toilet paper, individual paper towels, soap, and running hot and cold water, and shall be properly lighted, suitably ventilated, and kept clean and sanitary.

(i) *Freedom from objectionable odors and substances.* All premises in which process or renovated butter is manufactured, packaged, stored, or otherwise handled, and all premises in which ingredients intended for use in the manufacture thereof are stored, shall be kept free from objectionable odors coming from poultry rooms, egg rooms, drains, sewers, or other source. Every practicable precaution, including the use of appropriate sprays, traps, etc., shall be taken to exclude all organic or inorganic foreign substances, particularly flies, rats, mice, and other vermin, from such premises.

§ 301.5 *Sanitary requirements for process or renovated butter, and for ingredients intended for use in its manufacture*—(a) *Requirements for containers of ingredients.* In order to safeguard the purity and fitness of butter, butter oil, milk, and other ingredients for use in the manufacture of process or renovated butter, no manufacturer shall accept delivery of such an ingredient unless, at the time of such receipt, it is packed in a container which is constructed of: (1) An approved non-corrosive metal; (2) a corrosive metal which has been coated with some approved non-corrosive metal; or (3) wood which is tightly fitted together, parchment lined, and tightly headed. Such containers shall be equipped with tightly fitted covers, and shall be kept covered at all times. Every such container shall be cleaned and dried thoroughly before it is used again.

(b) *Pure, clean water and ice to be used.* Only pure, clean water and ice shall be used in the manufacture of process or renovated butter. When there is any doubt on the part of the inspector regarding the purity of the ice or water supply, he shall report the facts to the factory management and to the chief of bureau.

(c) *Pure, clean air to be used; approved equipment for purifying air required.* Air used in aerating butter oil in connection with the manufacture of process or renovated butter shall be pure and clean and shall be drawn from the outdoors. Generally accepted and approved equipment for washing or filtering such air shall be provided and used in every instance in which the air is contaminated with dirt, dust, other debris, smoke, or objectionable odors.

(d) *Pasteurization of mixtures and emulsions; approved recording dairy thermometers required.* Every mixture or emulsion made from milk, skim milk, or cream (either in liquid or powdered form) and butter oil shall be properly pasteurized before it is used in the manufacture of process or renovated butter. In order to insure proper and adequate pasteurization, a recording dairy thermometer of generally accepted and approved type and design shall be provided and used.

(e) *Butter must be melted, clarified, etc., at factory and under supervision of inspector.* No butter shall be used in the manufacture of process or renovated butter unless the melting, clarifying, refining, and other processing of it has been done at a process or renovated butter factory under the supervision of an inspector: *Provided,* That this restriction shall not apply to any processing of any such butter which has been done by a process or renovated butter manufacturer before the effective time of these regulations, if such butter, in its then processed form, is in the possession of the particular manufacturer at such time: *And provided further,* That butter melted by the original former producer thereof and placed and stored by him in a container meeting the specifications prescribed in paragraph (a) of this section which is sold to a process or renovated butter manufacturer (either directly or through a designated representative of such manufacturer) may be used by such manufacturer in the manufacture of process or renovated butter, if it is otherwise eligible for such use.

(f) *Process or renovated butter and ingredients must be kept, stored, and handled in a sanitary manner.* All milk, skim milk, or cream (in either liquid or powdered form), and all butter, butter oil, and other ingredients intended to be used in the manufacture of process or renovated butter, as well as all process or renovated butter, shall be kept, stored, and handled in a sanitary manner in accordance with generally accepted practices of the dairy industry.

(g) *All containers must be kept and stored in a sanitary manner.* All cartons, packages, tubs, cans, tins, wrappers, liners, or other containers intended for use in the packaging of process or renovated butter shall be kept and stored in a sanitary manner.

§ 301.6 *Inspection standards for process or renovated butter, and for ingredients intended for use in its manufacture*—(a) *Process or renovated butter, and prospective ingredients thereof, found to be putrid and decomposed, or to be rancid, etc.* Any butter, butter oil, milk, or other ingredient intended for use in the manufacture of process or renovated butter which, upon inspection, is found to be putrid or decomposed shall be deemed to be unfit for such use. Any butter, butter oil, milk, or other ingredient intended for use in the manufacture of process or renovated butter which, upon inspection, is found to be rancid, cheesy, bleached, oxidized, or otherwise deteriorated to an extent which cannot be removed by any generally recognized processing method shall also be deemed to be unfit for such use. The inspector shall mark the container "U. S. Inspected and Condemned," and all of the contents of such container shall be denatured or destroyed, by or under the supervision of an inspector, in accordance with the provisions of paragraph (f) of this section. The provisions of this paragraph shall also apply to any churning or other lot of process or renovated butter.

(b) *Process or renovated butter, and prospective ingredients thereof, found to contain any avian animal, etc., or any part thereof, or excrement therefrom; destruction or denaturation required.* Any butter, butter oil, milk, or other ingredient intended for use in the manufacture of process or renovated butter which, upon inspection, is found to contain any avian, reptilian, mammalian, amphibian, or piscine animal, or any cockroach, flea, or louse, or any part thereof, or any excrement therefrom, shall be deemed to be unfit for such use. The inspector shall mark the container "U. S. Inspected and Condemned," and all of the contents of such container shall be denatured or destroyed by or under the supervision of an inspector in accordance with the provisions of paragraph (f) of this section. The provisions of this paragraph shall also apply to any churning or other lot of process or renovated butter.

(c) *Process or renovated butter, and prospective ingredients thereof, found to contain any insect, or other animal not referred to in paragraph (b) of this section, or any part thereof, or excrement therefrom; extent of destruction or denaturation required.* Any portion of any butter, butter oil, milk, or other ingredient intended for use in the manufacture of process or renovated butter which, upon inspection, is found to contain any insect, or other animal not specifically referred to in paragraph (b) of this section, or any part thereof, or any excrement therefrom, shall be deemed to be unfit for such use, and such infested portion shall be removed therefrom and placed in a container marked "U. S. Inspected and Condemned," and shall be denatured or destroyed by or under the supervision of an inspector in accordance with the provisions of paragraph (f) of this section. In determining the portion to be so condemned and denatured or destroyed, the following rules shall govern: (1) If the infestation is of such a local character that it may be removed and still leave a remaining portion which is unaffected, such unaffected portion may be passed for human food after the removal and the condemnation of the infested portion; (2) however, if the infestation is of such a general character that the complete extirpation thereof would be difficult and uncertainly accomplished, all of the contents of such container shall be condemned and denatured or destroyed as aforesaid. The provisions of this paragraph shall also apply to any churning or other lot of process or renovated butter.

(d) *Prospective ingredients found to contain any visible mold, etc.; extent of destruction or denaturation required.* Any portion of any butter, butter oil, milk, or other ingredient intended for use in the manufacture of process or renovated butter which, upon inspection, is found to contain any visible mold, bits of wood or metal (including scrapings), dirt, dust, or other debris, shall be deemed to be unfit for such use, and such contaminated portion shall be removed therefrom and placed in a container marked "U. S. Inspected and Condemned," and shall be denatured or destroyed, by or under the supervision of an inspector, in accordance with the provisions of paragraph (f) of this section. In determining the portion which shall be condemned and denatured or destroyed, the following rules shall govern: (1) If the contaminated portion is of such a local character that it may be removed and still leave a remaining portion which is unaffected, such unaffected portion may be passed for human food after the removal and condemnation of the contaminated portion; (2) however, if the contamination is of such general character that the extirpation thereof would be difficult and uncertainly accomplished, all of the contents of such container shall be condemned and denatured or destroyed as aforesaid. The provisions of this paragraph shall also apply to any churning or other lot of process or renovated butter.

(e) *Identification of process or renovated butter, and of ingredients intended for use in its manufacture, which have passed inspection.* All butter, butter oil, milk, and other ingredients intended for use in the manufacture of process or renovated butter, or portions thereof, which, after final inspection, are not condemned, pursuant to the provisions contained in paragraphs (a) (b), (c), or (d) of this section, shall be considered to be fit for such use, and the containers thereof shall be marked "U. S. Inspected and Passed." All process or renovated butter which, after final inspection, is not condemned, pursuant to the provisions contained in paragraphs (a), (b), (c), or (d) of this section, shall be deemed to be clean, wholesome, healthful, and otherwise fit for human food, and the containers thereof shall be marked "U. S. Inspected and Passed."

(f) *Destruction or denaturation of condemned process or renovated butter, and of condemned prospective ingredients.* Each lot of condemned process or renovated butter, and each lot of condemned butter, butter oil, milk, or other ingredient which was intended for use in the manufacture of process or renovated butter, shall be either destroyed or denatured, at the option of the process or renovated butter manufacturer, by or under the supervision of an inspector. Any such destruction shall be accomplished either by burning, or by dumping in a sewer, whichever method the inspector may deem to be the most expedient, practicable, and effective to accomplish the desired purpose. Any such denaturation shall be accomplished by the addition to each 100 parts of the condemned portion of either (1) three parts of rosin oil, (2) one-fourth part of pyridin, (3) four parts of aniline oil, or (4) six parts of dark colored oleic acid, and the thorough mixing of such denaturant with such condemned portion. Every such denaturation shall be by, or under the supervision of, an inspector, and the denaturant used in each instance shall be furnished by, and at the expense of, the particular process or renovated butter manufacturer.

(g) *Storage and safekeeping of any lot of process or renovated butter, and of any lot of ingredients intended for use in its manufacture, pending further inspection of such lot.* If any lot of process or renovated butter, or any lot of butter, butter oil, milk, or other ingredient intended for use in the manufacture of process or renovated butter, upon inspection, does not plainly show, but is suspected of being affected with any infestation or contamination which, under the provisions of the regulations in this part, may cause condemnation, in whole or in part, the container of such lot shall be so marked by the inspector as to preserve its identity as a suspect requiring further inspection, and it shall be placed in a separate room or rooms, which room or rooms shall be securely locked, and the keys to which shall be in the custody of an inspector.

(h) *Reinspections.* Any process or renovated butter, even though it has previously been inspected and passed, may be reinspected by an inspector as often as he may deem it necessary to determine whether it is clean, wholesome, healthful, and otherwise fit for human food. Any butter, butter oil, milk, or other ingredient intended for use in the manufacture of process or renovated butter may, even though it has previously been inspected and passed, be reinspected by an inspector as often as he may deem it necessary to determine whether it is fit for such use.

(i) *Ingredients must be inspected and passed prior to use in manufacture.* No ingredient of any kind shall be used in the manufacture of process or renovated butter unless and until it has been inspected and passed for that purpose by an inspector.

§ 301.7 *Marking, labeling, and branding of process or renovated butter*—(a) *Statutory packages.* Before removal from the factory, each package of process or renovated butter shall have legibly printed or stenciled on one of its sides the words "Process Butter," also the factory number, district, and State and the net weight, in the following manner:

Process Butter
Factory No. 2, 2d Dist., New York
Net Weight, 60 Lbs.

The words "Process Butter" shall be in bold-face gothic letters, not less than three-quarters of an inch square, and the other words and figures shall be not less than one-half an inch square. The color of such words and figures shall be in strong contrast to the color of the package.

(b) *Cartons, wrappers, and other containers.* Each of the cartons, wrappers, and other containers in which prints or rolls of process or renovated butter are placed shall be branded on one panel with the words "Process Butter" in bold-face gothic letters not less than three-eighths of an inch square. The color of such printed or stenciled words shall be in strong contrast to the color of the wrapper or carton. No other marks shall be placed on the panel of the carton, wrapper, or other container on which such words are branded, except the words "U. S. Inspected and Passed."

(c) *Net weight requirements; pictorial misrepresentations prohibited.* Each carton, wrapper, or other container in which prints or rolls of process or renovated butter are placed, shall show the manufacturer's name and address, or the factory number, district, and State, and shall bear a plain and conspicuous statement of the net weight of the contents. Such cartons, wrappers, or other containers shall bear no pictorial, or other representation, which may create the impression that the article therein contained is other than process or renovated butter.

(d) *Surface impressions.* The top surface of solid-packed process or renovated butter shall be imprinted with the words "Process Butter" in plain gothic letters not less than one-half an inch square, and such words shall be impressed at least one-eighth of an inch deep. Prints and rolls of process or renovated butter shall be similarly impressed with letters not less than three-eighths of an inch square. The surface impression may be omitted from prints and rolls of a pound unit weight, or less, if there is compliance with all other requirements.

(e) *Marks, etc., requiring approval.* With the exception of shipping marks, any marks, brands, or labels, other than those prescribed by the regulations in this part, shall be approved by the chief of bureau before they are used on packages, cartons, wrappers, or other containers of process or renovated butter. Triplicate copies of proposed new labels, cartons, or wrappers, in the form of sketches, proofs, or photographic copies, shall be transmitted through inspectors to the chief of bureau for approval. After such labels, cartons, or wrappers have been printed, lithographed, or embossed in accordance with approved sketches or proofs, three of each of such labels, cartons, or wrappers shall be submitted through inspectors for final approval and filing. Stocks of packages, cartons, wrappers, or other containers shall not be acquired prior to such final approval.

(f) *Evidence of approval.* Approved copies of all labels, cartons, or wrappers, shall be retained in the manufacturer's registered place of business, and kept available for inspection by representatives of the United States Department of Agriculture.

§ 301.8 *Penalties.* (a) No person shall forge, counterfeit, simulate, falsely represent, detach, or knowingly alter, deface, or destroy, or use without proper authority, any of the marks, stamps, labels, or tabs provided for in the regulations in this part for use on process or renovated butter, or on wrappers, packages, containers, or cases in which the product is contained, or any certificate in relation thereto.

(b) No statement that is false or misleading in any particular shall be placed on or affixed to any wrapper, label, carton, or container of process or renovated butter.

(c) No person shall transport, or offer for transportation, or sell, or offer for sale, in interstate or foreign commerce, or in commerce affecting commerce among the States, any process or renovated butter that has not been inspected and passed, and marked, labeled, and branded in accordance with the provisions contained in the regulations in this part.

(d) Any person who violates any provision of the process or renovated butter act, including, but not limited to, any provision set forth in paragraphs (a), (b), or (c) of this section, shall be deemed guilty of a misdemeanor, and, upon conviction thereof, shall be punished by a fine of not more than $1,000 or by imprisonment of not more than six months, or by both such fine and imprisonment.

§ 301.9 *Reports*—(a) *Work reports.* Reports of the work carried on in each process or renovated butter factory shall be submitted to the bureau by the inspector assigned to such factory at such times, on such forms, and in such manner as may be specified by the chief of bureau.

(b) *Furnishing of information.* Each manufacturer of process or renovated butter shall furnish an inspector, upon request therefor, with accurate information in regard to his manufacturing operations.

(c) *Reports of violations.* Every inspector shall report promptly to the chief of bureau the facts and circumstances respecting any known or suspected violation of the process or renovated butter act, or of the regulations in this part.

§ 301.10 *Withdrawals of inspections.* In any case in which the chief of bureau determines that the sanitary conditions existing in any process or renovated butter factory do not meet any of the standards prescribed in § 301.4 or § 301.5, he shall cause inspection to be withdrawn from such factory: *Provided,* That no such withdrawal action shall be made effective unless and until the facts or conduct which the chief of bureau believes may warrant such action have been called to the attention of the manufacturer in writing, and such manufacturer has been accorded an adequate opportunity to demonstrate compliance with all of such standards. In any case in which the chief of bureau determines that any manufacturer of process or renovated butter has failed to comply with any provision of these regulations, other than any of those set forth in §§ 301.4 or 301.5, the chief of bureau is authorized, in his discretion, to withdraw inspection from such manufacturer's factory: *Provided,* That no such withdrawal action shall be made effective unless and until the facts or conduct which the chief of bureau believes may warrant such action have been called to the attention of the manufacturer in writing, and such manufacturer has been accorded an adequate opportunity to demonstrate or achieve compliance with all such provisions. Every such withdrawal of inspection shall remain effective for such period of time as the chief of bureau may order, except that in no event shall inspection be resumed in any factory from which inspection was withdrawn for failure to meet any standard prescribed in §§ 301.4 or 301.5 unless or until it appears, to the satisfaction of the chief of bureau, that all requirements prescribed in such sections are being met.

§ 301.11 *Furnishing of office space, etc., to inspectors.* Properly and adequately furnished office space, including light, heat, and janitor service, shall be provided, without expense to the bureau, for the use of inspectors.

§ 301.12 *Review of inspectors' decisions.* Any person who is dissatisfied with the decision of any inspector with respect to any matter covered in the regulations in this part may, by making written request to the chief of bureau therefor, obtain a review of such decision by the chief of bureau, whose decision shall be final. However, nothing contained herein shall be construed to deny or abridge the power of the chief of bureau to make decisions originally, whenever he shall deem it advisable to do so, with regard to any matter covered in the regulations in this part.

These revised regulations shall become effective at 12:01 a. m., e. s. t., on the 31st day after the date of their publication in the FEDERAL REGISTER.

Issued this 20th day of December 1946.

[SEAL] CLINTON P. ANDERSON,
Secretary of Agriculture.

[F. R. Doc. 46-21920; Filed, Dec. 26, 1946; 8:47 a. m.]

TITLE 10—ARMY: WAR DEPARTMENT

Chapter VII—Personnel

PART 701—RECRUITING AND INDUCTION FOR THE ARMY OF THE UNITED STATES

MISCELLANEOUS AMENDMENTS

The following amendments and additions to the regulations contained in Part 701 are hereby prescribed:

1. In § 701.3 paragraph (c) is amended and a new paragraph, designated (d) is added as follows:

§ 701.3 *Classes ineligible for enlistment.* * * *

(c) *Persons who have been imprisoned under sentence of a court.* The commanding general of each army, (ZI) is authorized to waive this disability in the case of an applicant for enlistment within the army area who has served only a short sentence for a minor offense, but only if in the opinion of the commanding general the applicant's services will be an asset to the Army.

(d) *Persons granted release, suspension of sentence or parole.* Persons who have had criminal charges filed against them alleging a violation of a State, Federal, or territorial statute and as an alternative to further prosecution, indictment, trial, or incarceration for such violation are granted by a court a release from the charge on the condition that they apply and are accepted for enlistment or reenlistment, are ineligible. No person will be accepted for enlistment or reenlistment who is serving a suspended sentence or who is on parole from any civil court.

A record of adjudication of conduct by a juvenile court in the State of Ohio under the statute quoted below or by a juvenile court of any other State having a similar law is not a bar to enlistment under section 1118, Revised Statutes. Recruiting officers will scrutinize carefully the juvenile court record of an applicant for enlistment, to determine whether he is of good character and otherwise eligible for enlistment, and will submit to higher authority any case in which doubt arises as to the effect of a particular statute.

Section 1639-30, Supplement to the General Code of Ohio, 1936, June 1938, provides that:

No adjudication upon the status of any child in the jurisdiction of the court (juvenile court) shall operate to impose any of the civil disabilities ordinarily imposed by conviction, nor shall any child be deemed a criminal by reason of such adjudication, nor shall such adjudication be deemed a conviction, nor shall any child be charged with or convicted of a crime in any court; * * * nor shall such disposition * * * operate to disqualify a child in any future civil service examination, appointment or application.

2. Paragraph (d) of § 701.10 is amended as follows:

§ 701.10 *Physical examination.* * * *

(d) *Use of civilian physician.* If medical officers or contract surgeons are not available for physical examinations, applicants for enlistment in the Army of the United States (including Regular Army but excluding Reserve components) will be physically examined by civilian physicians, preferably Army Medical Corps Reserve officers not on active duty, employed under authority of the army commander, ZI. Civilian physicians employed for such purpose must be citizens of the United States. Authority is hereby granted for the hire of such physicians at $15 per day, unless the number to be examined is so small that it would be more economical to hire them under the provision of §§ 707.1 to 707.9, inclusive, which allows the payment of $2 for a single physical examination and $1 for each additional examination that may be made on the same day. A physician employed to make examinations at more than one recruiting and induction station will be allowed the above-mentioned rates in full for the examinations at each station. Vouchers will be prepared on WD AGO Form 8-11, formerly War Department Form 354 (Personal Services—Examination and Vaccination of Recruits) and charged to funds available to headquarters of armies (ZI).

[AR 600-750, 30 Sep. 1942 as amended by C12, 2 Dec. 1946] (41 Stat. 765; 10 U. S. C. 42)

[SEAL] EDWARD F. WITSELL,
Major General,
The Adjutant General.

[F. R. Doc. 46-21943; Filed, Dec. 26, 1946; 8:48 a. m.]

PART 707—MEDICAL AND DENTAL ATTENDANCE

CIVILIAN MEDICAL ATTENDANCE FOR MILITARY PATIENTS

Amend § 707.3 (h) (iv) by substituting the words "Army of the United States (including Regular Army but excluding Reserve components)" in lieu of the words, "Regular Army and Regular Army Reserve" wherever they appear.

[AR 40-505, 5 Dec. 1945, as amended by W. D. Cir. 341, 20 Nov. 1946] (R. S. 161; 5 U. S. C. 22)

[SEAL] EDWARD F. WITSELL,
Major General,
The Adjutant General.

[F. R. Doc. 46-21908; Filed, Dec. 26, 1946; 8:52 a. m.]

Chapter VIII—Supplies and Equipment

PART 824—DISPOSITION OF NON-REPAIRABLE PROPERTY

SALVAGE

Section 824.6 is amended by designating the text immediately following the headnote as paragraph (a), and by adding paragraph (b), to read as follows:

§ 824.6 *Making of awards.* * * *

(b) Award will be made normally to the highest bidder, but if it is considered to be in the best interest of the Government, award may be made to other than the highest bidder, either at his bid price or another price arrived at by further negotiation. When award is made to other than the highest bidder, a statement of reasons therefor will be furnished the commanding general of the appropriate army, the Commanding General, Army Air Forces, Commanding General, Military District of Washington, or the chief of the technical service having jurisdiction, and a copy filed with the records of the salvage officer.

[AR 700-25, 8 Nov. 1946 as amended by C 1, 6 Dec. 1946] (R. S. 161; 5 U. S. C. 22)

[SEAL] EDWARD F. WITSELL,
Major General,
The Adjutant General.

[F. R. Doc. 46-21907; Filed, Dec. 26, 1946; 8:53 a. m.]

TITLE 16—COMMERCIAL PRACTICES

Chapter I—Federal Trade Commission

[File No. 21-203]

PART 88—SAW AND BLADE SERVICE INDUSTRY

Promulgation of Trade Practice Rules. At a regular session of the Federal Trade Commission held at its office in the City of Washington, D. C., on the 20th day of December A. D. 1946.

Due proceedings having been held under the trade practice conference procedure in pursuance of the Act of Congress approved September 26, 1914, as amended (Federal Trade Commission Act), and other provisions of law administered by the Commission;

It is now ordered, That the trade practice rules of Group I and Group II, as hereinafter set forth, which have been approved and received, respectfully, by the Commission in this proceeding, be promulgated as of December 27, 1946.

Statement by the Commission. Trade practice rules for the Saw and Blade Service Industry are promulgated by the Federal Trade Commission in the revised and extended form hereinafter set forth.

The rules are directed to the prevention of various unfair trade practices and the maintenance of fair competitive conditions in the interest of the public and in harmony with the requirements of law.

Members of the industry are the persons, firms, corporations, and organizations engaged in the business of supplying and servicing, under lease or rental contract, saws, saw frames, knives, chopper machines, knife or slicer machines (and plates or blades for such machines), and similar articles, for use in meat markets, packing houses, restaurants, and other food processing or food dispensing establishments. The annual value of business of such Saw and Blade Service Industry is approximately $5,000,000 in the aggregate.

Proceedings leading to the establishment of the rules were instituted upon application of industry representatives and in the course thereof a trade practice conference of the entire industry was held by the Commission in Philadelphia, Pennsylvania. Subsequently, public notice of hearing was issued, together with draft of proposed rules, and all interested or affected parties were afforded opportunity to present their views, suggestions, objections, or amendments, if any, in respect to the rules and to be heard in the premises.

Hearing was accordingly held in Washington, D. C. Thereafter, and upon full consideration of the entire matter, final action was taken by the Commission whereby it approved and received, respectively, the rules appearing in Group I and Group II.

Such rules herewith issued become operative thirty (30) days from date of promulgation, supplanting the trade practice rules which formerly had been issued for this industry on January 12, 1933.

The rules. These rules promulgated by the Commission are designed to foster and promote the maintenance of fair competitive conditions in the interest of protecting industry, trade, and the public. It is to this end, and to the exclusion of any act or practice which suppresses competition, restrains trade, fixes or controls price through combination or agreement, or which otherwise injures, destroys, or prevents competition, that the rules are to be applied.

Group I. The unfair trade practices embraced in the Group I rules herein are considered to be unfair methods of competition, unfair or deceptive acts or practices, or other illegal practices, prohibited under laws administered by the Federal Trade Commission; and appropriate proceedings in the public interest will be taken by the Commission to prevent the use, by any person, partnership, corporation, or other organization subject to its jurisdiction, of such unlawful practices in commerce.

AUTHORITY: §§ 88.1 to 88.18, inclusive, issued under 38 Stat. 717, as amended; 15 U. S. C. 41 et seq.

§ 88.1 *Inducing breach of contract.* It is an unfair trade practice to induce or attempt to induce the breach of existing lawful contracts between competitors and their customers, or their suppliers, by any false or deceptive means whatsoever, or to interfere with or obstruct the performance of any such contractual duties or services by any such means, with the purpose and effect of unduly hampering, injuring, or prejudicing competitors in their business. [Rule 1]

§ 88.2 *Defamation of competitors or disparagement of their products or service.* The defamation of competitors by falsely imputing to them dishonorable conduct, inability to perform contracts, questionable credit standing or integrity, or by other false representations, or the false disparagement of the grade, quality, durability, workmanship, quantity, composition, construction, specifications, make, type, size, origin, appearance, value, or performance of their products, or of the nature, quality, or extent of the service furnished by them, or of their prices, credit terms, or contract conditions, or of their business methods, practices, or policies, is an unfair trade practice. [Rule 2]

§ 88.3 *Procurement of competitor's confidential information.* It is an unfair trade practice for any member of the industry to obtain information concerning the business of a competitor by bribery of an employee or agent of such competitor, by false or misleading statements or representations, by the impersonation of one in authority, or by any other unfair means, and to use the information so obtained in such manner as to injure said competitor in his business or to suppress competition or unreasonably restrain trade. [Rule 3]

§ 88.4 *Prejudicing competitors' relationships with their agents.* It is an unfair trade practice for any member of the industry to induce, or attempt to induce, an agent of a competitor to become the industry member's agent also, with the understanding or agreement between such industry member and agent that, though retaining his agency relationship with such competitor, such agent is not to continue to promote in good faith the business of such competitor. [Rule 4]

§ 88.5 *Enticing away employees of competitors.* Wilfully enticing away the employees of competitors with the purpose and effect of thereby unduly hampering or injuring competitors in their business and destroying or substantially lessening competition is an unfair trade practice: *Provided, however,* That nothing in this rule shall be construed as prohibiting employees from obtaining more favorable employment. [Rule 5]

§ 88.6 *Commercial bribery.* It is an unfair trade practice for a member of the industry, directly or indirectly, to give or permit to be given, or offer to give, money or anything of value to agents, employees, or representatives of customers or prospective customers, or to agents, employees, or representatives of competitors' customers or prospective customers, without the knowledge of their employers or principals, as an inducement to influence their employers or principals to purchase or contract for the supplying or servicing of saws, saw frames, blades, meat-chopper plates, knives, or other articles from the maker of such gift or offer, or to influence such employers or principals to refrain from dealing or contracting to deal with competitors. [Rule 6]

§ 88.7 *Deception of customers of competitors as to identity.* It is an unfair trade practice for any member of the industry, his agent or representative, to feign his identity to a customer of a competitor as being that of an agent or representative of such competitor and thereby obtain possession of money or property belonging to a competitor, or to obtain any advantage with respect to such competitor by reason of such deception. The effecting of a substitution of the member's service or supplies for that of his competitor's service or supplies by such deceptive means is an unfair trade practice under this section. [Rule 7]

§ 88.8 *Falsification of records.* The practice of withholding from or inserting in a receipt left with customers statements which make the receipt a false and deceptive record, wholly or in part, of the transaction which said receipt covers, is an unfair trade practice. [Rule 8]

§ 88.9 *Furnishing of property on condition of exclusive right to service same.* (a) It is an unfair trade practice for any member of the industry to sell, lease, loan, or otherwise furnish to any customer or prospective customer, any saw frame, grinding or cutting machine, saws, knives, blades, or plates, or any other article of property, on the condition, agreement, or understanding that such customer shall not use, or contract for the use of, machinery, supplies, or other articles of property of a competitor or competitors of such industry member, where the effect of such condition, agreement, or understanding may be to substantially lessen competition or tend to create a monopoly in any line of commerce.

(b) The inhibitions of this section shall apply though the furnishing of property by industry member upon such condition be without charge to the customer. [Rule 9]

§ 88.10 *Transactions below cost.* The practice of selling or supplying equipment and service below the seller's or supplier's cost, when pursued with wrongful intent of thereby injuring a competitor and where the effect of such practice is to unreasonably restrain trade, tend to create a monopoly, or substantially lessen competition, is an unfair trade practice.

This section is not to be construed as prohibiting all transactions below cost, but only such selling or supplying below the seller's or lender's cost as is resorted to and pursued as a monopolistic practice with the wrongful intent referred to and coupled with the effect of unreasonably restraining trade, tending to create a monopoly, or substantially lessening competition.

The costs referred to in this section are actual costs of the respective seller or supplier and not some other figure or average costs in the industry determined by an industry cost survey or otherwise. [Rule 10]

§ 88.11 *False guarantees.* The making of any guarantee or purported guarantee respecting the efficacy, durability, or quality of an industry product or service which has the capacity and tendency or effect of deceiving customers or prospective customers, or which is impossible for the guarantor to assure because of contingencies over which he has no control, or which is not made in good faith, is an unfair trade practice. [Rule 11]

§ 88.12 *Substitution of products.* The practices of shipping or delivering products which do not conform to samples submitted, to specifications upon which the sale or loan is consummated, or to representations made prior to securing the order or contract, without the consent of the purchasers or borrowers to such substitutions, and with the tendency and capacity or effect of misleading or deceiving purchasers, borrowers, prospective purchasers or borrowers, is an unfair trade pactice. [Rule 12]

§ 88.13 *Coercing purchase of one product as a prerequisite to the purchase of other products.* The practice of coercing the purchase or loan of one or more products as a prerequisite to the purchase or loan of one or more other products, where the effect may be to substantially lessen competition or tend to create a monopoly or to unreasonably restrain trade, is an unfair trade practice. [Rule 13]

§ 88.14 *False or misleading price quotations.* The publishing or circulating by any member of the industry of false or misleading price quotations, price lists, or terms of sale or loan, with the capacity and tendency or effect of thereby misleading or deceiving the purchaser or borrower, is an unfair trade practice. [Rule 14]

§ 88.15 *False advertising.* Making, or causing to be made or published, any false, misleading, or deceptive statement or representation, by way of advertisement or otherwise, concerning the grade, quality, quantity, substance, character, size, material, content, origin, preparation, manufacture, or distribution of any industry product, or in any other material respect, is an unfair trade practice. [Rule 15]

§ 88.16 *Misbranding.* It is an unfair trade practice to falsely or deceptively mark, brand, or label any products of the industry with any word, phrase, mark, name, label, design, device, or other representation with respect to the size, quality, durability, finish, material, or construction of such products or of any of the component parts thereof. [Rule 16]

§ 88.17 *Discrimination*—(a) *Prohibited discriminatory prices, or rebates, refunds, discounts, credits, etc., which effect unlawful price discrimination.* It is an unfair trade practice for any member of the industry engaged in commerce,[1] in the course of such commerce, to grant or allow, secretly or openly, directly or indirectly, any rebate, refund, discount, credit, dating of commencement of service, or other form of price differential, whether in the form of free service or otherwise, where such rebate, refund, discount, credit, dating of commencement of service, or other form of price differential, effects a discrimination in price between different purchasers or customers of goods of like grade and quality, where either or any of the transactions involved therein are in commerce,[1] and where the effect thereof may be substantially to lessen competition or tend to create a monopoly in any line of commerce,[1] or to injure, destroy, or prevent competition with any person who either grants or knowingly receives the benefit of such discrimination, or with customers of either of them: *Provided, however,* (1) That the goods involved in any such transaction are sold or supplied for use, consumption, or resale within any place under the jurisdiction of the United States;

(2) That nothing herein contained shall prevent differentials which make only due allowance for differences in cost resulting from the differing methods or quantities in which such commodities are to such purchasers sold, supplied, or delivered;

(3) That nothing herein contained shall prevent persons engaged in selling or supplying goods, wares, or merchandise in commerce[1] from selecting their own customers in bona fide transactions and not in restraint of trade;

(4) That nothing herein contained shall prevent price changes from time to time where made in response to changing conditions affecting either (i) the market for the goods concerned, or (ii) the marketability of the goods, such as, but not limited to, actual or imminent deterioration, distress sales under court process, or sales made in good faith in discontinuance of business in the goods concerned.

(b) *Prohibited brokerage and commission.* It is an unfair trade practice for any member of the industry engaged in commerce,[1] in the course of such commerce, to pay or grant, or to receive or accept, anything of value as a commission, brokerage, or other compensation, or any allowance or discount in lieu thereof, except for services rendered in connection with the sale, purchase, or supplying of goods, wares, or merchandise, either to the other party to such transaction or to an agent, representative, or other intermediary therein where such intermediary is acting in fact for or in behalf, or is subject to the direct or indirect control, of any party to such transaction other than the person by whom such compensation is so granted or paid.

(c) *Inducing or receiving an illegal discrimination in price.* It is an unfair trade practice for any member of the industry engaged in commerce,[1] in the course of such commerce, knowingly to induce or receive a discrimination in price which is prohibited by the foregoing provisions of this section.

(d) *Purchases by or loans to schools, colleges, universities, hospitals, and charitable institutions not operated for profit.* The Robinson-Patman Antidiscrimination Act and the application thereunder of this section are subject to the limitations expressed in the amendment to such Robinson-Patman Antidiscrimination Act, which amendment was approved May 26, 1938, and reads as follows:

> Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That nothing in the Act approved June 19, 1936 (Public, Numbered 692, Seventy-fourth Congress, second session), known as the Robinson-Patman Antidiscrimination Act, shall apply to purchases of their supplies for their own use by schools, colleges, universities, public libraries, churches, hospitals, and charitable institutions not operated for profit.
>
> (52 Stat. 446; United States Code, 1940 Edition, Title 15, sec. 13c)

[Rule 17]

§ 88.18 *Aiding or abetting use of unfair trade practices.* It is an unfair trade practice for any person, firm, or corporation to aid, abet, coerce, or induce another, directly or indirectly, to use or promote the use of any unfair trade practice specified in the regulations of this part. [Rule 18]

Group II. Compliance with trade practice provisions embraced in Group II

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[1] As here used, the word "commerce" means "trade or commerce among the several States and with foreign nations, or between the District of Columbia or any territory of the United States and any State, territory, or foreign nation, or between any insular possessions or other places under the jurisdiction of the United States, or between any such possession or place and any State or territory of the United States or the District of Columbia or any foreign nation, or within the District of Columbia or any territory or any insular possession or other place under the jurisdiction of the United States."

rules is considered to be conducive to sound business methods and is to be encouraged and promoted individually or through voluntary cooperation exercised in accordance with existing law. Nonobservance of such rules does not per se constitute violation of law. Where, however, the practice of not complying with any such Group II rules is followed in such manner as to result in unfair methods of competition, or unfair or deceptive acts or practices, corrective proceedings may be instituted by the Commission as in the case of violation of Group I rules.

Rule A. *Trial period.* The industry expresses its approval of the trade custom of granting such limited trial period as is necessary to acquaint new customers with a product or present customers with a new type of product. However, the industry condemns the practice of hampering a competitor in his relations with a customer by furnishing equipment to such customer free of charge for a period of time in excess of that reasonably required for a fair trial thereof under the subterfuge of granting a trial period.

(The above Rule A is also subject to the limitation that the furnishing of any equipment shall not be accomplished in such manner as to effect a discrimination contrary to § 88.17.)

Rule B. *Use of competitor's equipment.* In the competition attendant upon the exchanging, lending, selling, and supplying of saw frames, blades, meat-chopper plates, and knives, the said articles are frequently lost and come into the hands of a competitor or competitors of the owner who fails not only to disclose the fact of his find, but actually converts the said saw frames, blades, meat-chopper plates, and knives to his own use. This practice is strongly condemned by the industry.

Rule C. *Arbitration.* The industry approves the practice of handling business disputes between members of the industry and their customers in a fair and reasonable manner, coupled with a spirit of moderation and good will, and every effort should be made by the disputants themselves to compose their differences. If unable to do so they should, if possible, submit these disputes to arbitration.

Rule D. *Maintenance of accurate cost accounting system.* It is the judgment of the industry that each member should install an accurate and proper method of determining his cost.

Rule E. *Dissemination of credit information.* The industry records its approval of distributing to its members information covering delinquent and slow accounts insofar as this may be lawfully done.

A Committee on Trade Practices is hereby created to cooperate with the Federal Trade Commission and to perform such acts as may be legal and proper to put these rules into effect.

Promulgated and issued by the Federal Trade Commission December 27th, 1946.

[SEAL] OTIS B. JOHNSON,
Secretary.

[F. R. Doc. 46-21906; Filed, Dec. 26, 1946; 8:46 a. m.]

TITLE 17—COMMODITY AND SECURITIES EXCHANGES

Chapter II—Securities and Exchange Commission

PART 259—FORMS, PUBLIC UTILITY HOLDING COMPANY ACT OF 1935

FORM FOR APPLICATIONS AND DECLARATIONS

The Securities and Exchange Commission, acting pursuant to the Public Utility Holding Company Act of 1935, particularly section 20 (a) thereof; deeming the following amendment of Form U-1[1] (17 CFR, Cum. Supp., 259.101) appropriate to carry out the provisions of that act; and considering such amendment to be procedural in nature and not to be subject to the requirement of section 4 (a), (b) and (c) of the Administrative Procedure Act; hereby amends section 1 of Form U-1 (17 CFR, Cum. Supp., 259.101) effective January 2, 1947, to include the following item:

10. Statement pursuant to Rule III (e) of the Commission's rules of practice:

(1) Specifying the procedures considered necessary or appropriate in respect of the application or declaration with particular reference to (a) whether there should be a recommended decision by hearing officer, (b) whether there should be a recommended decision by any other responsible officer of the Commission, (c) whether the staff of the Public Utilities Division may assist in the preparation of the Commission's decision, and (d) whether there should be a 30-day waiting period between the issuance of the Commission's order and the date it is to become effective; or

(2) Except when it is desired that the application or declaration be granted or permitted to become effective pursuant to Rule U-23 without a hearing being held, indicating that such specification will be made in the course of the hearing with respect to the application or declaration.

(Sec. 20a, 49 Stat. 833; 15 U. S. C. 79t)

By the Commission.

[SEAL] ORVAL L. DUBOIS,
Secretary.

DECEMBER 18, 1946.

[F. R. Doc. 46-21919; Filed, Dec. 26, 1946; 8:45 a. m.]

[1] Filed with the Division of the Federal Register.

TITLE 19—CUSTOMS DUTIES

Chapter I—Bureau of Customs, Department of the Treasury

[T. D. 51589]

PART 4—VESSELS IN FOREIGN AND DOMESTIC TRADE

WAIVER OF COASTWISE LAWS FOR CANADIAN VESSELS BETWEEN SKAGWAY AND OTHER POINTS IN ALASKA

DECEMBER 19, 1946.

Waiving compliance with the provisions of section 8 of the act of June 19, 1886, as amended.

Upon the written recommendation of the Chairman of the United States Maritime Commission and pursuant to the authority vested in me by the provisions of section 501 of the Second War Powers Act, 1942 (50 U. S. C. App. Sup. 635), as extended by the act of June 29, 1946 (Public Law 475, 79th Congress), I hereby waive compliance with the provisions of section 8 of the act of June 19, 1886, as amended (46 U. S. C. 289), to the extent necessary to permit the transportation of passengers on Canadian vessels between Skagway and other points in Alaska during the period between January 1, 1947, and March 31, 1947, inclusive. I deem that such action is necessary in the conduct of the war.

If the transportation of any passenger on a Canadian vessel is not completed on or before midnight on March 31, 1947, the provisions of this order will not relieve the vessel concerned from the penalty prescribed by section 8 of the act of June 19, 1886, as amended (46 U. S. C. 289).

(Sec. 501, 56 Stat. 180; 50 U. S. C. App. Sup. 635)

[SEAL] E. H. FOLEY, Jr.,
Acting Secretary of Treasury.

[F. R. Doc. 46-21935; Filed, Dec. 26, 1946; 8.46 a. m.]

TITLE 20—EMPLOYEES' BENEFITS

Chapter II—Railroad Retirement Board

PART 200—ORGANIZATION AND PROCEDURES

MISCELLANEOUS AMENDMENTS

1. In § 200.3 *Field organization* the list of field offices of the Board is amended by making changes in addresses as follows:

From: Arkansas, Little Rock, 511 Louisiana St., Kansas City. *To:* Arkansas, Little Rock, Old Post Office Bldg., Room 110, Kansas City.

From: Iowa, Des Moines (9), 207 Federal Office Bldg., Chicago. *To:* Iowa, Des Moines (9), 5th and Court Sts., Room 207-209, Chicago.

From: Kentucky, Louisville (2), 413 W. Jefferson St., Cleveland. *To:* Kentucky, Louisville (2), Post Office Bldg., Room 625, Cleveland.

From: Michigan, Detroit (26), Cass Bldg., 449 W. Fort St., Cleveland. *To:* Michigan, Detroit (26), 139 Cadillac Square, Room 200, Cleveland.

From: Missouri, St. Louis (1), Old Post Office Bldg., Kansas City. *To:* Missouri, St. Louis (1), Old Post Office Bldg., Room 100, Kansas City.

From: New Mexico, Albuquerque, 313½ W. Gold Ave., Denver. *To:* New Mexico, Albuquerque, 105 South 6th Street, Denver.

From: North Dakota, Fargo, 625, N. P. Ave., Minneapolis. *To:* North Dakota, Fargo, Northern Pacific Passenger Station, Minneapolis.

From: Pennsylvania, Philadelphia (3), 1617 Pennsylvania Blvd., New York. *To:* Pennsylvania, Philadelphia (6), U. S. Customs House, Room 1005, New York.

From: South Carolina, Columbia, 1110 Taylor St., Atlanta. *To:* South Carolina, Spartanburg, George Bobotes Bldg., 140½ Dunbar St., Atlanta.

From: Tennessee, Knoxville (17), 327 W. Depot St., Atlanta. *To:* Tennessee, Knoxville (17), 715½ Henley St., Atlanta.

From: Texas, Fort Worth (2), U. S. Courthouse Bldg., Dallas. *To:* Texas, Fort Worth (2), U. S. Courthouse Bldg., Rooms 412-414, Dallas.

From: Texas, Dallas (2), 424 U. S. Terminal, Annex Bldg. *To:* Texas, Dallas (2), 438 U. S. Terminal, Annex Bldg.

From: Washington, Seattle (4), 816 1st Ave., San Francisco. *To:* Washington, Seattle, 909 First Avenue, Rooms 404-406, San Francisco.

From: Washington, Spokane (8), Union Station W., 402 Trent Ave., San Francisco. *To:* Washington, Spokane (1), W. 904 Riverside Ave., Room 428, San Francisco.

2. Section 200.7 is revised by designating the introductory text as paragraph (a) and designating the paragraphs concerning forms as numbered subparagraphs, by amending subparagraphs (11), (41) and (48) (formerly (k), (gg) and (nn)), by revoking former paragraph (hh), and by adding subparagraphs (12) to (16), (36) to (38), (43), (52), (74), (80), (82) and (83). Section 200.7, as amended and recodified reads as follows:

§ 200.7 *Description of forms and instructions.* (a) Following are listed descriptions of forms and instructions as to the scope and contents of papers, reports, or examinations used in the Board's functioning. They may be secured upon application in person or by mail at any of the Board's offices.

(1) *Form AA-1, Application for annuity under the Railroad Retirement Act.* This form must be executed by each individual who wishes to file claim for an annuity under the Railroad Retirement Act. Information to be included on the form consists of data required to identify the employee on the records of the Board and on the employer's payroll or other records; statements as to whether or not credit for military service and disability are claimed; present employment status; and the date on which the individual wishes to have the annuity begin. Form AA-1 must be signed by the individual in accordance with § 210.4 of the Regulations of the Board (20 CFR 210.4).

(2) *Form AA-2P, Record of Employee's Prior Service.* This is a form requiring a statement of the employee's service and compensation prior to January 1, 1937 to be prepared by the employer from his records for each individual who on August 29, 1935 was an employee. The employer is also required to report on this form information concerning the employee's date of birth as shown on employer records and the employee's status on August 29, 1935.

(3) *Form AA-2 Sup., Supplemental Report of Employee Service.* This is a form requiring a statement by an employer of the compensation earned during a period after December 31, 1936, by an individual who has filed application for annuity for which an employer has not previously furnished a report in accordance with § 250.3 or § 250.6 of the Regulations of the Board (20 CFR 250.3, 250.6). Generally, the form is to be prepared only upon request by the Board.

(4) *Form AA-2P-BRO., Supplemental Data Concerning Occupation of Employee During Base Period (Board Request).* This is a form, to be completed by an employer, requiring a statement of an employee's occupations during each year of period for which compensation prior to January 1, 1937 is reported. Requested by the Board when data is required to supplement report furnished on AA-2P or AA-2P-Opt.

(5) *Form AA-2P-BRS., Supplemental Section 7 of Form AA-2P (Board Request.)* This is a form requiring a statement of compensation by an employer when employee's compensation initially reported by the employer for the period January 1, 1924 to December 31, 1931 is insufficient to permit a determination of monthly compensation for service prior to January 1, 1937.

(6) *Form AA-2P Opt., Optional Section 7 of Form AA-2P.* This form provides for statement of employee's compensation during the period 1924 through 1931 to be used in lieu of section 7 of Form AA-2P by employers whose pay rolls were prepared on a weekly basis during the period covered by report.

(7) *Form AA-2P-S, Supplemental Section 7 of Form AA-2P.* This form requires a statement of employee's compensation prior to January 1, 1937 to be initiated by an employer when the entire service claimed by the employee is with the originating employer and less than forty-eight months of service was performed during the period 1924-1931. Form is to be completed in accordance with "Instructions to Employees and Manual of Operation for Collection of Prior Service Records."

(8) *Form AA-11, Designation or Change of Beneficiary.* This is a form prescribed in accordance with § 235.2 of the Regulations of the Board (20 CFR 235.2) on which an individual who was an employee after December 31, 1936 may designate the person or persons whom he wishes to receive any death benefits and any annuity payments due but not paid at time of employee's death. The form is also to be used to change a designation of beneficiary made on a Form AA-11 previously filed with the Board. It must be signed by the individual and witnessed by two persons who are not designated on the form as beneficiaries.

(9) *Form AA-12, or AA-12a, Notice of Death and Statement of Compensation.* This form is for notice of death of an employee to be submitted by an employer as prescribed by § 250.2 of the Regulations (20 CFR Cum. Supp. 250.2). Form AA-12 is to be used by employers who render reports of employers' service and compensation required under § 250.3 of the Regulations on a quarterly basis (20 CFR Cum. Supp. 250.3); Form AA-12a is for employers making such reports annually. Each report must contain a statement of the compensation earned by the deceased for the period designated in Part IV of the "Regulations and Instructions to Employers."

(10) *Form AA-15, Employee's Statement of Compensated Service Rendered Prior to January 1, 1937 to Employers Under the Railroad Retirement Act of 1937.* This form is for a statement to be submitted by employees who wish to claim credit for service performed before 1937. In addition to information required to identify the employee on the records of the Board and employers' payroll records, space is also provided for inclusion of claim for credit for military service performed before 1937.

(11) *Form AA-16, Application for Benefits Under the Railroad Retirement Act of 1937 with Respect to the Death of an Employee.* This form is to be used in applying for benefits, other than survivor insurance annuity benefits, with respect to the death of an employee, where death occurred before January 1, 1947.

(12) *Form AA-17, Application for Widow's Insurance Annuity.* This is the form of application for insurance annuity benefits by the widow of a deceased employee; it may be considered as an application also for any insurance benefits payable under Title II of the Social Security Act as amended.

(13) *Form AA-18, Application of Widow, and Widow on Behalf of Children for Survivors Insurance Annuity.* This is the form of application for insurance annuity benefits by the widow on her own behalf and on behalf of the children of a deceased employee; it may be considered as an application also for any insurance benefits payable under Title II of the Social Security Act as amended.

(14) *Form AA-19, Application on Behalf of Child for Child's Insurance Annuity.* This is the form of application for insurance annuity benefits on behalf of a child; it may be considered as an application also for any insurance benefits payable under Title II of the Social Security Act as amended.

(15) *Form AA-20, Application of Dependent Parent for Parents Insurance Annuity.* This is the form to be used in applying for parents' insurance annuity benefits; it may be considered as an application also for any insurance benefits payable under Title II of the Social Security Act as amended.

(16) *Form AA-21, Application for Lump-Sum Death Payment.* This is the form of application for lump-sum death payments and may be considered as an application also for any insurance benefits payable under Title II of the Social Security Act as amended.

(17) *Form AC-1, Appeal From Initial Decision of Bureau of Retirement Claims.* This is a form prescribed for filing of an appeal from an initial decision of the Bureau of Retirement Claims with respect to a determination made by that Bureau in connection with an application for annuity or death benefits in accordance with § 260.2 of the Regulations of the Board (20 CFR 260.2).

(18) *Form AC-2, Appeal From Decision of the Appeals Council.* This is the form prescribed for filing appeal from a decision of the Appeals Council with respect to a determination made in connection with an application for annuity or death benefits in accordance with §§ 260.3 and 260.4 of the Regulations (20 CFR 260.3-4; 20 CFR Cum. Supp. 260.3-4).

(19) *Form AC-6, Appeal From Initial Determination as to Service and Compensation Prior to January 1, 1937.* This form is prescribed for filing an appeal to the Appeals Council from the initial decision of Bureau of Retirement Claims with respect to an individual's record of service or compensation prior to January 1, 1937 as established, or failure to establish such record, in the absence of an application for benefits under the Rail-

road Retirement Act based on such service.

(20) *Form AC-8, Appeal from Decision of the Appeals Council (Record of Prior Service).* This is the form for an individual's final appeal to the Board from any decision of the Appeals Council which was made in response to filing of Form AC-6.

(21) *Form BA-3, Report of Compensation of Employees for 3 Months Ended.* This is to be used by employers in reporting the compensation paid to each employee in each month in a calendar quarter as required to be submitted under § 250.3 of the Regulations of the Board (20 CFR Cum. Supp. 250.3).

(22) *Form BA-3a, Annual Report of Creditable Compensation.* This is a form for reporting, by an employer, the compensation paid to each employee in each month of the year required to be submitted under § 250.3 of the Regulations of the Board (20 CFR Cum. Supp. 250.3). It is to be prepared by employers authorized by the Board to report on an annual basis.

(23) *Form BA-4, Report of Compensation Adjustments.* This form is to be prepared and submitted each month by employers who report compensation quarterly and is to be used for reporting any adjustment in compensation which has been made by the employer and which would affect the amount of the employee's annuity or unemployment insurance benefits.

(24) *Form BA-4a, Report of Compensation Adjustments.* This form serves the same purpose as Form BA-4 but is prepared and submitted by employers authorized to report compensation on an annual basis.

(25) *Form BA-5, Summary Report of Compensation of Employees.* Employers reporting compensation quarterly are also required to prepare and submit with Form BA-3 a statement, on this Form BA-5, a summary of all compensation paid and any adjustments made during the quarter.

(26) *Form BA-5a, Summary Report of Monthly Compensation Adjustments.* This form serves the same purpose as Form BA-5 and is prepared and submitted by employers reporting compensation on an annual basis.

(27) *Form BA-12, Advice of Multiple Account Numbers, Name and Birth Date Corrections.* This form is for a notice to be submitted to the Board by an employer when it is found that an employee has more than one social security account number, or that a correction should be made in an employee's name or birth date.

(28) *Form C-30, Authorization for Disclosure of Information Relating to an Applicant's Physical Condition.* Each applicant for a disability annuity is required to sign this statement which authorizes an employer to furnish to the Board any information pertaining to the applicant's physical condition that it may have in its files.

(29) *Form C-63, Release of Claims When No Executor or Administrator Has Been or Will Be Appointed.* This is for a statement of release to be executed by the creditor of a deceased employee's or his survivor's estate, when no executor or administrator has been or will be appointed, releasing any claim to benefits payable under the Railroad Retirement Act because of the death of the employee.

(30) *Form C-64, Affidavit to Accompany LQ-4.* This form is of an affidavit by an employer as to the correctness of information regarding individuals on the employer's pension or gratuity roll.

(31) *Form C-66, Authorization of Payment and Release of All Claims to Death Benefits and Annuity Payments.* This form is for a statement to be executed in certain cases by an individual entitled to a share of death benefits payable under the Railroad Retirement Act but who wishes to direct payments to another individual or individuals.

(32) *Form CER-1, Employee Registration.* This form must be executed by each individual entering, for the first time, employment covered by the Railroad Retirement and Railroad Unemployment Insurance Acts and is to be forwarded to the Board either directly or through the employer. The identifying information included on this form is for the purpose of enabling the Board to establish an individual account to which service and compensation under the Acts may be credited.

(33) *Form DC-1, Employer's Quarterly Report of Contributions Under the Railroad Unemployment Insurance Act.* This is a form prescribed by § 345.5 of the Regulations of the Board to be filed by employer under the Railroad Unemployment Insurance Act (20 CFR Cum. Supp. 345.5).

(34) *Form DC-2, Employee Representatives Report of Compensation.* This form is used for reporting employee representative service and compensation and is to be filed annually by an individual serving as an employee representative under the Railroad Retirement Act.

(35) *Form DC-2a, Employee Representative's Status Report.* This form provides for a statement to be made at the request of the Board by an individual claiming credit for service under the Railroad Retirement Act as an employee representative to enable the Board to determine if the service is creditable under those Acts.

(36) *Form ERR-8, Employment Relation Questionnaire.* This is a form on which an employer provides information concerning an applicant for an annuity who was not in compensated service on August 29, 1935 and did not perform six months of service after August 29, 1935 and prior to January 1, 1946.

(37) *Form ERR-12, Employment Relation Questionnaire.* This is a form on which a claimant provides information for determining whether he had an employment relation within the meaning of the Railroad Retirement Act as amended July 31, 1946.

(38) *Form G-29, Application for Refund of Employee Taxes Paid to State Unemployment Insurance Funds Covered by Public Law 599, 79th Congress.* This is a form on which a claimant provides information to support a claim for refund of employee taxes the claimant may have paid to state unemployment insurance funds.

(39) *Form G-60, Application for Benefits Upon Death of Employee, Applicant, or Annuitant.* This form is to be executed by an individual who wishes to apply for death benefits payable under the 1935 Act. It contains information necessary to identify the deceased employee on the records of the Board and shows relationship, if any, of applicant to deceased. This form is also used by legal representative applying for death benefits under 1937 Act in accordance with § 236.2 of the Regulations.

(40) *Form G-70, Protest of Record of Service Months and Wages.* This form is to be used by an employee in protesting the Board's record of his service months and wages, unless he is applying for unemployment insurance benefits. This form provides for showing the employee's claim of the amount of wages he earned in each month of the year or years, the name of the employer from which they were earned, and the place of employment.

(41) *Form G-86, Certification in Support of Employer Service for Which No Records Are Available.* This form is to be used by an individual who claims to have personal knowledge of all or part of an applicant's service which cannot be verified because employer records are missing.

(42) *Form G-88, Certificate of Termination of Service and Relinquishment of Rights.* This is for the certification by an applicant for annuity that he has ceased working for an employer and has relinquished all rights to return to service of his last employer, whether or not covered by the Railroad Retirement Act. This certificate or a similar one must be executed and submitted to the Board before any annuity payments may be made to the applicant.

(43) *Form G-88a, Employer's Supplemental Report of Service and Compensation.* This is a form appearing on the reverse of Form G-88, Employee's Certificate of Termination of Service and Relinquishment of Rights, and is to be completed by employers in respect to service rendered between the period covered by the employer's last report of service and compensation and the date of the employee's termination of service.

(44) *Form G-89, Authority for Change of Effective Dates.* This is the form to be used by applicant authorizing a change in or clarifying his annuity beginning date. Also if an applicant cancels his application for annuity he is requested to submit Form G-89 when he wishes to reinstate his application. The form must be signed before and by two witnesses.

(45) *Form G-93, Statement and Report of Health In Connection With Joint and Survivor Election.* Each applicant for annuity who elects a joint and survivor option must furnish the Board a statement of his health on Form G-93. In addition to the applicant's statement this form provides also for an examining physician's report of the applicant's physical condition.

(46) *Form G-108, Request for Supplemental Service Information.* This form

is furnished an annuity applicant for his convenience in claiming service which has been reported by the employer but not previously claimed or to furnish additional information for service previously claimed but not verified by the employer. Detailed information such as exact name of carrier, exact pay-roll name, for each such period of service is to be shown.

(47) *Form G-124, Statement of Common-Law Marriage by Widow.* This is a form to be used in connection with an application for death benefits by a woman claiming to be the common-law wife of an employee.

(48) *Form G-124a, Statement Regarding Marriage.* This form is for a statement by disinterested persons regarding a claimed marriage.

(49) *Form G-164, Report of Physical Examination.* This form is to be used in making a medical examiner's report of the physical examination of an applicant for a disability annuity. It is used also to report the continuance of the disability of an annuitant previously awarded a disability annuity.

(50) *Form G-253, Employee's Authorization for Employers to Exchange Information Concerning His Monthly Earnings in Employment Subject to Railroad Retirement Acts.* This form is for an employee's authorization for employers to exchange information concerning his earnings when the combined monthly earnings exceed $300.

(51) *Form G-327a, Request for Additional Information Concerning Deceased Employee.* This form is used to secure information when the original notice of the death of an employee does not contain sufficient information to identify the deceased individual on the Board's records.

(52) *Form G-468, Certificate of Responsibility of Minor Applicant.* This is a form on which applicant for benefits who is still a minor is to provide information to support a request that benefits be paid without the appointment of a guardian and requires in addition, a statement by two adults that they are personally acquainted with the applicant and that to the best of their knowledge and belief the applicant's statements are true and complete.

(53) *Form 469, Certificate of Guardian-in-Fact or Person in Loco Parentis.* Form to be used by a guardian-in-fact or a person in loco parentis of a minor with regard to an application of the minor for benefits and certifying that the benefits received would be used solely for necessities of the minor.

(54) *Form G-661, Appeal From Decision Concerning Creditability of Service.* This form is prescribed for filing an appeal from an initial decision of the Bureau of Retirement Claims with respect to a determination by that bureau that service claimed in connection with an application for annuity is not creditable because the employer is not covered by the Railroad Retirement Act.

(55) *Form G-662a, Confirmation of Non-Receipt of Annuity Check.* This form is for an annuitant's certification that since reporting the loss or non-receipt of his check he has not yet received the check or that it has been received or found.

(56) *Form EL-1, Letter Referring Applicant to Employer for Job Interview.* This is the form given to an applicant for unemployment insurance benefits referring him to an employer for work and which is to be completed to show whether or not instructions were complied with and, if so, the action taken with respect to the opening.

(57) *Form EL-2, Letter Referring Claimant to United States Employment Service for Employment.* This is the notice mailed to a claimant to report to United States Employment Service for employment service, the reverse side of which is to be completed to indicate whether or not the claimant reported as notified and, if so, whether or not he accepted employment to which he was referred. The completed form is to be returned to the Board office from which it was received.

(58) *Form ES-1, Applicantion for Employment Service.* This form is to be used by unemployed persons in applying for placement by the employment service.

(59) *Form ES-19b, Referral Card.* This referral card is given to an applicant for employment service who is not a claimant for unemployment insurance benefits. It tells the applicant to report to a designated hiring official for work. The notice is to be left with the hiring officer who is requested to complete the card to show whether or which the applicant was hired and to return it to a designated Board office.

(60) *Form ES-20b, Referral Card.* This is a referral card given to a claimant for unemployment insurance benefits. It tells him to report to a designated hiring official for work. The notice is to be left with the hiring office which is requested to complete the card to show whether or not the applicant was hired and to return it to a designated Board office.

(61) *Form ES-21b, Referral Card—Railroad Retirement Board to United States Employment Service.* This is a referral card given to an applicant for unemployment insurance benefits instructing him to report to the United States Employment Service for employment service. The United States Employment Service is requested to complete the card to show that the individual reported as instructed and to return it to the Board office designated.

(62) *Form ES-107a, In Card.* This is a notice to an applicant for employment service to appear in person at a designated Board office to discuss possibility of referral to a job. This notice specifically states penalties for failure to comply with the instructions thereon.

(63) *Form ES-107b, Return Card.* This form is for a statement by an applicant for employment service as to why he did not comply with instructions on ES-107a. It is to be completed and returned to designated Board office only if claimant does not report for interview.

(64) *Form ES-110, Referral List.* This is to list the individuals instructed to report to employer for an interview on job opening. The reverse side is to be completed by the employer to indicate whether the individuals were hired and date they are to begin work or reason they were not hired and is to be returned to a designated Board office.

(65) *Form ID-9a, Employer's Report of Compensation Not Previously Reported.* This form is to be used by an employer to report compensation not previously reported to the Bureau of Wage and Service Records. This information is required in determining the benefit rights of an applicant for unemployment insurance benefits whose base year wages were earned in the employment of the employer.

(66) *Form LQ-4, Report of Pensioner by Employer.* This requires a statement by the employer to prove an employee's eligibility for pension benefits.

(67) *Form LQ-10, Report of Payment for Time Lost.* The form is for a statement of payments by the employer to the employee for time lost to aid in determining whether such payment may be included in the employee's compensation.

(68) *Form OE-1a, Pay Roll Report.* The form is for quarter-annual pay roll reports by local lodges and divisions of organizations of employees, broken down by months and showing deductions for purposes of the Railroad Retirement Tax Act.

(69) *Form OE-1b, Pay Roll Report.* This form is similar to Form OE-1a and is for completion by system, general and district organizations of employees and state and national legislative committees of such organizations.

(70) *Form OE-1c, Pay Roll Report.* This form is similar to Form OE-1a except that it is for monthly reports.

(71) *Form OE-1d, Pay Roll Report.* This form is similar to Form OE-1b except that it is for monthly reports.

(72) *Form OE-4, Employee's Statement of Labor Organization and Military Service.* This requires a report by the employee of his covered labor organization and military service.

(73) *OE-5, Service and Compensation Report by Labor Organization.* This requires a report from covered labor organizations of the service and compensation of its covered employees.

(74) *Form RL-9d, Reaffirmation of Election of Survivor Annuity.* This form is a letter explaining to employees who have elected before July 31, 1946, to receive survivor annuities rather than single life annuities, but whose annuities may not begin to accrue until after December 31, 1946, that under the Railroad Retirement Act as amended on July 31, 1946, such employees must complete and return attached reaffirmation form prior to January 1, 1948, if such election is to remain in force, and that failure so to make such reaffirmation will result in leaving available to an employee only a single life annuity.

(75) *Form RL-13e, Certification of Retirement.* This provides for a certification required of a person receiving an annuity on the basis of physical disability who reaches the age of 65 years, that he is not in the service of any employer under the Railroad Retirement Act or of the person or company by whom he was employed last before his annuity began

to accrue and that he has relinquished all rights to return to the service of such an employer or person or company.

(76) *Form RL-125, Notice of Probable Denial of Disability Claim and of Opportunity to Supply Additional Evidence.* This form is to be used to notify a claimant that the evidence submitted does not permit a favorable decision on a claim for a disability annuity, and to notify him that he may submit further evidence.

(77) *Form RP-4-37, Record of Employee Representative Service and Compensation.* This form is to be used by an applicant establishing employee representative service and compensation.

(78) *Form RP-5-37, Record of Employee Representative Service and Compensation.* This form is similar in purpose to RP-4-37, but is to be executed by the organization employer.

(79) *Form RR-27, Claim for Credit for Military Service.* This form requires a statement under oath as to military service claimed for credit under the Railroad Retirement Act.

(80) *Form RB-1, Instructions as to How to Submit Proof of Age.* This form is a booklet describing what kinds of evidence of age are acceptable to the Board in support of claims; in what cases photographic or transcribed copies of original documents may be submitted; and the form of letter of a labor union or fraternal organization stating what such records indicate as to the applicant's age.

(81) *Form S-76, Authorization to Furnish Information.* This form is to be completed in authorizing the Board to furnish information from its records.

(82) *Form SF-1099.* This form is a signature card to be executed by an applicant for purposes of signature comparison.

(83) *Form T-41, Letter of Instructions as to Filing Form AA-17 (Application for Widow's Insurance Annuity).* This letter contains instructions to the effect that Form AA-17 when submitted should be accompanied by a certified copy of the public or church record of the marriage, or in the alternative, either the original marriage certificate or the affidavits of two persons having personal knowledge of the marriage; and if the marriage record does not indicate that the applicant widow will be at least sixty-five years of age on January 1, 1947, the applicant is instructed to furnish evidence of her age of a kind listed in Form RB-1. The applicant is also requested to execute a signature card, (Form SF-1099) in ink or indelible pencil in her normal signature handwriting.

(84) *Form UI-1, Application for Certificate of Benefit Rights.* This is a form for applying for a Certificate of Benefit Rights and provides for information in connection with employment service.

(85) *Form UI-3, Registration for Claim for Unemployment Insurance Benefits.* This is a form for registering for days of unemployment and claiming unemployment insurance benefits, for providing notice to the claimant of requirements upon him, and for statement to be certified to by the claimant.

(86) *Form UI-3a, Explanation of Exceptions to Certification for Day of Unemployment.* This form provides an opportunity for a full explanation of the reasons any statement to which a claimant has certified on Form UI-3 is not or may not be true for any particular day or days for which registration has been made.

(87) *Form UI-3b, Certification of Statements on Form UI-3.* This form accompanies Form UI-3 and specifically certifies for each day for which registration was made as to the statements required to be certified to for eligibility for unemployment insurance benefits.

(88) *Form UI-9, Applicant's Statement of Employment and Wages.* This is a form to be used in claiming service and compensation for unemployment benefits.

(89) *Form UI-84, Delayed Registration.* This is a form upon which to make a delayed registration for a day or days of unemployment.

(90) *Form UI-86, Appeal to Board From Initial Unemployment Insurance Decision.* This form provides for a statement of the case on appeal to the Board from a decision denying unemployment benefits and giving notice of any additional evidence to be submitted.

(50 Stat. 314; 45 U. S. C. 228-j)

By authority of the Board.

Dated: December 20, 1946.

[SEAL] MARY B. LINKINS, *Secretary of the Board.*

[F. R. Doc. 46-21913; Filed, Dec. 26, 1946; 8:45 a. m.]

TITLE 24—HOUSING CREDIT

Chapter VII—National Housing Agency

PART 751—ORGANIZATION DESCRIPTION, INCLUDING DELEGATIONS OF FINAL AUTHORITY

DESIGNATION OF ACTING NATIONAL HOUSING ADMINISTRATOR

1. Section 751.1a is hereby amended by substituting the following in lieu thereof:

§ 751.1a *Designation of Acting National Housing Administrator.* Pursuant to section 12 of Executive Order 9070,[1] approved by the President on February 24, 1942, I hereby designate William K. Divers to act in my place and stead during my absence from December 24 through December 27, 1946, with the title of "Acting National Housing Administrator" with all the powers, duties, and rights conferred upon me by said Executive order, any other Executive order, the Lanham Act (Public Law 849, 76th Congress), or any other act of Congress, and all such powers, duties, and rights are hereby delegated to such officer for such period. (E. O. 9070, Feb. 24, 1942, 7 F. R. 1529)

Issued this 23d day of December 1946.

RAYMOND M. FOLEY, *National Housing Administrator.*

[F. R. Doc. 46-21946; Filed, Dec. 26, 1946; 8:46 a. m.]

[1] 7 F. R. 1529.

Chapter VIII—Office of Housing Expediter

[Priorities Order 2, As Amended Dec. 23, 1946]

PART 801—PRIORITIES ORDERS UNDER VETERANS' EMERGENCY HOUSING ACT OF 1946

DELEGATION OF AUTHORITY

§ 801.2 *Delegation of authority*—(a) *What this section provides.* This section delegates to specified agencies and officials authority to process applications for priorities assistance under § 803.5 (Housing Expediter Priorities Regulation 5) and related issuances and for authorization under Civilian Production Administration Veterans' Housing Program Order 1 pursuant to provisions of the Housing Permit Regulation for construction permits and to make certain investigations of alleged violations thereof and take certain compliance action. It also delegates to a specified official authority to process applications for priorities assistance under § 803.6 of this chapter (Housing Expediter Priorities Regulation 6).

(b) *Processing applications and appeals.* (1) The Federal Housing Administration (through the Federal Housing Commissioner or his designated representative) is hereby authorized to approve or deny, in accordance with Housing Expediter Priorities Regulation 5 and the Housing Permit Regulation, applications, changes in applications, and appeals which those regulations authorize to be filed with appropriate State and District Offices of the Federal Housing Administration.

(2) The Federal Public Housing Authority (through the Federal Public Housing Commissioner or his designated representatives) is hereby authorized to approve or deny, in accordance with Housing Expediter Priorities Regulation 5 and the Housing Permit Regulation, applications, changes in applications, and appeals which those regulations authorize to be filed with appropriate regional offices of the Federal Public Housing Authority.

(3) The Department of Agriculture (through the Director of the Materials and Equipment Branch, Production and Marketing Administration, or his designated representatives) is hereby authorized to approve or deny in accordance with Housing Expediter Priorities Regulation 5, changes in applications, and appeals which that regulation authorizes to be filed with appropriate County Agricultural Conservation Committees.

(4) The Director or Acting Director of the Technical Office of the Office of the Administrator of the National Housing Agency is hereby authorized to approve or deny, in accordance with Housing Expediter Priorities Regulation 5 and the Housing Permit Regulation, applications, changes in applications, and appeals which those regulations authorize to be filed with the Technical Office.

(5) The Director or Acting Director of the Prefabrication Production Branch of the Office of Industrialized Housing of the Office of the Administrator of the National Housing Agency is hereby authorized to approve or deny, in accord-

ance with Housing Expediter Priorities Regulation 6, changes in applications, and appeals which that regulation authorizes to be filed with the National Housing Agency, except applications under paragraph (u) of Housing Expediter Priorities Regulation 6.

(6) The Federal Housing Administration, the Federal Public Housing Authority, and the Department of Agriculture shall furnish the Housing Expediter with copies of approved applications and with such reports and other information as may be requested. All general instructions and operating procedures to be issued under the delegations in the paragraph shall be submitted to the Housing Expediter for prior approval.

(c) *Investigation and enforcement.* The Office of Price Administration (Office of Temporary Controls) through the Price Administrator or his designated representatives is hereby authorized to conduct such investigations as may be necessary to ascertain violations of Priorities Regulation 33 (32 CFR 944.54) and Housing Expediter Priorities Regulation 5 with respect to sales price, rent, cost, construction, preferences for veterans, occupancy or disposition of dwellings, applications and the posting of placards; and where such violations are found:

(1) To institute such civil proceedings, in the name of the Price Administrator, as may be appropriate with respect to such violations, and to intervene in any civil proceedings in which such violations are involved.

(2) To revoke, deny or suspend authorization and priorities assistance under Priorities Regulation 33 and Housing Expediter Priorities Regulation 5 where the Price Administrator or his designated representatives determine, after appropriate administrative hearings, that such violations result or threaten to result in the use of materials or facilities in a manner inconsistent with the purposes of the Veterans' Emergency Housing Act of 1946.

(3) To certify the facts of such violations to the Attorney General, whenever the Price Administrator, or his designated representatives, believe that any person is liable to punishment under the criminal laws of the United States or the provisions of the Veterans' Emergency Housing Act of 1946.

(4) To take such other action, or otherwise dispose of such violation as may be appropriate.

For the purpose of investigating and disposing of such violations, the Office of Price Administration (Office of Temporary Controls) through the Price Administrator or his designated representatives may exercise, to the extent necessary, the functions, powers, authority or discretion conferred upon the Housing Expediter by the Veterans' Emergency Housing Act of 1946 and Directive 42 of the Civilian Production Administration.

(60 Stat. 207; 56 Stat. 177, as amended; E. O. 9638, 10 F. R. 12591; CPA Directive 42, 11 F. R. 9514)

This section as amended shall become effective December 24, 1946.

(Title III, 56 Stat. 177, Pub. Law 388, 79th Cong., 60 Stat. 207; 50 U. S. C. App. Sup. 633)

Issued this 23d day of December 1946.

[SEAL] FRANK R. CREEDON,
Housing Expediter.

[F. R. Doc. 46-21936; Filed, Dec. 26, 1946; 8:45 a. m.]

[Housing Expediter Premium Payments Reg. 2, as Amended Aug. 30, 1946, Amdt. 1]

PART 805—PREMIUM PAYMENTS REGULATIONS UNDER VETERANS' EMERGENCY HOUSING ACT OF 1946

SOFTWOOD PLYWOOD

Section 805.2 (Housing Expediter Premium Payments Regulation No. 2) is amended in the following respects:

1. Paragraph (j) is amended to read as follows:

(j) *Special provisions for veneer mills.* (1) Any veneer mill which is neither owned by a plywood company nor is under contract to supply all of its output to a plywood company (or companies) may obtain premium payments under this section if it complies with all of the following conditions:

(i) It files an application on a prescribed form with the Expediter, c/o CPA, Portland, Oregon, and receives authorization to pay its log suppliers a premium for peeler logs, which authorization may cover payments on or after June 1, 1946.

(ii) It delivers part of its peeler logs, either in the form of veneer or as peeler logs, to a plywood company (or companies) for which a quota has been approved under paragraph (c). Such delivery of veneer or peeler logs must be made during the period for which the claim for payment is filed.

(iii) Pursuant to authorization by the Expediter, it pays its log suppliers for peeler logs a premium of $7.50 per thousand feet logscale.

(iv) Its current purchases of logs are in line with its purchases of logs during the corresponding months of 1945.

(2) The amount of premium payable to a veneer mill shall be $7.50 per thousand feet logscale for all peeler logs delivered to it with respect to which it has during the period of its authorization from the Expediter paid a premium of $7.50 per thousand feet logscale, *Provided*, That:

(i) If, during the period for which a claim for payment is filed, the proportion of peeler log purchases to total log purchases exceeds that obtaining during the first quarter of 1946, a veneer mill may be paid only on that amount of its peeler log purchases which, in relation to total log purchases, does not exceed the first quarter of 1946 ratio of peeler log purchases to total log purchases.

(ii) No premium shall be payable with respect to peeler logs which were delivered to a plywood company.

(iii) No premium shall be payable with respect to peeler logs on which payment was previously made pursuant to a monthly claim.

(3) A consolidated claim for payment, covering the entire period in which this section was in effect, shall be filed on form OHE 2-4 with the RFC Loan Agency, Pittock Block, Portland 5, Oregon, within 60 days after the end of the month in which this section terminates. In preparing this form, follow the revised instructions therefor, which may be obtained from the RFC Loan Agency.

(4) In addition to this paragraph, only the following provisions of this section shall apply to veneer mills; paragraphs (a), (f) (1), (f) (5), (g) (1), (g) (2), (g) (3), (g) (5), (h), (i), (k) and (l).

2. This amendment shall become effective as of November 1, 1946.

Issued this 26th day of December 1946.

FRANK R. CREEDON,
Housing Expediter.

[F. R. Doc. 46-21983; Filed, Dec. 26, 1946; 11:01 a. m.]

TITLE 25—INDIANS

Chapter I—Office of Indian Affairs, Department of the Interior

Subchapter L—Irrigation Projects; Operation and Maintenance

PART 130—OPERATION AND MAINTENANCE CHARGES

UINTAH INDIAN IRRIGATION PROJECT, UTAH

CROSS REFERENCE: For notice of proposed rule making under this part, see F. R. Doc. 46-21914, Department of the Interior, Office of Indian Affairs, in Notices section, *infra.*

TITLE 27—INTOXICATING LIQUORS

Chapter I—Bureau of Internal Revenue, Department of the Treasury

PART 4—LABELING AND ADVERTISING OF WINES

CROSS REFERENCE: For notice of proposed rule making under this part see F. R. 46-21942, Treasury Department, Bureau of Internal Revenue, in Notices section, *infra.*

PART 5—LABELING AND ADVERTISING OF DISTILLED SPIRITS

CROSS REFERENCE: For notice of proposed rule making under this part, see F. R. Doc. 46-21940, Treasury Department, Bureau of Internal Revenue, in Notices section, *infra.*

PART 6—INDUCEMENTS FURNISHED TO RETAILERS

CROSS REFERENCE: For notice of proposed rule making under this part, see F. R. Doc. 46-21941; Department of the Treasury, Bureau of Internal Revenue, in Notices section, *infra.*

TITLE 31—MONEY AND FINANCE: TREASURY

Chapter I—Monetary Offices, Department of the Treasury

PART 131—GENERAL LICENSES UNDER EXECUTIVE ORDER NO. 8389, APRIL 10, 1940, AS AMENDED, AND REGULATIONS ISSUED PURSUANT THERETO

FOREIGN FUNDS CONTROL

Amendment to General License No. 25 under Executive Order No. 8389, as amended, Executive Order No. 9193, as amended, section 5 (b) of the Trading with the Enemy Act, as amended by the First War Powers Act, 1941, relating to Foreign Funds Control.

Section 131.25 *General License No. 25* is hereby amended to read as follows:

§ 131.25 *General License No. 25.* A general license is hereby granted exempting all transactions from the provisions of section 2A (1) of the order. (Sec. 5 (b), 40 Stat. 415, 966, sec. 2, 48 Stat. 1, 54 Stat. 179, sec. 301, 55 Stat. 839; 12 U. S. C. 95a, 50 U. S. C. App. Sup., 5 (b); E. O. 8389, April 10, 1940, as amended by E. O. 8785, June 14, 1941, E. O. 8832, July 26, 1941, E. O. 8963, Dec. 9, 1941, and E. O. 8998, Dec. 26, 1941, E. O. 9193, July 6, 1942, as amended by E. O. 9567, June 8, 1945; 3 CFR, Cum. Supp., 10 F. R. 6917; Regulations, April 10, 1940, as amended June 14, 1941, February 19, 1946, and June 28, 1946; 31 CFR, Cum. Supp., 130.1-7, 11 F. R. 1769, 7184)

[SEAL] JOSEPH J. O'CONNELL, Jr.,
Acting Secretary of the Treasury.

[F. R. Doc. 46-21853; Filed, Dec. 26, 1946; 8:54 a. m.]

PART 131—GENERAL LICENSES UNDER EXECUTIVE ORDER NO. 8389, APRIL 10, 1940, AS AMENDED, AND REGULATIONS ISSUED PURSUANT THERETO

FOREIGN FUNDS CONTROL

Revocation of General License No. 31 under Executive Order No. 8389, as amended, Executive Order No. 9193, as amended, section 5 (b) of the Trading with the Enemy Act, as amended by the First War Powers Act, 1941, relating to Foreign Funds Control.

Section 131.31 *General License No. 31* is hereby revoked.

(Sec. 5 (b), 40 Stat. 415, 966; sec. 2, 48 Stat. 1; 54 Stat. 179; sec. 301, 55 Stat. 839; 12 U. S. C. 95a, 50 U. S. C. App. Sup., 5 (b); E. O. 8389, April 10, 1940, as amended by E. O. 8785, June 14, 1941, E. O. 8832, July 26, 1941, E. O. 8963, Dec. 9, 1941, and E. O. 8998, Dec. 26, 1941, E. O. 9193, July 6, 1942, as amended by E. O. 9567, June 8, 1945; 3 CFR, Cum. Supp., 10 F. R. 6917; Regulations, April 10, 1940, as amended June 14, 1941, February 19, 1946, and June 28, 1946; 31 CFR, Cum. Supp., 130.1-7, 11 F. R. 1769, 7184)

[SEAL] JOSEPH J. O'CONNELL, Jr.,
Acting Secretary of the Treasury.

[F. R. Doc. 46-21872; Filed, Dec. 26, 1946; 8:53 a. m.]

Chapter II—Fiscal Service, Department of the Treasury

PART 280—REGULATIONS FOR THE ADMINISTRATION OF FOREIGN CURRENCIES AND CREDITS UNDER DISPOSITIONS OF SURPLUS PROPERTY ABROAD AND LEND-LEASE SETTLEMENTS

AUTHORITY: §§ 280.1 to 280.7, inclusive, issued under 55 Stat. 31, as amended, sec. 32 (b) (2), 58 Stat. 782, as amended by Pub. Law 584, 79 Cong.; 22 U. S. C. Sup. 412, 50 U. S. C. App. Sup. 1641.

§ 280.1 *Authority.* By virtue of the authority vested in the Secretary of the Treasury under section 32 (b) (2) of the Surplus Property Act of 1944 (58 Stat. 782; 50 U. S. C. App. 1641), as amended (Pub. Law 584, 79th Cong.), the following regulation is hereby prescribed for the administration of foreign currencies or credits acquired by the Department of State from the disposal of United States Government surplus property located outside the continental United States, Hawaii, Alaska (including the Aleutian Islands), Puerto Rico, and the Virgin Islands, and, under Executive Order No. 9726 (May 18, 1946, 11 F. R. 5437), this regulation is also prescribed for the accountability for funds payable under lend-lease settlements in accordance with the act of March 11, 1941 (55 Stat. 31; 22 U. S. C. 412), as amended.

§ 280.2 *Scope of this part.* This part applies to the administration of the obligations owing to the Government of the United States under agreements for the sale of surplus property located abroad and Lend-lease settlements (hereinafter referred to as "agreements and settlements"), insofar as they are expressed in United States dollars or in foreign currencies, and the foreign currencies which the Government of the United States has acquired or may acquire from the disposal of surplus property located abroad or from Lend-lease settlements. This part does not apply insofar as such agreements or settlements relate to the acceptance of property (other than foreign currency) or substantial benefits, or to the discharge of claims whenever the Secretary of State has determined that such considerations are in the interest of the United States.

§ 280.3 *Receipt, custody and disposition*—(a) *Deposit in foreign currency account of U. S. Treasurer.* All foreign currencies covered by § 280.2 shall be deposited with an accountable officer of the Government of the United States. Except as otherwise provided in this paragraph, the foreign currency shall be deposited by the accountable officer in the foreign depositary bank designated by the Secretary of the Treasury for credit in the foreign currency account of the Treasurer of the United States of America. The officer making the deposit shall use a certificate of deposit on Treasury Department Form 1 (Rev.), modified as hereinafter provided. Such amounts of foreign currency as may be determined by the Secretary of State as necessary for the making of refunds to purchasers, payments for breaches of warranty, and other related payments authorized under the provisions of section 30 of the Surplus Property Act of 1944 (58 Stat. 781; 50 U. S. C. App. 1639), as amended, shall be deposited for such purposes by an accountable officer in a separate official account (other than in the name of the Treasurer of the United States of America) with a designated foreign depositary bank.

(b) *Data to be shown on certificate of deposit: (Treasury Department Form 1 Rev.).* The certificate of deposit shall be prepared, in the same manner as for the deposit of United States dollars, for credit in the foreign currency account of the Treasurer of the United States of America, except that the amount deposited for acknowledgment by the depositary bank shall be stated exclusively in the terms of the foreign currency deposited. For purposes of accounting, the certificate of deposit shall show:

(1) The symbol and title of the miscellaneous receipt account or other applicable fund or account in the Treasury which is to receive credit for whatever United States dollar proceeds may be realized from the foreign currency deposited;

(2) The amount of foreign currency deposited;

(3) The rate of exchange at which the foreign currency was carried in the accountable officer's account; and

(4) The United States dollar equivalent at such rate.

(c) *Distribution of certificate of deposit: (Treasury Department Form 1 Rev.).* The depositary bank shall date and sign the original and two copies of the certificate of deposit and dispose of the same in the following manner:

(1) *Original.* Attach to the original of the "Transcript of Account of United States Depositary (Foreign)" on Treasury Department Form GA-284, for transmittal to the Treasurer of the United States of America.

(2) *Duplicate.* Deliver to the officer making the deposit for forwarding to the administrative bureau or office concerned.

(3) *Triplicate.* Deliver to the officer making the deposit for his records.

The depositary bank may retain the quadruplicate for its records.

(d) *Procedure for depositary bank.* The depositary bank shall (1) credit the foreign currency account of the Treasurer of the United States of America with the amount of the foreign currency deposited, and (2) charge this account with the amount of the foreign currency withdrawn. Payments from this account shall be made only in accordance with instructions given by the Secretary of the Treasury transmitted to the depositary bank through appropriate facilities. A transcript of the account of the United States depositary on Treasury Department Form GA-284 shall be rendered for each day on which there are transactions and for the last business day of each month. Each transcript shall show the opening balance, the receipts according to certificates of deposits, the items of payments, and the remaining balance. The bank shall attach the original of each certificate of deposit to the original of the transcript and deliver them to the appropriate American diplomatic or consular establishment with a request that the documents be forwarded to the Treasurer of the United States of America. Where the facilities of an American diplomatic or consular establishment are not available, the depositary bank, unless otherwise instructed, shall advise the Secretary of the Treasury by cable of the total amount of foreign currency deposited, as evidenced by the transcript and supporting certificates of deposits. The transcript, with the supporting certificates of deposits, shall be forwarded to: "The Treasurer of the United States, Division of General Accounts, Washington 25, D. C."

(e) *Procedure for American diplomatic or consular establishment.* Upon receipt of the transcript of the Account of United States depositary and the supporting signed and dated originals of the certificates of deposits from the depositary bank, the American diplomatic or consular establishment, unless otherwise requested, shall advise the Secretary of the Treasury by cable of the total amount of foreign currency deposited, as shown by the transcript and supporting certificates of deposits. The transcript, with the supporting certificates of deposits, shall be enclosed in a separate envelope addressed to: "The Treasurer of the United States, Division of General Accounts, Washington 25, D. C." and forwarded by diplomatic pouch.

(f) *Withdrawals of foreign currencies.* Foreign currencies shall be withdrawn from the foreign currency accounts in the name of the Treasurer of the United States of America only in accordance with instructions of the Secretary of the Treasury as provided in paragraph (d) of this section. Withdrawals of foreign currencies under the provisions of § 280.5 (b) will be effected by the Secretary of the Treasury in accordance with requisitions by the Secretary of State. Each requisition shall bear a certification by the Secretary of State that, having due regard to the convertibility of the specified amount of foreign currency into United States dollars and to other relevant factors, the foreign currency is available for the purposes authorized under the provisions of section 32 (b) (2) of the Surplus Property Act of 1944, as amended (Pub. Law 584, 79th Cong.). The amounts of withdrawals in accordance with such requisitions shall be paid to an accountable officer designated by the Secretary of State, and the subsequent accounting for such currency shall be by the Department of State.

§ 280.4 *Collection of accelerated payments.* (a) Where the agreement or settlement provides that, in lieu of deferred payments in United States dollars over a period of time, the Government of the United States may request accelerated payments in foreign currencies, such payments shall be requested only at such times and to the extent necessary in order to procure the foreign currencies required for the lawful discharge of authorized governmental functions or activities of the United States. The acquisition of foreign currencies as accelerated payments should therefore not be greater at any one time than the amounts required for governmental purposes over a period ordinarily not to exceed three months, except where the Secretary of the Treasury, upon the advice of the Director of the Bureau of the Budget, shall provide otherwise. All such currencies shall be deposited in accordance with the provisions of § 280.3 (a).

(b) In cases where the Secretary of the Treasury informs the Secretary of State that the Government of the United States has substantial holdings of a particular foreign currency, no accelerated payments in such currencies shall be requested until such holdings shall have been used or committed, at the rate of exchange applicable under the provisions of § 280.6, unless the Secretary of State files a certification under the provisions of § 280.3 (f).

(c) In cases where the Secretary of the Treasury informs the Secretary of State that any Department or Agency of the Government of the United States has need for a particular foreign currency and can make United States dollar payments therefor, he may advise the Secretary of State to request the foreign government concerned to make accelerated payments in its local currency in the amounts necessary and up to the extent authorized under the terms of the agreement or settlement, and within the framework of the foreign financial policy of the United States.

§ 280.5 *Objects of withdawals.* Foreign currencies may be withdrawn under the provisions of § 280.3 (f), subject to the terms of the agreement or settlement with the foreign government relating to the use of such currencies, only for the following purposes:

(a) Official disbursements by a Department or Agency of the Government of the United States in foreign currencies upon payment in United States dollars, in accordance with the exchange rate provisions of § 280.6, and the net United States dollar amounts of such payments shall be credited to miscellaneous receipts of the Treasury;

(b) Disbursements in foreign currencies acquired by the Department of State under surplus property sales agreements for the purposes authorized under the provisions of section 32 (b) (1) of the Surplus Property Act of 1944, as amended (Pub. Law 584, 79th Cong.), upon the certification of the Secretary of State as provided in § 280.3 (f); and

(c) Official disbursements in foreign currencies by a Department or Agency of the Government of the United States where such Department or Agency has specific authorization from the Congress to use the foreign currencies covered by the regulation of this part without reimbursement or payment in United States dollars.

§ 280.6 *Exchange rates.* Where foreign currencies are received by the Government of the United States under an agreement or settlement, the credit against the United States dollar obligation shall be calculated at the rate of exchange applicable under the agreement or settlement. In disposing of foreign currencies to Departments and Agencies of the Government of the United States under provisions of §§ 280.4 (c) and 280.5 (a), the amount of payment shall be calculated at the rate of exchange that would otherwise be available to the Government of the United States for the acquisition of the foreign currency for its official disbursements at that time and not necessarily at the rate of exchange applicable under the terms of the agreement or settlement. If the Secretary of the Treasury, however, in consultation with the Secretary of State, shall find that the rate of exchange applicable under the agreement or settlement constitutes in effect a new rate of exchange insofar as the official disbursements of the Government of the United States are concerned, then that same rate of exchange shall be used in computing the amount to be paid by the Departments and Agencies for such foreign currencies: *Provided,* That no more favorable rate is otherwise lawfully available for the disbursements of any Department or Agency.

§ 280.7 *Waiver, withdrawal, or amendment.* The Secretary of the Treasury may waive, withdraw, or amend at any time or from time to time any or all of the provisions of the regulations in this part.

[SEAL] JOHN W. SNYDER,
Secretary of the Treasury.

[F. R. Doc. 46-21950; Filed, Dec. 26, 1946; 8:46 a. m.]

TITLE 32—NATIONAL DEFENSE

Chapter VIII—Office of International Trade, Department of Commerce

Subchapter B—Export Control

[Amendment 282]

PART 801—GENERAL REGULATIONS

PROHIBITED EXPORTATIONS

Section 801.2 *Prohibited exportations* is amended as follows:

The list of commodities set forth in paragraph (b) is amended in the following particulars:

1. The following commodities are hereby added to the list of commodities:

Dept. of Comm. Sched. B No.	Commodity	Unit	GLV dollar value limits country group	
			K	E
009900	Other edible animal products: Blood flour	Lb.	100	25
	Other inedible animals and animal products:			
099998	Blood albumen		100	25
099998	Dry blood, soluble		100	25
	Miscellaneous vegetable products, inedible:			
299998	Soybean flour	Lb.	100	25
299998	Soybean meal and cake	Lb.	100	25
299998	Cottonseed flour	Lb.	100	25
299998	Cottonseed meal and cake	Lb.	100	25
299998	Peanut flour	Lb.	100	25
299998	Peanut meal and cake	Lb.	100	25

2. The following commodities are hereby deleted from the list of commodities:

Dept. of Comm. Sched. B No.	Commodity
	Meat products:
003909	Ration K, only.
	Dairy products:
	Milk and cream:
006300	Dried whole milk (include partially skmmed).
006400	Dried skim milk.
	Fish and fish products:
	Fish, canned:
008601	Cod, haddock, hake, pollock and cusk.
	Other edible animal products:
009400	Bouillon cubes, only.
	Fodders and feeds:
	Oil cake and oil-cake meal:
112909	Castor-bean oil cake and oil cake meal.
112909	Cocoa press cake.
	Vegetable oils and fats, edible:
144200	Cocoa butter.
	Table beverage materials:
150100	Cocoa beans.
	Spices:
154907	Nutmegs, unground.
154998	Mace.
154998	Nutmegs, ground.
	Sugar related products:
164200	Honey.
164700	Maple syrup only.

3. A qualifying footnote reference meaning "Requires individual license for export to all areas except the Philippine Islands and all countries in North America and South America as listed in Schedule C of the Bureau of the Census, U. S. Department of Commerce" is hereby added with respect to the following commodities:

Dept. of Comm. Sched. B No.	Commodity
	Fodder and feeds:
118000	Mixed dairy and poultry feeds with crude protein content 25% or less.
118500	Other prepared and mixed feeds with crude protein content of 25% or less.
118710	Rolled barley for feed.
119000	Other wheat feeds except cracked or crushed wheat for feed.
119900	Brewer's grain, dried.
119900	Corn grits and corn meal.
119900	Cracked corn.
119900	Dried beet pulp.
119900	Dried molasses pulp.
119900	Grain screenings.
119900	Gluten corn feed.
119900	Hominy feeds.
119900	Hulled oats.
119900	Oat feed.
119900	Rice mill feeds.
119900	Rye mill feeds.
119900	Stimuflow.

Shipments of the commodities added to the list of commodities which were on dock, on lighter, laden aboard an exporting carrier, or in transit to a port of exit pursuant to an actual order for export prior to the effective date of this amendment may be exported under the previous general license provisions.

This amendment shall become effective immediately except that, with respect to the commodities added to the list of commodities, it shall become effective on January 2, 1947.

(Sec. 6, 54 Stat. 714; 55 Stat. 206; 56 Stat. 463; 58 Stat. 671; 59 Stat. 270; 60 Stat. 215; 50 U. S. C. App. Sup. 701, 702; E. O. 9630, September 27, 1945, 10 F. R. 12245)

Dated: December 20, 1946.

FRANCIS MCINTYRE,
Deputy Director for Export Control, Commodities Branch.

[F. R. Doc. 46-21910; Filed, Dec. 26, 1946; 8:51 a. m.]

[Amendment 281]

PART 801—GENERAL REGULATIONS

PROHIBITED EXPORTATIONS

Section 801.2 *Prohibited exportations* is amended as follows:

The list of commodities set forth in paragraph (b) is amended by deleting therefrom the following commodities:

Dept. of Comm. Sched. B No.	Commodity
	Medicinal and pharmaceutical preparations:
813575	Penicillin and penicillin products.

This amendment shall become effective January 1, 1947.

(Sec. 6, 54 Stat. 714; 55 Stat. 206; 56 Stat. 463; 58 Stat. 671; 59 Stat. 270; 60 Stat. 215; 50 U. S. C. App. Sup. 701, 702; E. O. 9630, September 27, 1945, 10 F. R. 12245)

Dated: December 18, 1946.

FRANCIS MCINTYRE,
Deputy Director for Export Control, Commodities Branch.

[F. R. Doc. 46-21909; Filed, Dec. 26, 1946; 8:51 a. m.]

Chapter IX—Office of Temporary Controls, Civilian Production Administration

AUTHORITY: Regulations in this chapter unless otherwise noted at the end of documents affected, issued under sec. 2 (a), 54 Stat. 676, as amended by 55 Stat. 236, 56 Stat. 177, 58 Stat. 827, and Public Laws 270 and 475, 79th Congress; Public Law 388, 79th Congress; E. O. 9024, 7 F. R. 329; E. O. 9040, 7 F. R. 527; E. O. 9125, 7 F. R. 2719; E. O. 9599, 10 F. R. 10155; E. O. 9638, 10 F. R. 12591; C. P. A. Reg. 1, Nov. 5, 1945, 10 F. R. 13714; Housing Expediter's Priorities Order 1, Aug. 27, 1946, 11 F. R. 9507; E. O. 9809, Dec. 12, 1946, 11 F. R. 14281; OTC Reg. 1, 11 F. R. 14311.

PART 1010—SUSPENSION ORDERS

[Suspension Order S-983, Reinstatement and Amdt.]

APEX BATTERY MFG. CO.

Bernard Sweet, Herman J. Jaffe, and Frank Butler, partners, doing business as Apex Battery Manufacturing Company at 4714-16 West Kinzie Street, Chicago, Illinois, engaged in the business of manufacturing automotive SLI type storage batteries, were suspended on October 10, 1946 by Suspension Order No. S-983. They appealed from the provisions of the suspension order and, pending determination of the appeal, the suspension order was stayed by the Chief Compliance Commissioner on October 21, 1946. The appeal has been considered by Deputy Chief Compliance Commissioner Curtis Bok who has dismissed the appeal, directed that the stay be terminated, and the order reinstated and amended. In view of the foregoing: *It is hereby ordered*, That:

§ 1010.983 Suspension Order No. S-983, issued October 10, 1946 be and hereby is reinstated effective January 1, 1947, to expire January 1, 1948; the stay of execution directed by the Chief Compliance Commissioner on October 21, 1946, be and hereby is revoked as of January 1, 1947; and the suspension order be and hereby is amended by substituting the following paragraph (a) for the present paragraph (a):

(a) During each of the four quarters of the year 1947, Bernard Sweet, Herman J. Jaffe and Frank Butler shall reduce their use of lead in the manufacture of storage batteries by 30,000 pounds per quarter less than they would otherwise be entitled to under the provisions of General Preference Order M-38; provided, however, that should General Preference Order M-38 be so amended that the said respondents' quota in any quarter would be greater than seventy tons of lead before reducing it by 30,000 pounds, their said quota shall be calculated at 11/14 of such increased quota until a total of 120,000 pounds of lead shall have been paid back.

Issued this 20th day of December 1946.

CIVILIAN PRODUCTION ADMINISTRATION,
By J. JOSEPH WHELAN,
Recording Secretary.

[F. R. Doc. 46-21948; Filed, Dec. 23, 1946; 4:21 p. m.]

PART 3294—IRON AND STEEL PRODUCTION

[General Preference Order M-21, Revocation of Direction 9]

EFFECT OF CERTAIN CERTIFIED ORDERS FOR TIN MILL PRODUCTS

Direction 9 to General Preference Order M-21 is hereby revoked. This revocation does not affect any liabilities incurred for violation of the direction or of any action taken by the Civilian Production Administration under it.

Issued this 24th day of December 1946.

CIVILIAN PRODUCTION ADMINISTRATION,
By J. JOSEPH WHELAN,
Recording Secretary.

[F. R. Doc. 46-21970; Filed, Dec. 24, 1946; 11:17 a. m.]

PART 1010—SUSPENSION ORDERS

[Suspension Order S-994, Amdt. 1]

VOLTA BATTERY CO.

Volta Battery Company, 1000 East 87th Street, Chicago, Illinois, engaged in the manufacture of automotive SLI type replacement storage batteries, was suspended on November 14, 1946 by Suspension Order No. S-994. It appealed from the provisions of the order. The Chief Compliance Commissioner has reviewed the case and, as a result of his study, dismissed the appeal and directed that the order be amended.

It is hereby ordered, That: § 1010.994, Suspension Order No. S-994, issued November 14, 1946, be and hereby is amended by substituting the following paragraph (a) for the present paragraph (a):

(a) During the fourth quarter of 1946 Volta Battery Company shall use 9,614 pounds of lead less, and in each of the first, second and third quarters of 1947 shall use 19,229 pounds of lead less than it would otherwise be entitled to use in each of these quarters under the provisions of General Preference Order M-38.

Issued this 20th day of December 1946.

CIVILIAN PRODUCTION ADMINISTRATION,
By J. JOSEPH WHELAN,
Recording Secretary.

[F. R. Doc. 46-21949; Filed, Dec. 23, 1946; 4:21 p. m.]

PART 4700—VETERANS' EMERGENCY HOUSING PROGRAM

[Veterans' Housing Program Order 1, Supp. 5, as Amended Dec. 24, 1946]

WHERE APPLICATIONS SHOULD BE FILED

§ 4700.6 *Supplement 5 to Veterans' Housing Program Order 1*—(a) *What this supplement does.* This supplement tells where applications for authorization under Veterans' Housing Program Order 1 to do construction, repair work or other work restricted by VHP-1 should be filed.

(b) *Applications to be filed under regulations of the Housing Expediter.* (1) Applications for the construction of the following kinds of new structures in which 50% or more of the floor space is to be used for residential purposes should be filed under the Housing Permit Regulation of the Housing Expediter (see paragraph (b) (4) below):

(i) Any building, structure or other construction item to be used for family housing purposes, whether occupied all year round or seasonally, and any apartment hotel, boarding house, rooming house or other residential accommodations occupied for substantial periods of time, whether by single persons or by families, including also all subsidiary buildings, structures or construction items (whether restricted by VHP-1 or not) on residential property, such as garages, tool sheds, greenhouses, piers, swimming pools, walls, fences, bulkheads, wells and the like. This includes applications for family housing accommodations, either one family houses or apartments, and permanent residential quarters for individuals, whether these are to be built and owned by private individuals, corporations, public organizations or educational or other institutions. It also includes applications for the erection of prefabricated houses, the permanent installation of trailers and the like. This paragraph does not include summer or winter camps or hotels, overnight guest houses, tourist cabins or other accommodations for transients or any dormitories. Restaurants, laundry rooms and toilet facilities built in connection with tourist cabins and trailer camps are not covered by this paragraph.

(ii) Dormitories, and living facilities such as dining halls built and to be used exclusively in connection with a new dormitory, and subsidiary buildings for trailer camps such as laundry rooms, toilet facilities and the like, when they are built by an educational institution or a public organization and dormitories built under the sponsorship of an educational organization. "Educational institution" means a school, including a trade or vocational school, a college, a university or any similar institution of learning. "Public organization" means the United States government, a state, county, city, town, village or other municipal government, or an agency, instrumentality or authority of such a governing body.

(iii) Farm houses and other residential accommodations on farms, and bunkhouses for transient farm labor.

Paragraph (b) (1) does not include accommodations, the primary purpose of which is non-residential, such as wards or rooms for patients or inmates in hospitals, mental hospitals, insane asylums, orphanages, old people's homes or cell blocks in jails. It also does not include military housing.

(2) Regardless of the primary purpose for which a structure as a whole is or is to be used, applications for construction, alterations, additions or repairs in the structure should be filed under regulations of the Housing Expediter if 50% or more of the floor space involved in the proposed work will be used for residential purposes of the kinds described above.

(3) Applications for amendments to projects approved under Priorities Regulation 33 or Housing Expediter Priorities Regulation 5 should be filed in accordance with those regulations.

NOTE: In subparagraph (4), subdivision (i) was deleted, and (ii) and (iii) were redesignated (i) and (ii) respectively, Dec. 24, 1946.

(4) In general new applications for work covered by paragraphs (b) (1) and (b) (2) should be made on NHA Form 14-56 and filed with the appropriate State or District Office of the Federal Housing Administration, except that (i) applications by educational institutions or by public organizations for any kind of residential accommodations to be built by them, and applications for single person residential accommodations to be built or converted under the sponsorship of an educational institution, should be filed with the appropriate Regional Office of the Federal Public Housing Authority and, (ii) applications to construct or erect experimental housing accommodations or to obtain materials for experimental or testing purposes in connection with housing accommodations should be filed with the Technical Office of the Administrator of the National Housing Agency.

(5) Under paragraphs (b) (1) and (b) (2) the amount of floor space to be used for residential purposes and the amount to be used for other purposes will determine where the application is to be filed. In computing floor area for these purposes, hallways and other public spaces should be excluded from the computation. Basement space should also be excluded even though used for storage space for stores or for apartments, except where all or part of the basement is used for an apartment or rooms for living purposes, or for selling or exhibition space for a store, or for a commercial garage which is open to the public.

(c) [Deleted Dec. 24, 1946.]

(d) *Applications to be filed with the Civilian Production Administration.* All applications for authorization under VHP-1 for construction not covered by paragraph (b) should be filed on Form CPA-4423 with the appropriate CPA District Construction Office.

(e) [Deleted Dec. 24, 1946.]

Issued this 24th day of December 1946.

CIVILIAN PRODUCTION ADMINISTRATION,
By J. JOSEPH WHELAN,
Recording Secretary.

[F. R. Doc. 46-21971; Filed, Dec. 24, 1946; 11:17 a. m.]

PART 1010—SUSPENSION ORDERS

[Suspension Order S-1051]

TOM STILL TRANSFER CO., INC. ET AL.

Tom Still Transfer Company, Inc., a corporation, with its principal place of business on Boone Street, Kingsport, Tennessee as the owner of property in or about the six hundred block on Boone Street, Kingsport, Tennessee, and Garland Cassel and William Cassel, a partnership doing business as Cassel Brothers, contractors, at 206 W. Sullivan Street, in Kingsport, Tennessee, began the construction of a warehouse on said property subsequent to March 26, 1946, at an estimated cost of $44,800.00 without having obtained authorization from the Civilian Production Administration, which construction constituted a violation of Veterans' Housing Program Order No. 1. This violation has diverted critical materials to uses not authorized by the Civilian Production Administration. In view of the foregoing, it is hereby ordered that:

§ 1010.1051 *Suspension Order No. S-1051.* (a) Neither Tom Still Transfer Company, Inc., nor Garland Cassel and William Cassel, doing business as Cassel Brothers, their successors or assigns, nor any other person shall do any further construction on the warehouse premises located in or about the six hundred block on Boone Street, Kingsport, Tennessee, unless specifically authorized in writing by the Civilian Production Administration.

(b) Tom Still Transfer Company, Inc., and Garland Cassel and William Cassel, doing business as Cassel Brothers, shall refer to this order in any application or appeal which they or either of them may file with the Civilian Production Administration.

(c) Nothing in this order shall be deemed to relieve Tom Still Transfer Company, Inc., or Garland Cassel and William Cassel, doing business as Cassel Brothers, their successors or assigns, from any restriction, prohibition, or provision contained in any other order or regulation of the Civilian Production Administration, except insofar as same may be inconsistent with the provisions hereof.

Issued this 26th day of December 1946.

CIVILIAN PRODUCTION ADMINISTRATION,
By J. JOSEPH WHELAN,
Recording Secretary.

[F. R. Doc. 46-21988; Filed, Dec. 26, 1946; 11:22 a. m.]

PART 4501—COMMUNICATIONS

[Utilities Order U-2, Revocation]

TELEPHONE SERVICE

Section 4501.1 Utilities Order U-2 is revoked effective December 31, 1946. This revocation does not affect any liabilities incurred for violation of the order or of actions taken by the War Production Board or the Civilian Production Administration under the order.

Issued this 26th day of December 1946.

CIVILIAN PRODUCTION ADMINISTRATION,
By J. JOSEPH WHELAN,
Recording Secretary.

[F. R. Doc. 46-21989; Filed, Dec. 26, 1946; 11:22 a. m.]

PART 1010—SUSPENSION ORDERS

[Suspension Order S-1054]

NICK F. KWASNY

Nick F. Kwasny resides at 8203 Woodlawn Avenue, Detroit, Michigan. On or about September 30, 1946, without authorization of the Civilian Production Administration, he began and thereafter carried on construction of a structure at 6125 Charles Street, Detroit, Michigan, for use as a shoe repair store. The beginning and carrying on of this construction at an estimated cost in excess of $1,000 constituted violation of Veterans' Housing Program Order No. 1, and has diverted critical materials to uses not authorized by the Civilian Production Administration. In view of the foregoing, it is hereby ordered that:

§ 1010.1054 *Suspension Order No. S-1054.* (a) Neither Nick F. Kwasny, his successors or assigns, nor any other person, shall do any further construction on the structure at 6125 Charles Street, Detroit, Michigan, including putting up, completing or altering the structure, unless hereafter authorized in writing by the Civilian Production Administration.

(b) Nick F. Kwasny shall refer to this order in any application or appeal which he may file with the Civilian Production Administration or the Federal Housing Administration for priorities assistance.

(c) Nothing contained in this order shall be deemed to relieve Nick F. Kwasny, his successors and assigns, from any restriction, prohibition or provision contained in any other order or regulation of the Civilian Production Administration, except insofar as the same may be inconsistent with the provisions hereof.

Issued this 26th day of December 1946.

CIVILIAN PRODUCTION ADMINISTRATION,
By J. JOSEPH WHELAN,
Recording Secretary.

[F. R. Doc. 46-21987; Filed, Dec. 26, 1946; 11:22 a. m.]

PART 1010—SUSPENSION ORDERS

[Suspension Order S-1059]

PETE FARNESI

Pete Farnesi, doing business as Fornesi's, Chowchilla, California, in June, 1946, commenced construction of an addition consisting of a combination bar and dance floor at an estimated cost in excess of $1,000 to an existing commercial building located at the southeast corner of Highway 99 and Orange Avenue, Chowchilla, California, after denial of authority to do such construction by the Civilian Production Administration, and in violation of Veterans' Housing Program Order No. 1. This violation has diverted critical materials to uses not authorized by the Civilian Production Administration. In view of the foregoing, it is hereby ordered that:

§ 1010.1059 *Suspension Order No. S-1059.* (a) The temporary suspension order issued by telegram dated October 11, 1946, against Pete Farnesi is hereby revoked.

(b) Neither Pete Farnesi, his successors or assigns, nor any other person shall do any further construction on the premises located at the southeast corner of Highway 99 and Orange Avenue, Chowchilla, California, including completing, putting up or altering of any structure located thereon, unless hereafter specifically authorized in writing by the Civilian Production Administration.

(c) Pete Farnesi shall refer to this order in any application or appeal which he may file with the Civilian Production Administration for priorities assistance or for authorization to carry on construction.

(d) Nothing contained in this order shall be deemed to relieve Pete Farnesi, his successors, or assigns, from any restriction, prohibition or provision contained in any other order or regulation of the Civilian Production Administration, except insofar as the same may be inconsistent with the provisions hereof.

Issued this 26th day of December 1946.

CIVILIAN PRODUCTION ADMINISTRATION,
By J. JOSEPH WHELAN,
Recording Secretary.

[F. R. Doc. 46-21984; Filed, Dec. 26, 1946; 11:21 a. m.]

PART 1010—SUSPENSION ORDERS

[Suspension Order S-1056]

LEO J. LINBERGER

Leo J. Linberger, 442 Madera Avenue, Youngstown, Ohio, in September, 1946, began construction and thereafter carried on and participated in the construction of an addition to a warehouse located at 257-259 West Rayen Avenue, Youngstown, Ohio, without authorization of the Civilian Production Administration. The estimated cost of such construction exceeded the $1,000 limit permitted by Veterans' Housing Program Order No. 1; was in violation thereof and has diverted materials to uses not authorized by the Civilian Production Administration. In view of the foregoing, it is hereby ordered that:

§ 1010.1056 *Suspension Order No. S-1056.* (a) Neither Leo J. Linberger, his successors and assigns, nor any other person shall do any further construction on the warehouse located at 257-259 West Rayen Avenue, Youngstown, Ohio, including completing or altering the structure unless hereafter authorized by the Civilian Production Administration.

(b) Leo J. Linberger shall refer to this order in any application or appeal which he may file with the Civilian Production Administration for priorities assistance or for authorization to carry on construction.

(c) Nothing contained in this order shall be deemed to relieve Leo J. Linberger, his successors and assigns, nor any other person from any restriction, prohibition or provision contained in any other order or regulation of the Civilian Production Administration, except insofar as the same may be inconsistent with the provisions hereof.

Issued this 26th day of December 1946.

CIVILIAN PRODUCTION ADMINISTRATION,
By J. JOSEPH WHELAN,
Recording Secretary.

[F. R. Doc. 46-21985; Filed, Dec. 26, 1946; 11:21 a. m.]

Chapter XI—Office of Temporary Controls, Office of Price Administration

PART 1305—ADMINISTRATION

[Rev. Gen. RO 5,[1] Amdt. 16]

FOOD RATIONING FOR INSTITUTIONAL USERS

A rationale for this amendment has been issued simultaneously herewith and has been filed with the Division of the Federal Register.

Section 12.4 (a) of Revised General Ration Order 5 is amended to read as follows:

(a) An institutional user who has a refreshment base and who did not receive an adjustment in his refreshment multiplier prior to January 1, 1946, may apply, in writing, to the Sugar Branch Office to have his refreshment allot-

[1] 11 F. R. 116.

ments computed by multiplying his refreshment base by the multiplier used for the corresponding period from July-August 1943 through January-February 1944, instead of the multiplier of 2 as fixed in the supplement. However, for the March-April allotment period the November-December 1943 multiplier is to be used and for the May-June allotment period the September-October 1943 multiplier is to be used. If an applicant was not in operation during the corresponding allotment period for the year preceding March 1, 1944, the Sugar Branch Office shall use the same multiplier used in computing the allotment for the corresponding allotment period for a similar or comparable establishment which was in operation during the year preceding March 1, 1944.

(The provisions of this section shall not apply to veterans who have received a refreshment base under the provisions of Article I of Revised General Ration Order 18.)

This amendment shall become effective December 31, 1946.

NOTE: The reporting and record-keeping requirements of this amendment have been approved by the Bureau of the Budget in accordance with the Federal Reports Act of 1946.

Issued this 26th day of December 1946.

PHILIP B. FLEMING,
Temporary Controls Administrator.

Rationale Accompanying Amendment No. 16 to Revised General Ration Order 5

Present regulations. There is no provision in Revised General Ration Order 5 whereby refreshment users may apply for an adjustment in their refreshment multiplier in order to take care of the seasonal requirements of their establishments.

Proposed amendment. This amendment permits the adjustment of the refreshment multiplier for any user who has not received such adjustment prior to January 1, 1946, by authorizing the Sugar Branch Office to use, for any allotment period, instead of the refreshment multiplier of 2, the multiplier used for the corresponding period from July-August 1943 through January-February 1944. However, for the March-April allotment period the November-December 1943 multiplier is to be used, and for the May-June allotment period the September-October 1943 multiplier is to be used.

Reason for amendment. Prior to January 1, 1946, refreshment users were permitted to apply for an adjustment of their refreshment multiplier in order to take care of seasonal requirements of their establishments since the base month of December 1942 with respect to those users was not always typical of refreshment services. The adjustment was made by multiplying the fixed December refreshment base by variable multipliers. These variable multipliers were computed by dividing the total number of meals and refreshments served during current periods by the number served in December, 1942. Since, generally, food services in such establishments were relatively stable compared to the more rapid fluctuations in refreshment services, the food multiplier substantially reflected seasonal requirements of refreshment service establishments.

In order to enable all institutional users, who may be eligible for an adjustment in their refreshment multiplier, but who were not aware of their rights prior to January 1, 1946, to apply for such adjustment, this amendment permits an application for such adjustment to be made at any time and incorporates the former provisions relating to variable multipliers for refreshment users. The provisions of section 12.4 (a), however, do not apply to veterans who have received a refreshment base under the provisions of Article I of Revised General Ration Order 18.

[F. R. Doc. 46-21990; Filed, Dec. 26, 1946; 11:27 a. m.]

PART 1407—RATIONING OF FOOD AND FOOD PRODUCTS

[Restriction Order 17, Revocation]

RICE IN PUERTO RICO

A rationale accompanying this revocation order, issued simultaneously herewith, has been filed with the Division of the Federal Register.

Restriction Order 17 (§ 1407.303) is hereby revoked, except that any violation which occurred or rights or liabilities which arose before the effective date of this order of revocation shall be governed by the order in effect at the time the violation occurred or the rights or liabilities arose.

This order of revocation shall be effective December 20, 1946.

Issued this 20th day of December 1946.

SAM GILSTRAP,
Territorial Director.

Approved:

M. S. BURCHARD,
Acting Regional Administrator, Region IX.

Rationale Accompanying the Issuance of Revocation of Restriction Order 17

The General Supplies Administration, an instrumentality of the Government of Puerto Rico, is assuming control over many cost of living commodities on the Island including the allocation of rice, relieving the Office of Temporary Controls-Office of Price Administration, of the administration of such allocation. In order to avoid any question of jurisdiction, Restriction Order No. 17—Rice in Puerto Rico—is revoked.

[F. R. Doc. 46-21929; Filed, Dec. 26, 1946; 8:45 a. m.]

TITLE 38—PENSIONS, BONUSES, AND VETERANS' RELIEF

Chapter I—Veterans' Administration

PART 10—INSURANCE

TOTAL PERMANENT DISABILITY BENEFITS

Sections 10.3121 (11 F. R. 3951), 10.3164 (38 CFR 10.3164, 11 F. R. 3951, 5955, 8035) and 10.3498 (11 F. R. 9286) are amended as follows:

§ 10.3121 *Definition of total permanent disability.* Total permanent disability as referred to in a United States Government life insurance policy, is any impairment of mind or body which continuously renders it impossible for the disabled person to follow any substantially gainful occupation and which is founded upon conditions which render it reasonably certain that the total disability will continue throughout the life of the disabled person. The total permanent disability benefits may relate back to a date not exceeding six months prior to receipt of due proof of total permanent disability and any premium paid after receipt of due proof of total permanent disability, and within the six months shall be refunded without interest: *Provided,* That where the insured becomes or has become totally and permanent disabled while outside the continental limits of the United States and because of war conditions could not feasibly file claim therefor, such benefits may relate back to the beginning date of such disability, but not prior to December 7, 1941: *Provided,* That claim therefor is filed within one year after discharge, or the insured's return to the continental limits of the United States, or prior to July 1, 1947, whichever is the earlier. (Sec. 5, 300, 301, 43 Stat. 608, 624, as amended, secs. 1, 2, 46 Stat. 1016; 38 U. S. C. 11, 11a, 426, 511, 512)

§ 10.3164 *Total disability provision for United States Government Life Insurance authorized by section 311 of the World War Veterans' Act, 1924, as amended July 3, 1930.*

No change in the first and second paragraphs.

Third paragraph:

Total disability as referred to herein is any impairment of mind or body which continuously renders it impossible for the disabled person to follow any substantially gainful occupation. The monthly income payments may relate back to a date not exceeding six months prior to receipt of due proof of such total disability but not prior to the first day of the fifth consecutive month of continuous total disability: *Provided,* That where the insured becomes or has become totally disabled while outside the continental limits of the United States and because of war conditions could not feasibly file claim therefor, such benefits may relate back to the first day of the fifth consecutive month of continuous total disability, but not prior to December 7, 1941: *Provided,* Claim therefor is filed within one year after discharge or the insured's return to the continental limits of the United States, or prior to July 1, 1947, whichever is the earlier. Without prejudice to any other cause of disability, the loss of the use of both feet, or both hands, or of both eyes, or of one foot and one hand, or of one foot and one eye, or of one hand and one eye, or the loss of hearing of both ears, or the organic loss of speech, or becoming permanently helpless or permanently bedridden, shall be deemed to be total disability, and monthly income payments for any of these specifically enumerated causes of total disability may be paid from the first day of the fifth consecutive month of such continuous total disability. However, such anatomical and functional loss shall not be deemed to be a total disability under a total disability provision originally issued subsequent to December 15, 1936.

No change in fourth, fifth, sixth or seventh paragraphs.

Paragraph eight:

This provision may be canceled by the insured at any time upon written request to the Veterans' Administration accompanied by the policy and this provision for indorsement. This provision shall terminate and be of no further force and effect if any premium on the policy or on this provision be not paid when due or within the grace period of thirty-one days thereafter. If a premium be not paid as stipulated, then this provision shall cease and terminate, but may be reinstated upon evidence of good health satisfactory to the Administrator of Veterans Affairs, and upon the payment of all premiums in arrears with interest at the rate of five per centum per annum, compounded annually, to the first monthly premium due date after July 31, 1946, and thereafter at the rate of four per centum per annum, compounded annually. If the application and the premiums with interest are submitted within three months after the due date of the premium in default, reinstatement may be effected upon evidence satisfactory to the Administrator showing the applicant to be in as good health as he was on the due date of the premium in default. (Sec. 5, 300, 301, 43 Stat. 608, 624, as amended, secs. 1, 2, 46 Stat. 1016; 38 U. S. C. 11, 11a, 426, 511, 512; sec. 25, 46 Stat. 1002; 38 U. S. C. 512b)

No change in remainder of section.

NATIONAL SERVICE LIFE INSURANCE TOTAL DISABILITY PROVISION

§ 10.3498 *Total disability income provision for National Service Life Insurance authorized by the National Service Life Insurance Act of 1940, as amended August 1, 1946.*

No change in first paragraph.

Paragraph (a) of second paragraph is amended as follows:

(a) Waive the payment of each premium on this provision (as well as on the policy) while such total disability continues, beginning with the first monthly premium falling due after such total disability commenced, but not more than one year prior to receipt of claim. Premiums due more than one year prior to receipt of claim may be waived if the Administrator finds that insured's failure to submit timely claim or satisfactory evidence to show continuance of total disability was due to circumstances beyond his control. Any premiums tendered for the period covered by the waiver will be refunded to the insured if living, otherwise to the party entitled to the life insurance payments.

No change in (b).

No change in third or fourth paragraphs.

Paragraph five is amended as follows:

If the policy shall lapse, or be surrendered for a cash value or for extended insurance, or mature as an endowment, then this provision shall cease and no further premium will be payable. If the policy shall become paid up at the end of the premium paying period then this provision may be continued in force without payment of further premiums. If the policy be surrendered prior to the expiration of the premium paying period for paid-up insurance in an amount of not less than $1,000 the insured may continue this provision in multiples of $500 but not less than $1,000 nor more than the amount of paid-up insurance, by the payment of the required premiums as they become due. If the amount of paid-up insurance is less than $1,000 this provision shall cease and no further premium will be payable.

(Secs. 601-618; 54 Stat. 1008-1014; 38 U. S. C. 801-818; Pub. Law 589, 79th Cong.)

No change in remainder of section.

[SEAL] OMAR N. BRADLEY,
General, U. S. Army,
Administrator of Veterans' Affairs.

DECEMBER 27, 1946.

[F. R. Doc. 46-21899; Filed, Dec. 26, 1946; 8:46 a. m.]

TITLE 49—TRANSPORTATION AND RAILROADS

Chapter I—Interstate Commerce Commission

Subchapter A—General Rules and Regulations

[S. O. 647-A]

PART 95—CAR SERVICE

PRIORITY FOR GRAIN IN PACIFIC NORTHWEST

At a session of the Interstate Commerce Commission, Division 3, held at its office in Washington, D. C., on the 20th day of December A. D. 1946.

Upon further consideration of Service Order No. 647 (11 F. R. 14166), and good cause appearing therefor, it is ordered, that:

Service Order No. 647 (codified as 49 CFR § 95.647 *Box cars to be used for loading grain,* be, and it is hereby, suspended.

It is further ordered, that this order shall become effective at 12:01 a. m., December 21, 1946; that a copy of this order and direction be served upon the State railroad regulatory bodies of the States of Oregon, Washington, Idaho, and Montana, and upon the Association of American Railroads, Car Service Division, as agent of the railroads subscribing to the car service and per diem agreement under the terms of that agreement; and that notice of this order be given to the general public by depositing a copy in the office of the Secretary of the Commission, at Washington, D. C., and by filing it with the Director, Division of the Federal Register.

(Sec. 402, 418 (40 Stat. 101; Secs. 4, 10, 41 Stat. 476, 485; 54 Stat. 901, 912; 49 U. S. C. 1 (10)-(17), 15 (4))

By the Commission, Division 3.

[SEAL] W. P. BARTEL,
Secretary.

[F. R. Doc. 46-21930; Filed, Dec. 26, 1946; 8:46 a. m.]

Subchapter B—Carriers by Motor Vehicle

[Ex Parte No. MC 37]

PART 170—COMMERCIAL ZONES

COMMERCIAL ZONES AND TERMINAL AREAS

At a session of the Interstate Commerce Commission, Division 5, held at its office in Washington, D. C., on the 26th day of November A. D. 1946.

Section 203 (b) (8) of the Interstate Commerce Act and the transportation of passengers and property by motor vehicle, in interstate or foreign commerce, wholly within a municipality, or between contiguous municipalities, or within a zone adjacent to and commercially a part of any such municipality or municipalities, being under consideration, and good cause appearing therefor: it is ordered, that

Sec.
170.15 Definitions.
170.16 Commercial zones determined generally, with exceptions.
170.17 Controlling distances and population data.

AUTHORITY: §§ 170.15 to 170.17, inclusive, issued under 49 Stat. 546; 49 U. S. C. 303 (b) (8).

§ 170.15 *Definitions.* For the purposes of this section, the following terms are defined:

(a) "Municipality" means any city, town, village, or borough which has been created by special legislative act or which has been, otherwise, individually incorporated or chartered pursuant to general State laws, or which is recognized as such, under the Constitution or by the laws of the State in which located, and which has a local government. It does not include a town of the township or New England type.

(b) "Contiguous municipalities" means municipalities, as defined in § 170.15 (a), which have at some point a common municipal or corporate boundary.

(c) "Unincorporated area" means any area not within the corporate or municipal boundaries of any municipality as defined in § 170.15 (a).

§ 170.16 *Commercial zones determined generally, with exceptions:* The commercial zone of each municipality in the United States, with the exceptions indicated in the note at the end of this section, within which the transportation of passengers or propery, in interstate or foreign commerce, when not under a common control, management, or arrangement for a continuous carriage or shipment to or from a point without such zone, is exempt from all provisions of part II, Interstate Commerce Act, except the provisions of section 204 relative to the qualifications and maximum hours of service of employees and safety of operation or standards of equipment shall be deemed to consist of:

(a) The municipality itself, hereinafter called the base municipality;

(b) All municipalities within the United States which are contiguous to the base municipality;

(c) All other municipalities within the United States and all unincorporated areas within the United States which are adjacent to the base municipality as follows:

(1) When the base municipality has a population less than 2,500, all unincorporated areas within two miles of its corporate limits and all of any other municipality any part of which is within two miles of the corporate limits of the base municipality,

(2) When the base municipality has a population of 2,500 but less than 25,000, all unincorporated areas within 3 miles of its corporate limits and all of any other municipality any part of which is within 3 miles of the corporate limits of the base municipality,

(3) When the base municipality has a population of 25,000 but less than 100,000, all unincorporated areas within 4 miles of its corporate limits and all of any other municipality any part of which is within 4 miles of the corporate limits of the base municipality, and

(4) When the base municipality has a population of 100,000 or more, all unincorporated areas within 5 miles of its corporate limits and all of any other municipality any part of which is within 5 miles of the corporate limits of the base municipality, and

(d) All municipalities wholly surrounded, or so surrounded except for a water boundary, by the base municipality, by any United States municipality contiguous thereto, or by any United States municipality adjacent thereto which is included in the commercial zone of such base municipality under the provisions of paragraph (c) of this section.

NOTE: Except: (1) Those the commercial zones of which have been or are hereafter, individually or specially determined;

(2) Those in Kings, Queens, New York, Bronx, Richmond, Westchester, Nassau, Albany, and Rensselaer Counties in New York; Bergen, Hudson, Essex, Union, and Middlesex Counties in New Jersey; Allegheny County, Pennsylvania; Oakland, Wayne, and Macomb Counties in Michigan; Baltimore, Howard, and Anne Arundel Counties in Maryland; Jefferson County, Kentucky; Floyd and Clark Counties, Indiana; Multnomah County, Oregon; Clark and King, Counties, Washington; Cuyahoga County, Ohio; Ramsey, Hennepin, Anoka, Dakota, and Washington Counties, Minnesota; and

(3) Those within 10 miles of the corporate limits of New Orleans, La., including New Orleans.

§ 170.17 *Controlling distances and population data.* In the application of § 170.16:

(a) Air-line distances or mileages about corporate limits of municipalities shall be used.

(b) The population of any municipality shall be deemed to be that shown for that municipality in the last decennial census.

It is further ordered, that this order shall become effective February 3, 1947, and shall remain in effect until modified or revoked in whole or in part by further order of the Commission.

And it is further ordered, that notice of this order be given to the general public by depositing a copy hereof in the office of the Secretary of the Commission at Washington, D. C., and by filing it with the Director of the Division of the Federal Register.

By the Commission, Division 5.

[SEAL] W. P. BARTEL, *Secretary.*

[F. R. Doc. 46-21931; Filed, Dec. 26, 1946; 8:45 a. m.]

Notices

TREASURY DEPARTMENT.

Bureau of Internal Revenue.

LABELING AND ADVERTISING OF WINE

NOTICE OF HEARING WITH RESPECT TO PROPOSED AMENDMENTS

Notice is hereby given, pursuant to the provisions of section 5 of the Federal Alcohol Administration Act (49 Stat. 981; 27 U. S. C. 205), of a public hearing to be held on January 15, 1947, at 10:00 a. m., in the Great Hall of the Department of Justice Building, Washington, D. C., and on January 31, 1947, at 10:00 a. m. at The Palace Hotel, San Francisco, California, at which times and places all interested parties will be afforded opportunity to be heard, in person or by authorized representative, with reference to several proposals, the substance of which is stated below, to amend Regulations No. 4 (27 CFR, Part 4), relating to labeling and advertising of wine.

Written data, views of arguments relevant and material to these proposals may be submitted in duplicate for incorporation into the record of said hearing (1) by mailing the same addressed to the Deputy Commissioner in charge of the Alcohol Tax Unit, Bureau of Internal Revenue, Washington 25, D. C.: *Provided*, That they are received prior to the termination of the hearing, or (2) by presenting the same at the said hearing. Material relating to each proposal shall be submitted separately and shall bear the number of the proposal to which it relates. At the conclusion of the hearing a reasonable opportunity will be afforded interested parties for the examination of the record and for the submission of briefs.

Substance of Proposals:

1. To amend Article I (j) (27 CFR, 4.1 (j)) to define the term "gallon" to mean 231 cubic inches of alcoholic beverage at 60° Fahrenheit so that the definition will conform to present Internal Revenue requirements.

2. To amend sec. 21, Class 1 (27 CFR, Cum. Supp., 4.21 (a)), sec. 34 (a) (27 CFR, Cum. Supp., 4.34 (a)) and other pertinent sections of the regulations to authorize red, pink, amber or white grape wine to be designated as "red wine", "pink (or rose) wine", "amber wine" or "white wine", respectively, if such wine derives its characteristic color or lack of color from the presence or absence of the red coloring matter of the skins, juice or pulp of grapes; and to eliminate the present standards for "red wine" and "white wine".

3. To amend sec. 21, Class 1 (27 CFR, Cum. Supp., 4.21 (a)), sec. 34 (a) (27 CFR, Cum. Supp., 4.34 (a)) and other pertinent sections of the regulations to authorize grape wine having an alcoholic content not in excess of 14 per cent by volume to be designated as "light wine" (or "light grape wine", "light red wine" or "light white wine") or "table wine"; to authorize grape wine containing no added grape spirits or alcohol to be designated as "natural grape wine" ("natural red wine", "natural white wine") or "table wine"; and to eliminate the present standards for "light wine" and "natural grape wine".

4. To amend sec. 21, Class 1 (27 CFR, Cum. Supp., 4.21 (a)), sec. 34 (a) (27 CFR., Cum. Supp., 4.34 (a)) and other pertinent sections of the regulations to include in the standards therein set forth a standard of identity for "dessert wine" similar to the following:

"Dessert wine" is "grape wine" containing added grape spirits or alcohol and having an alcoholic content in excess of 14 per cent but not in excess of 24 per cent by volume; dessert wine having the taste, aroma and characteristics generally attributed to sherry and an alcoholic content of not less than 17 per cent by volume may be designated as "sherry"; dessert wine having the taste, aroma and characteristics generally attributed to angelica, madeira, muscatel and port, and an alcoholic content of not less than 18 per cent by volume, may be designated as "angelica", "madeira", "muscatel" or "port" respectively; dessert wine having the taste, aroma and characteristics generally attributed to port and sherry, respectively, and an alcoholic content in excess of 14 per cent by volume but less than the minimum alcoholic content prescribed for port and sherry, may be designated as "light port" or "light sherry", respectively;

and to eliminate the present standards for "angelica", "madeira", "muscatel", "port", "sherry", "light port" and "light sherry".

5. To amend sec. 21, Class 2 (c) (27 CFR, Cum. Supp., 4.21 (b) (3)), and other pertinent sections of the regulations to authorize a "sparkling light white wine" having the taste, aroma and characteristics generally attributed to champagne but not otherwise conforming to the standard for "champagne" to be designated as "champagne—bulk process", "champagne—natural fermentation in bulk," "champagne—fermentation in bulk", champagne style wine" or "champagne type wine" or some similar designation or designations, omitting the class designation "sparkling wine" now required, if all parts of said designation appear in direct conjunction, with equal emphasis, in the same size and kind of script, type or printing and in the same color or shade.

6. To amend sec. 21, Class 7 (27 CFR, Cum. Supp., 4.21 (g)), and other pertinent sections of the regulations to in-

clude standards of identity for "aperitif wine" and "vermouth" similar to the following:

(a) "Aperitif wine" is wine having an alcoholic content of not less than 15 per cent by volume, the taste, aroma and characteristics generally attributed to aperitif wine and compounded from grape wine containing added grape spirits or alcohol and flavored with herbs and other natural aromatic flavoring materials;

(b) "Vermouth" is a type of aperitif wine with or without the addition of caramel for coloring purposes, having the taste, aroma and characteristics generally attributed to vermouth;

to authorize wines conforming to such standards to be so designated, and to eliminate the present standard for "vermouth".

7. To amend sec. 21, Class 8 (a) and (b) (27 CFR, Cum. Supp., 4.21 (h) (1) and (2)), and other pertinent sections of the regulations to include within the standard of identity for "imitation wine" any wine made from must concentrated at any time to more than 80° (Balling); to require such wine to be designated "imitation", and to eliminate the present standard for "concentrate wine".

8. To amend sec. 21, Class 8 (c) (27 CFR, Cum. Supp., 4.21 (h) (3)) and other pertinent sections of the regulations to include in the standards of identity for "substandard wine" any "grape wine," "citrus wine," "fruit wine" or "wine from other agricultural products" to which has been added sugar and water solution in an amount which is in excess of the limitations prescribed in the standards of identity for such products, unless, in the case of "citrus wine," "fruit wine" or "wine from other agricultural products," the normal acidity of the relevant fruit or product is twenty parts or more per thousand and the volume of the wine has not been increased more than 60 per cent by such addition; and to require such products to be so designated.

9. To amend sec. 22 (b) (1) (27 CFR, Cum. Supp. 4.22 (b) (1)) by eliminating the parenthetical phrase "(not more than seventy of such parts being in a free state)" from the proviso authorizing the presence in finished wine, without alteration of class or type, of 350 parts per million of total sulphur dioxide or sulphites expressed as sulphur dioxide.

10. To amend sec. 22 (c) (2) and (3) (27 CFR, Cum. Supp., 4.22 (c) (2) and (3)) to clarify the present provisions authorizing, without alteration of class or type, normal and customary pasteurization and refrigeration treatment of wine either by eliminating the present limitations on the temperature and length of such treatments or in some other manner.

11. To amend sec. 24 (b) (27 CFR, Cum. Supp., 4.24 (b)) and other pertinent sections of the regulations to provide specifically that a name of geographic significance, which is also the designation of a class or type of wine and which has been found to have become semigeneric, may be used to designate a wine of an origin other than that indicated by such name (although the true origin is properly indicated) only if such wine has the taste, aroma and characteristics generally attributed to wines of such class or type.

12. To amend sec. 32 (27 CFR, Cum. Supp., 4.32), sec. 34 (27 CFR, Cum. Supp., 4.34), sec. 36 (27 CFR, 4.36) and other pertinent sections of the regulations to require that the labels of wine containing 14 per cent or less of alcohol by volume shall, if alcoholic content is not stated, contain the designation "light wine" either as a part of the required class and type designation or in the same manner as an alcoholic content statement.

13. To amend sec. 35 (a) (27 CFR, 4.35 (a)) and other pertinent sections of the regulations to eliminate the present distinction between the words "produced" and "made" as used in connection with name and address statements; and to authorize the use of the phrases "Produced and bottled (or packed) by", "Made and bottled (or packed) by" or "Product of" as an alternative to the words "Bottled by" or "Packed by" on the labels of any domestic wine bottled or packed by the person (1) who made not less than a required percentage (for example 75 per cent) of such wine by crushing the grapes or other materials, fermenting the must, and clarifying the resulting wine, or (2) who treated the wine in such manner as to change the class thereof (for example by carbonating a still wine or by making apertiff wine out of still wine).

14. To amend sec. 35 (27 CFR, 4.35) and other pertinent sections of the regulations to prohibit the use of the phrases "manufactured by" or "manufactured and bottled by" on the labels of any wine other than "imitation wine".

15. To amend sec. 35 (a) (27 CFR, 4.35 (a)) to require that, in the event the principal place of business of the bottler or packer, in lieu of the place where bottled or packed, is stated on the labels of containers of domestic wine bottled or packed on bonded premises, the Internal Revenue bonded winery or bonded wine storeroom registry number of such premises and the State in which located shall also be stated in conjunction with the required name and address statement.

16. To amend sec. 35 (b) (27 CFR, 4.35 (b)) to authorize the statement, on the labels of imported wines, bottled after importation by the person responsible for the importation, of the address of such person's principal place of business in lieu of the address of the place where such wine was bottled.

17. To amend sec. 36 (27 CFR, 4.36) and other pertinent sections of the regulations to prohibit on the labels of wine any statement of alcoholic content which, regardless of tolerances normally permitted and whether or not stated in terms of maximum and minimum percentages, indefinitely or incorrectly indicates the class, type or taxable grade of such wine.

18. To amend sec. 36 (b) (27 CFR, 4.36 (b)) to increase, in the case of statements of alcoholic content for "light wine" only, if made in direct form, the permitted degree of accuracy from 1 to 1.5 degrees; and, if such statement is made in terms of maximum and minimum percentages, to increase the permitted range between such percentages from 2 to 3 degrees.

19. To amend sec. 38 (b) (27 CFR, 4.38 (b)) and other pertinent sections of the regulations to except alcoholic content statements on bottled wine from the provision that all required labeling statements be in script, type or printing not smaller than 8-point Gothic caps, and to require that such statements on bottled wine appear in readily legible script, type or printing not larger than 8-point Gothic caps.

20. To amend sec. 39 (a) (27 CFR, 4.39 (a)) and other pertinent sections of the regulations to specifically prohibit the use on the labels of wine of any coined word or name in the brand name or in the class and type designation which simulates or imitates the name of any specific class, type or permitted designation of wine unless the wine in fact conforms to such class or type or is entitled to such permitted designation, and is designated as such.

21. To amend sec. 39 (b) (27 CFR, 4.39 (b)), sec. 64 (c) (27 CFR, 4.64 (c)) and other pertinent sections of the regulations to except, from the prohibition against statements relative to age of wine, general inconspicuous references, on back labels or in advertisements, to methods of wine production, including aging, of a general informative character, such as "mellowing", "oak casks", "small barrels", "small oak cooperage" and "storage".

22. To amend sec. 64 (i) (27 CFR, 4.64 (i)) to clarify any ambiguity in the present provision of the regulations limiting the use of the word "importer" or similar words in advertisements of wine by making it clear that the provision relates only to advertisements of domestic wine.

23. To amend sec. 72 (27 CFR, Cum. Supp., 4.72) to authorize the ⅘ gallon (the double fifth or magnum) as a standard of fill for all effervescent wines, the $1\frac{5}{16}$ quart (30 ounce bottle) for aperitif wines and the 1 pint for all classes and types of wine.

24. To amend sec. 80 (27 CFR, Cum. Supp., 4.80) and other pertinent sections of the regulations to require that wine bottled or packed for export be labeled in accordance with the requirements of the regulations with respect to statements of class and type and appellation of origin in the same manner as if not bottled or packed for export.

25. To amend Article I (g) (27 CFR, Cum. Supp., 4.1 (g)) and other pertinent sections of the regulations to substitute for the term "fortifying spirits" the term "wine spirits" wherever it appears therein.

[SEAL] CARROLL E. MEALEY,
Deputy Commissioner.

[F. R. Doc. 46-21942; Filed, Dec. 26, 1946; 8:50 a. m.]

LABELING AND ADVERTISING OF DISTILLED SPIRITS

NOTICE OF HEARING WITH RESPECT TO PROPOSED AMENDMENTS

Notice is hereby given, pursuant to the provisions of section 5 of the Federal Alcohol Administration Act (49 Stat. 981; 27 U. S. C. 205), of a public hearing to be held on January 13, 1947, at 10:00 a. m., in the Great Hall of the Department of Justice Building, Washington, D. C., and on January 30, 1947, at 10:00 a. m. at The Palace Hotel, San Francisco, California, at which times and places all interested parties will be afforded opportunity to be heard, in person or by authorized representative, with reference to several proposals to amend Regulations No. 5 (27 CFR, Part 5), relating to labeling and advertising of distilled spirits, the substance of which is stated below.

Written data, views or arguments relevant and material to these proposals may be submitted in duplicate for incorporation into the record of said hearing (1) by mailing the same addressed to the Deputy Commissioner in charge of the Alcohol Tax Unit, Bureau of Internal Revenue, Washington 25, D. C., provided that they are received prior to the termination of the hearing, or (2) by presenting the same at the said hearing. Material relating to each proposal shall be submitted separately and shall bear the number of the proposal to which it relates. At the conclusion of the hearing a reasonable opportunity will be afforded interested parties for the examination of the record and for the submission of briefs.

Substance of proposals. 1. To amend Article I (h) (27 CFR, 5.1 (h)) to define the term "gallon" to mean 231 cubic inches of alcoholic beverage at 60° Fahrenheit so that the definition will conform to present Internal Revenue requirements.

2. To amend sec. 21, Class 1 (27 CFR, 5.21 (a)), to provide that "neutral spirits" or "alcohol" shall not only be distilled at or above 190° proof as now required but also that it shall be actually neutral in character.

3. To amend sec. 21, Class 2 (n) (27 CFR, 5.21 (b) (14)), to provide that the minimum percentage of 100° proof malt whisky or whiskies distilled in pot stills at not more than 160° proof from a fermented mash of malted barley dried over peat fire, now required in "blended Scotch type whisky", be distilled solely from such a mash and also that such required minimum percentage of malt whisky or whiskies be aged for not less than 3 years.

4. To amend sec. 21, Class 2 (o) (27 CFR, 5.21 (b) (15)), to provide that the distilled spirits distilled in pot stills at not more than 171° proof, from a fermented mash of small cereal grains of which not less than 50 per cent is dried malted barley, and unmalted barley, wheat, oats, or rye grains, or the minimum percentage of 100° proof malt whisky or whiskies distilled in pot stills at approximately 171° proof, from a fermented mash of dried malted barley, now required in the alternative in "blended Irish type whisky", be aged for not less than 3 years and that the minimum percentage of 100° proof malt whisky or whiskies referred to in the latter alternative be distilled solely from such prescribed mash.

5. To amend sec. 21, Class 4 (27 CFR, Cum. Supp., 5.21 (d)), to authorize standard brandy to be distilled from juice, mash, or wine having a volatile acidity, calculated as acetic acid and exclusive of sulphur dioxide, of not more than 0.20 grams per 100 cubic centimeters (20° C), to be calculated exclusive of water added to facilitate distillation, even though distilled at 170° proof or less.

6. To amend sec. 21, Class 4 (a) (27 CFR, Cum. Supp., 5.21 (d) (1)), to increase the percentage of the lees of the appropriate wine which may be added to the juice or mash of fruit from which "fruit brandy" may be distilled from the 20 per cent by volume now authorized to 30 per cent by volume (calculated prior to the addition of water to facilitate distillation), and to increase the amount of lees brandy which may be mixed with such brandy from the 20 per cent now authorized to 30 per cent (calculated on a proof basis).

7. To amend sec. 21, Class 4 (a) (27 CFR, Cum. Supp., 5.21 (d) (1)), to authorize the addition, in the case of brandy distilled from juice or wine, of not more than 20 per cent by weight (calculated prior to the addition of water to facilitate distillation) of pomace of the appropriate fruit to the juice or wine from which "fruit brandy" is distilled.

8. To amend sec. 21, Class 4 (27 CFR, Cum. Supp., 5.21 (d)), sec. 34 (27 CFR, 5.34) and other pertinent sections of the regulations to authorize brandy distilled wholly or in part from residue materials, such as lees, pomace or wine tank residue, to be designated as "residue brandy".

9. To amend sec. 21, Class 4 (g) (2) (27 CFR, Cum. Supp., 5.21 (d) (7) (ii)), and sec. 34 (27 CFR, 5.34) to include in the standard of identity for substandard brandy any brandy distilled from unsound, moldy, diseased or decomposed lees, pomace or residue materials, and any brandy which shows in the finished product any taste, aroma, or characteristic associated with products distilled from such lees, pomace or residue.

10. To amend sec. 21, Class 6 (27 CFR, 5.21 (f)), to increase, from the 2½ per cent by weight now required, the minimum amount of added sugar or dextrose in "cordials and liqueurs" to a greater amount such as, for example, 10 per cent by weight of the finished product, and to abolish the present standard for "dry cordials and dry liqueurs".

11. To amend sec. 21 (27 CFR, 5.21) by adding to the standards of identity therein set forth some standard of identity for "Vodka" similar to the following: "Vodka" is an alcoholic distillate (1) produced in a registered distillery, from a fermented mash of potatoes or grain or both, distilled at 180° or more proof but less than 190° proof, so distilled or treated as to be practically neutral in character, and packaged in metal containers or paraffin-lined barrels, whether or not subjected to charcoal treatment as a part of continuous distillation or through later rectification, and with or without the addition of suitable flavoring and sweetening materials in a process of later rectification; (2) produced in a registered distillery, from any fermentable material at 190° or more proof, and packaged in metal containers or paraffin-lined barrels, whether or not subjected to charcoal treatment as a part of continuous distillation or through later rectification, and with or without the addition of suitable flavoring and sweetening materials in a process of later rectification; (3) produced in an industrial alcohol plant from any fermentable material at 190° or more proof, and packaged in metal containers or paraffin-lined barrels, which has been subjected to charcoal treatment in a rectification plant or there rectified by the addition of suitable flavoring and sweetening materials; or (4) produced outside the United States and conforming to the requirements of subparagraphs (1), (2) or (3) above with the exception that it was not distilled in a registered distillery or in an industrial alcohol plant. In (1), (2), (3) or (4) above the proof of the distillate may be reduced prior to bottling to not less than 80° proof.

12. To amend sec. 32 (27 CFR, 5.32) and other pertinent sections of the regulations to require that distilled spirits containing more than a specified maximum amount of methyl alcohol, such as, for example, 0.35 percent by volume, bear on the brand labels thereof a prominent statement of such content such as "Contains wood alcohol" or "Contains ——% wood alcohol."

13. To amend sec. 34 (c) (27 CFR, 5.34 (c)), sec. 41 (27 CFR, 5.41) and other pertinent sections of the regulations to prohibit the use in connection with cordials and liqueurs of designations such as "bourbon liqueur," "rye liqueur," "malt liqueur" and other similar designations.

14. To amend sec. 34 (d) (27 CFR, 5.34 (d)) to correct any possible implication arising from the present regulations that any of the types of "corn whisky" may, if the prescribed statement relating to such treatment appears on the labels thereof, be treated with charred wood chips.

15. To amend sec. 34 (e) (27 CFR, 5.34 (e)) and other pertinent sections of the regulations to require that a whisky distilled at not exceeding 160° proof from a fermented mash of not less than 80 percent corn grain, not subjected in the process of distillation or otherwise to treatment with charred wood, and stored in reused cooperage, be designated as "corn whisky" or "straight corn whisky" if aged for the required period.

16. To amend sec. 35 (c) (3) (27 CFR, 5.35 (c) (3)) to authorize the statement, on labels on imported distilled spirits bottled after importation by the person responsible for the importation, of the address of such person's principal place of business in lieu of the address of the place where such distilled spirits were bottled.

17. To amend sec. 38 (d) (27 CFR, Cum. Supp. 5.38 (d)) to authorize the

statement "colored with caramel" or a similar statement of coloring material upon the labels of distilled spirits to which no coloring material other than caramel has been added, in instances where the words "artificially colored" are now required.

18. To amend sec. 39 (a) (27 CFR, 5.39 (a)), sec. 39 (c) (27 CFR, 5.39 (c)) and other pertinent sections of the regulations to provide that the labels of "blended Scotch type whisky" and "blended Irish type whisky" shall contain a statement of age, rather than a statement of storage, for any "whisky" therein which was distilled in the United States, and stored for three years or more in reused cooperage.

19. To amend sec. 39 (a) (1) and (2) (27 CFR, 5.39 (a) (1) and (2)) to authorize the use, on the labels of "whisky", "rye whisky", "bourbon whisky", "wheat whisky", "corn whisky", 'malt whisky" or "rye malt whisky" and on the labels of any of the types of "straight whisky" except "blended straight whisky" of an age statement substantially the same as, though not identical with, the statement now required.

20. To amend sec. 39 (a) (5) (27 CFR, 5.39 (a) (5)) to permit a statement of the age and percentage of each of the whiskies and straight whiskies in a "spirit whisky" to be made on the labels of such whiskies.

21. To amend sec. 39 (b) (27 CFR, Cum. Supp., 5.39 (b)) and other pertinent sections of the regulations to require that age be stated on labels of all Scotch, Irish and Canadian whiskies whether blended or unblended in the manner now prescribed for American type whiskies or, in the alternative, to amend sec. 39 (a) (27 CFR, 5.39 (a)) and other pertinent sections of the regulations to authorize the omission of age statements from labels of whiskies four years or more old and to amend sec. 32 (27 CFR, 5.32) and other pertinent sections of the regulations to require a statement of age to appear on the brand label of all whiskies, other than "blended whisky" or "spirit whisky", less than four years old regardless of the country of origin.

22. To amend sec. 39 (c) (27 CFR, 5.39 (c)) to permit a statement of the ages and percentages of each of the whiskies and malt whiskies in "blended Scotch type whisky" and "blended Irish type whisky" to be made on the labels of such whiskies.

23. To amend sec. 40 (b) (27 CFR, 5.40 (b)) and other pertinent sections of the regulations to require all parts of the mandatory statement of class and type of the product to appear on labels with equal emphasis in the same size and kind of script, type, or printing and in the same color and shade.

24. To amend sec. 80 (27 CFR, 5.80) and other pertinent sections of the regulations to require that distilled spirits bottled for export shall bear brand labels stating the class and type thereof in the same manner as if not bottled for export.

[SEAL] CARROLL E. MEALEY,
Deputy Commissioner.

[F. R. Doc. 46-21940; Filed, Dec. 26, 1946; 8:49 a. m.]

EQUIPMENT, FIXTURES, SIGNS, SUPPLIES, MONEY, SERVICES AND OTHER THINGS OF VALUE TO RETAILERS OF DISTILLED SPIRITS, WINE AND MALT BEVERAGES

NOTICE OF HEARING WITH RESPECT TO PROPOSED AMENDMENTS

Notice is hereby given, pursuant to the provisions of Section 5 of the Federal Alcohol Administration Act (49 Stat. 981; 27 U. S. C. 250), of a public hearing to be held in January 14, 1947, at 2:00 p. m. in the Great Hall of the Department of Justice Building, Washington, D. C., at which time and place all interested parties will be afforded opportunity to be heard, in person or by authorized representative, with reference to a proposal, the substance of which is stated below, to amend Regulations No. 6, relating to equipment, fixtures, signs, supplies, money, services and other things of value to retailers of distilled spirits, wine and malt beverages.

Written data, views or arguments relevant and material to this proposal may be submitted in duplicate for incorporation into the record of said hearing (1) by mailing the same addressed to the Deputy Commissioner in charge of the Alcohol Tax Unit, Bureau of Internal Revenue, Washington 25, D. C.: *Provided*, That they are received prior to the termination of the hearing, or (2) by presenting the same at the said hearing. At the conclusion of the hearing a reasonable opportunity will be afforded interested parties for the examination of the record and for the submission of briefs.

Substance of proposal. To amend section 3 (e) (27 CFR 6.3 (e)) and other pertinent sections of the regulations to authorize, as an exception to the requirements of section 5 (b) (3) of the Federal Alcohol Administration Act (49 Stat. 981; 27 U. S. C. 205 (b) (3)), under certain conditions, an industry member to reimburse a retailer for a percentage of the cost to such retailer of any portion of a newspaper advertisement, placed by such retailer, which relates specifically to products of such industry member, by adding a new subparagraph to read substantially as follows:

(5) An industry member may reimburse a retailer for part of the actual cost to the retailer of newspaper advertisements, subject to the following conditions:

(i) Reimbursment may not exceed 50 percent of the actual cost to the retailer of that portion of the whole advertisement which is specifically devoted to the products of the reimbursing industry member.

(ii) Reimbursement may not be conditioned, directly or indirectly, in whole or in part, on the purchase, sale or display by the retailer of any product of the reimbursing industry member, or on the retailer's abstaining, in whole or in part, from purchasing, selling, displaying or advertising any product of any other industry member.

(iii) Where two or more retailers publish an advertisement together, the total amount of reimbursement therefor shall not exceed the amount which would have been payable if only one retailer had published it.

(iv) As used herein, the "reimbursing industry member" includes all affiliates of any industry member.

[SEAL] CARROLL E. MEALEY,
Deputy Commissioner.

[F. R. Doc. 46-21941; Filed, Dec. 26, 1946; 8:50 a. m.]

DEPARTMENT OF THE INTERIOR.

Office of Indian Affairs.

UINTAH INDIAN IRRIGATION PROJECT, UTAH

ORDER FIXING OPERATION AND MAINTENANCE CHARGES

DECEMBER 19, 1946.

Pursuant to section 4 (a) of the Administrative Procedure Act approved June 11, 1946, Public Law 404, 79th Congress; the Acts of Congress approved June 21, 1906 (34 Stat. 375), and March 7, 1928 (45 Stat. 210; 25 U. S. C. 387), and by virtue of authority delegated by the Secretary of the Interior to the Commissioner of Indian Affairs September 14, 1946 (11 F. R. 10297), notice is hereby given of intention to amend § 130.77 of Title 25, Code of Federal Regulations by increasing the operation and maintenance assessment rate therein prescribed from $1.00 per acre per annum to $1.35 per acre per annum on all Uintah Indian irrigation project lands, the increase to be effective beginning with the irrigation season 1947 and to continue in effect thereafter until further notice.

Interested persons are hereby given opportunity to participate in preparing the proposed amendment by submitting their views and data or arguments in writing to Mr. William Zeh, District Director, U. S. Indian Service, 4100 Rhoads Circle, Phoenix, Arizona, within 30 days from the date of the publication of this notice of intention in the daily issue of the FEDERAL REGISTER.

For the Commissioner.

WALTER V. WOEHLKE,
Chief, Resources Branch.

[F. R. Doc. 46-21914; Filed, Dec. 26, 1946; 8:46 a. m.]

FEDERAL POWER COMMISSION.

[Docket No. IT-6021]

IDAHO POWER COMPANY

NOTICE OF APPLICATION

DECEMBER 20, 1946.

Notice is hereby given that on December 17, 1946, an application was filed pursuant to section 204 of the Federal Power Act by Idaho Power Company, a corporation organized under the laws of the State of Maine and doing business in the States of Oregon, Idaho and Nevada with its principal business office at Boise, Idaho, seeking an order authorizing the issuance of $5,000,000 principal amount First Mortgage Bonds, bearing interest rate of 2¾% payable semiannually, to be issued and dated as of February 1, 1947, and to mature February 1, 1977. The purpose for which the securities are to be issued is the obtainment of capital for the construction, extension and improvement of operating facilities, and for the payment of certain bank loans; all as more fully appears in the application on file with the Commission.

Any person desiring to be heard or to make any protest with reference to said application should, on or before the 11th day of January 1947, file with the Federal Power Commission, Washington 25, D. C., a petition or protest in accordance with the Commission's rules of practice and procedure.

[SEAL] LEON M. FUQUAY, *Secretary.*

[F. R. Doc. 46-21912; Filed, Dec. 26, 1946; 8:52 a. m.]

OFFICE OF TEMPORARY CONTROLS.

Civilian Production Administration.

[C-467]

SAMUEL L. SPITZ

CONSENT ORDER

Samuel L. Spitz is the operator of a retail florist shop formerly located at 822 Kings Highway, Brooklyn, New York. He is charged by the Civilian Production Administration with violation of Veterans' Housing Program Order 1 in that (1) on or about November 11, 1946, he began construction, repairs, additions and alterations, without authorization, and at a cost in excess of $1,000, in a commercial building located at 910 Kings Highway, Brooklyn, New York; (2) on and after November 11, 1946, he carried on construction, repairs, additions and alterations, without authorization and at a cost in excess of $1,000 in a commercial building located at 910 Kings Highway, Brooklyn, New York.

Samuel L. Spitz admits the violations charged and has consented to the issuance of this order.

Wherefore, upon the agreement and consent of Samuel L. Spitz, the Regional Compliance Director and the Regional Attorney, and upon the approval of the Compliance Commissioner, *It is hereby ordered*, That:

(a) Neither Samuel L. Spitz, his successors and assigns, nor any other person shall do any further construction on the premises located at 910 Kings Highway, Brooklyn, New York, including the putting up, completing or altering of any of the structures located on said premises, unless hereafter specifically authorized in writing by the Civilian Production Administration.

(b) Samuel L. Spitz shall refer to this order in any application or appeal which he may file with the Civilian Production Administration for priorities assistance or for authorization to carry on construction.

(c) Nothing contained in this order shall be deemed to relieve Samuel L. Spitz, his successors and assigns, from any restrictions, prohibition or provision contained in any other order or regulation of the Civilian Production Administration, except insofar as the same may be inconsistent with the provisions hereof.

Issued this 26th day of December 1946.

CIVILIAN PRODUCTION ADMINISTRATION,
By J. JOSEPH WHELAN,
Recording Secretary.

[F. R. Doc. 46-21986; Filed, Dec. 26, 1946; 11:22 a. m.]

SECURITIES AND EXCHANGE COMMISSION.

[File No. 31-174]

GENERAL ELECTRIC CO. ET AL.

ORDER GRANTING EXTENSION OF EXEMPTION

At a regular session of the Securities and Exchange Commission, held at its office in the City of Philadelphia, Pa., on the 19th day of December A. D. 1946.

In the matter of General Electric Company, Electrical Securities Corporation, and G. E. Employees Securities Corporation, File No. 31-174.

General Electric Company, Electrical Securities Corporation and G. E. Employees Securities Corporation, direct or indirect owners of 307,005 shares of common stock and 35,000 shares of Prior Lien Preferred and Preferred stocks of New England Public Service Company, a registered holding company, constituting 23.69% and 2.7%, respectively, of the total voting securities of said company, having filed an application, and amendment thereto, for an extension to December 31, 1947 of the period of effectiveness of the exemption granted them pursuant to section 3 (a) (3) of the Public Utility Holding Company Act of 1935 by the Commissioner's Orders of March 16, 1938, August 18, 1941, September 14, 1942, August 26, 1943 and April 4, 1945, alleging that for various reasons it has been and now is impracticable to effectuate the sale of any of their holdings in the Prior Lien Preferred and Preferred stocks of New England Public Service Company, and offering to extend for such period as the Commission may extend the exemption, their agreement to refrain from disposing of the common stock of New England Public Service Company until the Commission has approved a plan of reorganization for that company or until specific approval of such disposition is granted by the Commission; and

The Commission having been advised that General Electric Company proposes to liquidate and dissolve the business of its wholly-owned subsidiary, Electrical Securities Corporation, through the transfer to General Electric Company of all the securities and other assets now held by Electrical Securities Corporation in consideration of the surrender by General Electric Company of all the outstanding common stock of Electrical Securities Corporation now owned by General Electric Company and the assumption by General Electric Company of all the liabilities and indebtednesses of Electrical Securities Corporation not discharged prior to such transfer of assets; and the acquisition of such assets being exempt from the provisions of section 9 (a) (2) of the Public Utility Holding Company Act of 1935 by reason of the provisions of Rule U-11 of the Commission; and

The Commission having considered said application and amendment thereto and the reasons in support thereof, and it appearing to the Commission that an extension of the order of effectiveness of said exemption should be granted:

It is ordered, That the period of effectiveness of the Commission's order of April 4, 1945, which order modified and extended the period of effectiveness of an order dated March 16, 1938, pursuant to section 3 (a) (3) of said act with respect to General Electric Company, Electrical Securities Corporation and G. E. Employees Securities Corporation, be and hereby is extended to the close of business on December 31, 1947 and that until such date, General Electric Company, Electrical Securities Corporation (as long as it remains a corporate entity) and G. E. Employees Securities Corporation be and they hereby are exempted from all those provisions of the Public Utility Holding Company Act of 1935 which, as the result of their present holdings of Prior Lien Preferred, Preferred and Common stocks of New England Public Service Company, would require them to register under said act as a public-utility holding company; and

It is further ordered, That the jurisdiction of the Commission be and hereby is further reserved for the purpose of modifying or revoking this order, after notice and opportunity for hearing, as the public interest or the interest of investors or consumers may warrant.

By the Commission.

[SEAL] ORVAL L. DUBOIS, *Secretary.*

[F. R. Doc. 46-21873; Filed, Dec. 24, 1946; 8:48 a. m.]

[File No. 1-2341]

REPUBLIC OF PANAMA

ORDER GRANTING APPLICATION TO STRIKE FROM LISTING AND REGISTRATION

At a regular session of the Securities and Exchange Commission, held at its office in the City of Philadelphia, Pa., on the 19th day of December A. D. 1946.

The New York Stock Exchange, pursuant to section 12 (d) of the Securities Exchange Act of 1934 and Rule X-12D2-1 (b) promulgated thereunder, having made application to strike from listing and registration that portion of the issue of 5% External Sinking Fund Gold Bonds, Series A, due May 15, 1963, of the Republic of Panama that has not been stamped to show acceptance of a readjustment plan of 1933 or stamped to show acceptance of a readjustment plan of 1940;

After appropriate notice, a hearing having been held in this matter; and

The Commission having considered said application together with the evidence introduced at said hearing, and having due regard for the public interest and the protection of investors;

It is ordered, That said application be and the same is hereby granted, effective at the close of the trading session on December 30, 1946.

By the Commission.

[SEAL] ORVAL L. DUBOIS, *Secretary.*

[F. R. Doc. 46-21874; Filed, Dec. 24, 1946; 8:49 a. m.]

[File No. 54-81]

MIDDLE WEST CORP. ET AL.

ORDER PERMITTING DECLARATION TO BECOME EFFECTIVE

At a regular session of the Securities and Exchange Commission, held at its office in the City of Philadelphia, Pa., on the 18th day of December A. D. 1946.

In the matter of The Middle West Corporation, Central and South West Utilities Company, and American Public Service Company, File No. 54-81.

The Middle West Corporation ("Middle West"), its subsidiary, Central and South West Utilities Company ("Central"), and the latter's subsidiary, American Public Service Company ("American"), all of whom are registered holding companies, having filed a joint declaration with amendments, stating that (1) Central proposes to mail a letter, on or about December 30, 1946, to public holders of Central's $7 Prior Lien and $7 Preferred Stocks and of American's 7% Preferred Stock (collectively referred to as "preference stocks"), notifying those holders who desire to exchange their stock for common stock of Central and South West Corporation, as provided in a plan of reorganization approved pursuant to section 11 (e) of the Public Utility Holding Company Act ("the Act"), to deposit their stock certificates with one of the designated exchange agencies prior to the close of business on January 17, 1947, Central reserving the right to extend the deposit period for not exceeding four days, and (2) that Central further proposes to enter into an agreement with Lehman Brothers and Lazard Freres & Co. to form and manage a group of securities dealers to solicit deposits from public holders of the aforementioned preference stocks, said dealers (including the managers) to be paid a fee of $1.75 per share on deposits they procure of Central's $7 Prior Lien Stock and American's 7% Preferred Stock and $3.25 per share on deposits of Central's $7 Preferred Stock, said fees to be reduced by one-half in the event that the exchanges provided for in the aforesaid plan of reorganization are not consummated, and said managers of the dealers' group to be reimbursed for reasonable out-of-pocket expenses, including fees and expenses of counsel, but not to be paid any compensation for their services as managers;

A hearing and argument having been held before the Commission, and a committee representing public holders of Central's common stock having stated their opposition to the aforementioned declaration and having requested further hearings for the stated purpose of showing that the aforesaid plan of reorganization is no longer fair;

The Commission having considered the record and argument and the request of the aforementioned committee and having issued its findings and opinion herein; *It is hereby ordered:*

1. The aforementioned declaration, as amended, be and hereby is permitted to become effective subject, however, to the conditions specified in Rule U-24 promulgated pursuant to the act, and to the further condition that fees shall not be paid to the managers of the aforementioned dealers' group or to participating dealers in respect of deposits of stocks beneficially owned by either the managers or any of the participating dealers;

2. The managers of the dealers' group and participating dealers be and hereby are exempted from the provisions of paragraph (g) of Rule U-62 promulgated pursuant to the act, and the transactions covered by the declaration be and hereby are exempted from additional provisions of Rules U-62 and U-65 to the extent that such transactions are inconsistent with such provisions;

3. The aforementioned request made by the committee of public holders of the common stock of Central for further hearings be and hereby is denied;

4. The time within which the transactions proposed in the aforementioned plan of reorganization may be consummated be and hereby is extended to February 19, 1947;

5. Jurisdiction is reserved to the Commission to determine the reasonableness of such expenses and fees (other than the designated compensation to dealers noted above) as may be payable in connection with the proposed solicitation, including the managers' expenses and attorneys' fees.

By the Commission.

[SEAL] ORVAL L. DUBOIS, *Secretary.*

[F. R. Doc. 46-21915; Filed, Dec. 26, 1946; 8:52 a. m.]

GUTTAG BROS.

ORDER PERMITTING WITHDRAWAL OF REGISTRATION AND DISCONTINUING PROCEEDING

At a regular session of the Securities and Exchange Commission, held at its office in the City of Philadelphia, Pa., on the 18th day of December A. D. 1946.

The Commission having instituted proceedings under section 5 (b) of the Securities Exchange Act of 1934 to determine whether the registration of Julius Guttag, doing business as Guttag Bros., as a broker and dealer should be revoked;

A hearing having been held after appropriate notice, and said respondent having appeared and requested permission to withdraw his registration;

The Commission having been duly advised and having this day issued its findings and opinion;

It is ordered, Pursuant to section 15 (b) of the Securities Exchange Act of 1934, that withdrawal of said registration be and it hereby is permitted to become effective forthwith, and that the proceeding under section 15 (b) of the act be and it hereby is discontinued.

By the Commission.

[SEAL] ORVAL L. DUBOIS, *Secretary.*

[F. R. Doc. 46-21916; Filed, Dec. 26, 1946; 8:51 a. m.]

[File No. 70-1412]

INDIANA GAS & WATER CO. INC.

NOTICE REGARDING FILING

At a regular session of the Securities and Exchange Commission, held at its office in the City of Philadelphia, Pa., on the 20th day of December A. D. 1946.

Notice is hereby given that Indiana Gas & Water Company, Inc. ("Gas-Water"), a public utility subsidiary of Public Service Company of Indiana, Inc. and an indirect subsidiary of The Middle West Corporation, a registered holding company has filed an application pursuant to section 6 (b) of the Public Utility Holding Company Act of 1935.

Notice is further given that any interested person may, not later than January 6, 1947, at 5:30 p. m., e. s. t., request the Commission in writing that a hearing be held on such matter, stating the nature of his interest, the reasons for such request and the issues, if any, of fact or law raised by said application proposed to be controverted, or may request that he be notified if the Commission should order a hearing thereon. At any time thereafter such application, as filed or as amended, may be granted as provided in Rule U-23 of the rules and regulations promulgated pursuant to said act, or the Commission may exempt such transaction as provided in Rules U-20 (a) and U-100 thereof. Any such request should be addressed: Secretary, Securities and Exchange Commission, 18th and Locust Streets, Philadelphia 3, Pennsylvania.

All interested persons are referred to said application which is on file in the office of this Commission, for a statement of the transactions therein proposed, which are summarized below:

Gas-Water proposes to issue $990,000 aggregate principal amount of its first mortgage bonds, 3%, series due 1972, one half of said principal amount to be issued to each of two life insurance companies, viz., Aetna Life Insurance Company and New England Mutual Life Insurance Company. Said bonds are to be issued under and secured by a supplemental indenture under the indenture securing the company's outstanding 3⅛% first mortgage bonds. Gas-Water proposes to sell the said bonds for an aggregate principal amount of $998,712 plus accrued interest. The net proceeds, after deducting fees and expenses estimated at $19,414, which amount includes a finder's fee of $7,500, are proposed to be used to refund the note indebtedness of Gas-Water presently outstanding in the principal amount of $500,000, and for additions to the company's gas and water utility facilities.

The application states that the proposal is subject to the approval of the Public Service Commission of Indiana, to which commission application for approval of the said transaction has been made, and that when said Commission issues its order with respect thereto a copy thereof will be filed herein by amendment.

Applicant requests that the Commission's order granting the application be issued on or before January 15, 1947, and become effective forthwith so that the transaction proposed in said application may be consummated prior to January 24, 1947.

By the Commission.

[SEAL] ORVAL L. DUBOIS,
Secretary.

[F. R. Doc. 46-21917; Filed, Dec. 26, 1946; 8:51 a. m.]

[File No. 70-1420]

NORTH AMERICAN CO.

NOTICE OF FILING AND ORDER FOR HEARING

At a regular session of the Securities and Exchange Commission, held at its office in the City of Philadelphia, Pa., an the 20th day of December 1946.

Notice is hereby given that The North American Company ("North American"), a registered holding company, has filed an application-declaration pursuant to the Public Utility Holding Company Act of 1935. North American has designated sections 12 (c) and 12 (d) of the act and Rules U-42, U-44 and U-50 of the rules and regulations promulgated thereunder as being applicable to the proposed transactions.

All interested persons are referred to said application-declaration, which is on file in the office of this Commission, for a statement of the transactions therein proposed, which may be summarized as follows:

North American and The Laclede Gas Light Company ("Laclede"), a nonaffiliate, have entered into an agreement, dated December 5, 1946, whereby North American proposes to sell to Laclede its holdings of 41,000 shares of Capital Stock (representing the entire amount of such stock issued and outstanding) of The St. Louis County Gas Company for a cash consideration of $11,250,000 (with certain adjustments), North American requests that the Commission find that the foregoing transaction does not require compliance with Rule U-50 and that it may be exempted from the provisions of paragraphs (b) and (c) of said Rule U-50.

The entire proceeds of the sale will be applied by North American to the prepayment without premium of a portion of its Bank Loan Notes of Series G in accordance with the terms of such Notes and for the consideration specifically designated therein. Such proposed prepayment is regarded by North American as being exempt from the requirements of Rule U-42 (a) by virtue of Rule U-42 (b) (2).

It is represented by North American that no fees or commissions will be paid in connection with the proposed transactions and it is estimated that expenses will aggregate $6,000, representing $5,000 of legal fees and $1,0000 of miscellaneous expenses.

North American requests that any order of the Commission approving the proposed transactions conform to the requirements of Supplement R and section 1808 (f) of the Internal Revenue Code, as amended.

It appearing to the Commission that it is appropriate in the public interest and in the interests of investors and consumers that a hearing be held with respect to said application-declaration, and that said application should not be granted and said declaration not permitted to become effective except pursuant to further order of this Commission;

It is ordered, That a hearing on said application-declaration under the applicable provisions of the Act and the Rules and Regulations of the Commission promulgated thereunder be held on January 16, 1947, at 10:00 a. m., e. s. t., at the office of the Securities and Exchange Commission, 18th and Locust Streets, Philadelphia 3, Pennsylvania. On such date the hearing room clerk in Room 318 will advise as to the room in which such hearing will be held. At such hearing cause shall be shown why said application should be granted and said declaration be permitted to become effective.

The Public Utilities Division of the Commission having advised the Commission that it has made a preliminary examination of the application-declaration, and that, on the basis thereof, the following matters and questions are presented for consideration by the Commission without prejudice, however, to the presentation of additional matters and questions upon further examination;

(1) Whether the proposed transaction is detrimental to the public interest or the interest of investors or consumers.

(2) Whether the consideration to be received by North American is reasonable.

(3) Whether the requested exemption from the requirements of paragraphs (b) and (c) of Rule U-50 should be granted.

(4) What conditions, if any, should be imposed in the public interest or for the protection of investors or consumers.

It is further ordered, That particular attention be directed at said hearing to the foregoing matters and questions.

It is further ordered, That any person desiring to be heard in these proceedings shall file with the Secretary of the Commission on or before January 14, 1947, his request or application therefor as provided by Rule XVII of the Commission's rules of practice.

It is further ordered, That Robert P. Reeder, or any other officer or officers of the Commission designated by it for that purpose, shall preside at the hearing above ordered. The officer so designated to preside at the hearing is hereby authorized to exercise all powers granted to the Commission under section 18 (c) of said act and to a hearing officer under the Commission's rules of practice.

It is further ordered, That the Secretary of the Commission shall serve notice of the aforesaid hearing by mailing a copy of this notice and order by registered mail to The North American Company, the Public Service Commission of Missouri, the City of St. Louis, Missouri, the County of St. Louis, Missouri, the League of Municipalities of St. Louis County, Missouri, The Laclede Gas Light Company, and C. S. Mott, and that notice shall be given to all other persons by general release of this Commission which shall be distributed to the press and mailed to persons on the Commission's mailing list for releases under the Public Utility Holding Company Act of 1935, and that further notice shall be given to all persons by publication of this notice and order in the FEDERAL REGISTER.

By the Commission.

[SEAL] ORVAL L. DUBOIS,
Secretary.

[F. R. Doc. 46-21918; Filed, Dec. 26, 1946; 8:51 a. m.]