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Title 12—BANKS AND BANKING

Chapter I—Bureau of the Comptroller of the Currency, Department of the Treasury

PART 1—INVESTMENT SECURITIES REGULATION

Export-Import Bank Portfolio Fund Participation Certificates

§ 1.160 Export-Import Bank Portfolio Fund Participation Certificates.

(a) *Request.* The Comptroller of the Currency has been requested to rule that various series of Export-Import Bank Portfolio Fund Participation Certificates, are eligible for purchase without limit by National Banks.

(b) *Opinion.* This Office has previously ruled (at 12 CFR 7.4) that Participation Certificates, Series "A" of 1962, which were issued and guaranteed by the Export-Import Bank of Washington, were eligible for purchase without limitation by National Banks.

(c) *Ruling.* Where Participation Certificates are issued and guaranteed by the Export-Import Bank of Washington, which is an independent agency of the United States Government, such certificates are, under applicable statutes and regulations, eligible for purchase without limitation by National Banks.

Dated: November 17, 1964.

[SEAL] WILLIAM B. CAMP,
Acting Comptroller
of the Currency.

[F.R. Doc. 64-11985; Filed, Nov. 23, 1964;
8:48 a.m.]

Title 32—NATIONAL DEFENSE

Chapter VI—Department of the Navy

SUBCHAPTER C—PERSONNEL

PART 729—NAVY AND MARINE CORPS MILITARY PERSONNEL SECURITY PROGRAM

Miscellaneous Amendments

Scope and purpose. The amendments are intended to update Part 729 in accordance with recent changes to the underlying departmental regulations.

1. Section 729.6 is amended by revising paragraph (a) (6), and item (6) of the list at the end of the section, to read as follows:

§ 729.6 Criteria

(a) * * *

(6) Intentional failure or refusal to sign the loyalty certificate DD Form 98;

refusal to completely answer questions contained in DD Forms 98 or 398; or otherwise failing or refusing to answer any pertinent question propounded in the course of an official investigation, interrogation, or examination, conducted

for the purpose of ascertaining the existence or extent, or both, of conduct of the nature described in subparagraphs (1) through (5) and (7) through (13) of this paragraph.

Criteria in paragraph (a) of § 729.6—

* * *

(6) Intentional failure or refusal to sign the DD Form 98; refusal to completely answer questions contained in DD Forms 98 or 398; or otherwise failing or refusing to answer any pertinent question propounded in the course of an official investigation, interrogation, or examination conducted for the purposes of ascertaining the existence or extent, or both, of conduct of the nature described in subparagraphs (1) through (5) and (7) through (13) of this paragraph.

2. Section 729.8 is revised to read as follows:

§ 729.8 Investigative requirements.

(a) A National Agency Check shall be conducted prior to appointing or commissioning of any individual as an officer or warrant officer.

(b) The National Agency Checks for members of the Naval Reserve Officers Training Corps shall be initiated immediately upon enrollment.

(c) Upon being ordered to extended active duty, a National Agency Check will be initiated at the officer's first duty station, if not already accomplished.

3. Section 729.14 is revised to read as follows:

§ 729.14 Procedure with regard to applicants.

Each applicant for initial enlistment into any component of the Navy or Marine Corps shall be required to accomplish a loyalty certificate DD Form 98, prior to his acceptance. Each applicant for enrollment in the NROTC shall be required to accomplish DD Form 98 prior to enrollment. Each applicant for initial appointment into any component of the Navy or Marine Corps shall be required to accomplish DD Forms 98 and 398 prior to appointment. Normally, DD Form 98 will not be required for a subsequent appointment or enlistment provided the individual has had continuous service in the Navy or Marine Corps and has previously satisfactorily completed DD Form 98. If any applicant fails or refuses to accomplish the forms in their entirety, his enlistment, enrollment, or appointment will be denied. If DD Form 98 is completed and any entry is made therein which provides rea-

Factors to be considered in making determinations

* * *

- (i) Purpose or reasons for failure or refusal to sign or answer pertinent questions; e.g., advice of counsel, lack of understanding, etc. (Action under the Security Program is warranted by a refusal to furnish information which the U.S. Government is entitled to know for the national security.)
- (ii) Whether, subsequent to refusal, testimony or other information pertinent to the issue was given.
- (iii) Whether the information which was withheld was pertinent to the security qualifications of the individual.

son for belief that the enlistment or appointment may not be clearly consistent with the interests of national security, further action toward effecting the enlistment or appointment shall be discontinued, and all papers shall be transmitted direct to the Chief of Naval Personnel or the Commandant of the Marine Corps, as appropriate. No applicant will be rejected primarily on the grounds that his service would be not clearly consistent with the interests of national security without being afforded the opportunity for a hearing. The Director of Naval Intelligence will be advised of final decisions in cases under this section.

4. Section 729.18 is amended by deletion of paragraph (b) (6).

§ 729.18 Special procedures for certain civilian doctor and dentist applicants who are subject to induction.

* * *

(b) * * *

(6) [Deleted]

5. Section 729.21 is amended by deletion of paragraph (b).

§ 729.21 Processing of cases.

* * *

(b) [Deleted]

(R.S. 161, sec. 5031, 70A Stat. 278, as amended, sec. 133, 76 Stat. 517; 5 U.S.C. 22, 10 U.S.C. 133, 5031)

By direction of the Secretary of the Navy.

[SEAL] WILFRED HEARN,
Rear Admiral, U.S. Navy, Judge
Advocate General of the
Navy.

NOVEMBER 18, 1964.

[F.R. Doc. 64-11964; Filed, Nov. 23, 1964;
8:46 a.m.]

Title 14—AERONAUTICS AND SPACE

Chapter I—Federal Aviation Agency

[Regulatory Docket No. 5074]

PART 27—AIRWORTHINESS STANDARDS: NORMAL CATEGORY ROTORCRAFT [NEW]

This amendment adds Part 27 [New] to the Federal Aviation Regulations to replace Part 6 of the Civil Air Regulations, and is a part of the Agency recodification program announced in Draft Release 61-25, published in the FEDERAL REGISTER on November 15, 1961 (26 F.R. 10698).

Part 27 [New] was published as a notice of proposed rule making in the FEDERAL REGISTER on May 23, 1964 (29 F.R. 6822), and given further distribution as Notice No. 64-29.

During the life of the recodification project, Chapter I of Title 14 may contain more than one part bearing the same number. To differentiate between the two, the recodified parts, such as this one, are labeled "[New]". The label will be dropped at the completion of the project as all of the regulations will be new.

Many of the comments received recommended specific substantive changes to the regulations. Many of these recommendations appear to be meritorious. However, they cannot be adopted as a part of the recodification program, since the purpose of the program is simply to streamline and clarify present regulatory language and delete obsolete or redundant provisions. To attempt substantive changes, other than relaxatory ones that are completely noncontroversial, would delay the project and be contrary to the ground rules specified for it in Draft Release 61-25. However, all comments of this nature will be preserved and considered in any later substantive revision of this part.

Present CAR Part 6 reflects the various writing styles used by those who have worked on it in the past. Consistency in language is vital to consistency in interpretation and fairness in application, especially in technical, complex rules such as this one. The recodification has allowed us to use one style throughout

The most significant changes to Part 27 since the notice are listed below. The numbers in parentheses refer to the section numbers in the notice and in former Part 6, respectively.

(1) In § 27.25 (27.23) (6.101), paragraph (a) (2) (iv), the phrase "an occupant weight of" has been added between "seat," and "170 pounds". This was done to make it clear that the weight of the determination of the subject weight.

(2) In § 27.143 (27.65) (6.121), paragraph (b), subparagraph (2) has been deleted from the section as it appeared in the notice. This effectuates the second paragraph of the preamble in CAR amendment 6-4, effective October 1, 1959, in which it was intended that § 6.121 be revised to replace the requirement for a demonstration of controllability after power failure at only one high speed condition, namely § 6.121(c), with a requirement for controllability after power failure over the range of airspeeds and altitudes for which certification is sought, namely § 6.121(e). Insofar as the intended deletion was not made in the rule at that time and both requirements remained outstanding, the deletion of § 6.121(c) at this time is laxatory.

(3) The Aerospace Industries Association, Inc. (AIA) suggested that the word "maximum" between "A" and "wind velocity" in § 27.143 (27.65) (6.121) was ambiguous, since in context it could refer either to a performance maximum or to the "maximum" safe wind for operation near the ground in § 27.1587 (27.789) (6.743). Since ultimate performance capability need not be shown under § 27.143, the word "maximum" has been deleted.

(4) In §§ 27.547 and 27.361 (§§ 27.217 (e) and 27.219(e)) (6.250 and 6.251), the word "design" has been deleted since all prescribed loads are design loads.

(5) In § 27.241 (27.31) (6.131), the word "uncontrollable", between "no" and "tendency" has been replaced with the word "dangerous". This was done to harmonize the language with the actual standard against which ground resonance must be judged.

(6) In § 27.301 (27.121) (6.200), the descriptions of limit and ultimate loads have been put back in. It is felt that

their utility will be greater in the basic rule than in Part 1 [New].

(7) In § 27.601 (27.251) (6.300), the reference to experience as an element in determining which "hazardous or unreliable" features are covered by the rule has been put back in. This change was made at the request of AIA and is clarifying only.

(8) In § 27.611 (27.261) (6.305), paragraph (a), "periodic inspection" has been replaced with "recurring inspection". This avoids any potential conflict between the intent in the subject section to cover all inspections that occur at regular intervals and the more specific use of the term "periodic inspection" in Parts 43 [New] and 91 [New].

(9) AIA suggested that the language in § 27.775 (27.355) (6.352) be revised to make it clear that (1) materials other than glass may be used in the windows and (2) only glass panes need contain nonsplintering safety glass. This has been done.

(10) Because of an AIA comment to § 27.807 (27.355(a)) (6.357), paragraph (a), the phrase "as prescribed by the Administrator", between "provided" and "where", has been deleted since all requirements in this part are prescribed by the Administrator.

(11) Aero Flow Dynamics, Inc., suggested that the heading and language in § 27.997 (27.471) (6.427) be conformed to that in other airworthiness parts. This has been done.

(12) Section 27.1309 (27.587) (6.606) has been revised to make it clear, as in the original rule, that the general requirement of guarding against hazard in the event of malfunctioning or failure applies to all equipment, systems, and installations, not only to those whose functioning is necessary to show compliance with any regulations in this subchapter.

(13) At the suggestion of AIA, § 27.1505 (27.733(b)) (6.711), paragraph (b), has been reworded to clarify the permissive aspect of this section.

Other minor changes of a technical clarifying nature have been made. They are not substantive and do not impose any burden on regulated persons.

In the notice, it was proposed to convert references to "miles" and "miles per hour" to their exact nautical equivalents. Many formulae have been derived under

the existing system. The effect of rounding off to the nearest whole number is unclear in certain cases. Although specifically invited, few comments have been received on this problem. Because of this it is felt that wholesale conversion should be made separately at a later date.

Interested persons have been given an opportunity to participate in the making of this regulation and due consideration has been given to all relevant matter presented. The Agency is appreciative of the cooperative spirit in which the public's comments were submitted.

In consideration of the foregoing, Chapter I of Title 14 of the Code of Federal Regulations is amended as follows, effective February 1, 1964.

1. By deleting Part 6.
2. By adding a Part 27 [New] reading as hereinafter set forth.

Issued in Washington, D.C. on October 2, 1964.

N. E. HALABY,
Administrator.

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(1) With power on, provides adequate margin to accommodate the variations in rotor speed occurring in any appropriate maneuver, and is consistent with the kind of governor or synchronizer used; and

(2) With power off, allows each appropriate autorotative maneuver to be performed throughout the ranges of airspeed and weight for which certification is requested.

(b) *Normal main rotor pitch limits.* There must be means to limit the range of main rotor pitch settings so that—

(1) With power on, and within approved engine limitations, the normal high pitch limit prevents main rotor speeds substantially less than the minimum approved for any flight condition; and

(2) With power off, the low pitch limit provides main rotor speeds within the approved range for autorotative conditions under the most critical combinations of weight and airspeed.

(c) *Emergency high pitch.* A main rotor pitch higher than the normal high pitch limit prescribed in paragraph (b) (1) of this section may be made available for emergency use if the normal high pitch limit cannot be exceeded inadvertently.

PERFORMANCE

§ 27.45 Standard atmosphere and still air.

Compliance with §§ 27.51 through 27.79 must be shown for still air with a standard atmosphere.

§ 27.51 Takeoff.

(a) The takeoff, with takeoff power and r.p.m., and with the extreme forward center of gravity—

(1) May not require exceptional piloting skill or exceptionally favorable conditions; and

(2) Must be made in such a manner that a landing can be made safely at any point along the flight path if an engine fails.

(b) Paragraph (a) of this section must be met throughout the ranges of—

(1) Altitude, from standard sea level conditions to the maximum altitude capability of the rotorcraft, or 7,000 feet, whichever is less; and

(2) Weight, from the maximum weight (at sea level) to each lesser weight se-

lected by the applicant for each altitude covered by subparagraph (1) of this paragraph.

§ 27.65 Climb.

(a) For rotorcraft other than helicopters—

(1) The steady rate of climb, at V_r , must be determined—

(i) With maximum continuous power on each engine;

(ii) With the landing gear retracted; and

(iii) For the weights, altitudes, and temperatures for which certification is requested; and

(2) The climb gradient, at the rate of climb determined under subparagraph (1) of this paragraph must be at least 1:6 under standard sea level conditions.

(b) For helicopters, V_y must be determined—

(1) Under standard sea level conditions;

(2) At maximum weight; and

(3) With maximum continuous power on each engine.

§ 27.67 Climb: one engine inoperative.

For multiengine helicopters, the steady rate of climb (or descent), at V_y (or at the speed for minimum rate of descent), must be determined with—

(a) Maximum weight;

(b) One engine inoperative; and

(c) Maximum continuous power on the other engines.

§ 27.73 Performance at minimum operating speed.

(a) For helicopters—

(1) The hovering ceiling must be determined over the ranges of weight, altitude, and temperature for which certification is requested, with—

(i) Takeoff power;

(ii) The landing gear extended; and

(iii) The helicopter in ground effect at a height consistent with normal takeoff procedures; and

(2) The hovering ceiling determined under subparagraph (1) of this paragraph must be at least—

(i) For reciprocating engine powered helicopters, 4,000 feet at maximum weight with a standard atmosphere; or

(ii) For turbine engine powered helicopters, 2,500 feet pressure altitude at

maximum weight at a temperature of standard +40 degrees F.

(b) For rotorcraft other than helicopters, the steady rate of climb at the minimum operating speed must be determined, over the ranges of weight, altitude, and temperature for which certification is requested, with—

(1) Takeoff power; and

(2) The landing gear extended.

§ 27.75 Landing.

(a) The rotorcraft must be able to be landed with no excessive vertical acceleration, no tendency to bounce, nose over, ground loop, porpoise, or water loop, and without exceptional piloting skill or exceptionally favorable conditions, with—

(1) Approach or glide speeds appropriate to the type of rotorcraft and selected by the applicant;

(2) The approach and landing made with—

(i) Power off, for single-engine rotorcraft; and

(ii) One engine inoperative, for multiengine rotorcraft; and

(3) The approach and landing entered from steady autorotation.

(b) Multiengine rotorcraft must be able to be landed safely after complete power failure under normal operating conditions.

§ 27.79 Limiting height—speed envelope.

(a) If there is any combination of height and forward speed (including hover) under which a safe landing cannot be made under the applicable power failure condition in paragraph (b) of this section, a limiting height-speed envelope must be established (including all pertinent information) for that condition, throughout the ranges of—

(1) Altitude, from standard sea level conditions to the maximum altitude capability of the rotorcraft, or 7,000 feet, whichever is less; and

(2) Weight, from the maximum weight (at sea level) to the lesser weights selected by the applicant for each altitude covered by subparagraph (1) of this paragraph.

(b) The applicable power failure conditions are—

(1) For single-engine helicopters, full autorotation;

(2) For multiengine helicopters, full

(2) For multiengine helicopters, one engine inoperative (where engine isolation features ensure continued operation of the remaining engines); and

(3) For other rotorcraft, conditions appropriate to the type.

FLIGHT CHARACTERISTICS

§ 27.141 General.

The rotorcraft must—

(a) Meet the requirements of this section and of §§ 27.143, 27.161, and 27.171 through 27.175—

(1) At the normally expected operating altitudes;

(2) Under any critical loading condition within the range of weights and centers of gravity for which certification is requested;

(3) Under any condition of speed, power, and rotor r.p.m. for which certification is requested; and

(4) Without engine combustion flame-out and notwithstanding compressor stall or surge;

(b) Be able to maintain any required flight condition and make a smooth transition from any flight condition to any other flight condition without exceptional piloting skill, alertness, or strength, and without danger of exceeding the limit load factor under any operating condition probable for the type, including sudden powerplant failure; and

(c) Have any additional characteristics required for night or instrument operation, if certification for those kinds of operation is requested.

§ 27.143 Controllability and maneuverability.

(a) The rotorcraft must be safely controllable and maneuverable—

(1) During steady flight; and

(2) During any maneuver appropriate to the type, including—

(i) Takeoff;

(ii) Climb;

(iii) Level flight;

(iv) Turning flight;

(v) Glide;

(vi) Landing (power on and power off); and

(vii) Recovery to power-on flight from a balked autorotative approach.

(b) The margin of cyclic control must allow satisfactory roll and pitch control at V_{NE} with—

(v) The helicopter trimmed for hovering.

GROUND AND WATER HANDLING CHARACTERISTICS

§ 27.231 General.

The rotorcraft must have satisfactory ground and water handling characteristics, including freedom from uncontrollable tendencies in any condition expected in operation.

§ 27.235 Taxiing condition.

The rotorcraft must be designed to withstand the loads that would occur when the rotorcraft is taxied over the roughest ground that may reasonably be expected in normal operation.

§ 27.239 Spray characteristics.

If certification for water operation is requested, no spray characteristics during taxiing, takeoff, or landing may obscure the vision of the pilot or damage the rotors, propellers, or other parts of the rotorcraft.

§ 27.241 Ground resonance.

The rotorcraft may have no dangerous tendency to oscillate on the ground with the rotor turning.

MISCELLANEOUS FLIGHT REQUIREMENTS

§ 27.251 Vibration.

Each part of the rotorcraft must be free from excessive vibration under each appropriate speed and power condition.

(b) The stick position versus speed curve may have a negative slope within the speed ranges specified for each maneuver in § 27.175(a) through (c) if the necessary negative stick travel is not greater than ten percent of the total stick travel.

§ 27.175 Demonstration of static longitudinal stability.

(a) *Climb.* Static longitudinal stability must be shown in the climb condition at speeds from $0.85 V_Y$ to $1.2 V_Y$, with—

- (1) Critical weight;
- (2) Critical center of gravity;
- (3) Maximum continuous power;
- (4) The landing gear retracted; and
- (5) The rotorcraft trimmed at V_Y .

(b) *Cruise.* Static longitudinal stability must be shown in the cruise condition at speeds from $0.7 V_H$ or $0.7 V_{NE}$, whichever is less, to $1.1 V_H$ or $1.1 V_{NE}$, whichever is less, with—

- (1) Critical weight;
- (2) Critical center of gravity;
- (3) Power for level flight at $0.9 V_H$ or $0.9 V_{NE}$, whichever is less;
- (4) The landing gear retracted; and
- (5) The rotorcraft trimmed at $0.9 V_H$ or $0.9 V_{NE}$, whichever is less.

(c) *Autorotation.* Static longitudinal stability must be shown in autorotation throughout the speed range for which certification is requested, with—

- (1) Critical weight;
- (2) Critical center of gravity;
- (3) Power off;
- (4) The landing gear (i) retracted and (ii) extended; and
- (5) The rotorcraft trimmed at the speed for minimum rate of descent.

(d) *Hovering.* For helicopters in the hovering condition—

- (1) The longitudinal cyclic control must operate with the sense and direction of motion prescribed in § 27.173; and
- (2) The stick position curve must have a stable slope, between the maximum approved rearward speed and a forward speed of 20 miles per hour, with—

- (i) Critical weight;
- (ii) Critical center of gravity;
- (iii) Power required for hovering in still air;
- (iv) The landing gear retracted; and

- (1) Maximum weight;
- (2) Critical center of gravity;
- (3) Critical rotor r.p.m.; and
- (4) Power on and power off.

(c) A wind velocity of not less than 20 miles per hour must be established in which the rotorcraft can be operated without loss of control on or near the ground in any maneuver appropriate to the type (such as crosswind takeoffs, sideward flight, and rearward flight), with—

- (1) Critical weight;
- (2) Critical center of gravity; and
- (3) Critical rotor r.p.m.

(d) The rotorcraft, after power failure, must be controllable over the range of speeds and altitudes for which certification is requested when the power failure occurs with maximum continuous power and critical weight. No corrective action time delay for any condition following power failure may be less than—

- (1) For the cruise condition, one second, or normal pilot reaction time (whichever is greater); and
- (2) For any other condition, normal pilot reaction time.

§ 27.161 Trim control.

The trim control—

- (a) Must trim any steady longitudinal and lateral control forces to zero in level flight at any appropriate speed; and
- (b) May not introduce any undesirable discontinuities in control force gradients.

§ 27.171 Stability: general.

The rotorcraft must be able to be flown, without undue pilot fatigue or strain, in any normal maneuver for a period of time as long as that expected in normal operation. At least three landings and takeoffs must be made during this demonstration.

§ 27.173 Static longitudinal stability.

(a) The longitudinal cyclic control must be designed so that, for the ranges of altitude and rotor r.p.m. for which certification is requested, and with throttle and collective pitch held constant during the maneuvers specified in § 27.175—

- (1) A rearward movement of the control is necessary to obtain airspeeds less than the trim speed; and
- (2) A forward movement of the control is necessary to obtain airspeeds greater than the trim speed.

Subpart C—Strength Requirements

GENERAL

§ 27.301 Loads.

(a) Strength requirements are specified in terms of limit loads (the maximum loads to be expected in service) and ultimate loads (limit loads multiplied by prescribed factors of safety). Unless otherwise provided, prescribed loads are limit loads.

(b) Unless otherwise provided, the specified air, ground, and water loads must be placed in equilibrium with inertia forces, considering each item of mass in the rotorcraft. These loads must be distributed to closely approximate or conservatively represent actual conditions.

(c) If deflections under load would significantly change the distribution of external or internal loads, this redistribution must be taken into account.

§ 27.303 Factor of safety.

Unless otherwise provided, a factor of safety of 1.5 must be used. This factor applies to external and inertia loads unless its application to the resulting internal stresses is more conservative.

§ 27.305 Strength and deformation.

(a) The structure must be able to support limit loads without detrimental or permanent deformation. At any load up to limit loads, the deformation may not interfere with safe operation.

(b) The structure must be able to support ultimate loads without failure. This must be shown by—

- (1) Applying ultimate loads to the structure in a static test for at least three seconds; or
- (2) Dynamic tests simulating actual load application.

§ 27.307 Proof of structure.

(a) Compliance with the strength and deformation requirements of this subpart must be shown for each critical loading condition. Structural analysis may be used only if the structure conforms to those for which experience has shown this method to be reliable. In other cases, substantiating load tests must be made.

(b) Proof of compliance with the strength requirements of this subpart must include—

- (1) Dynamic and endurance tests of rotors, rotor drives, and rotor controls;
- (2) Limit load tests of the control system, including control surfaces;
- (3) Operation tests of the control system;

- (4) Flight stress measurement tests;
- (5) Landing gear drop tests; and
- (6) Any additional tests required for new or unusual design features.

§ 27.309 Design limitations.

The following values and limitations must be established to show compliance with the structural requirements of this subpart:

- (a) The design maximum weight.
- (b) The main rotor r.p.m. ranges, power on and power off.
- (c) The maximum forward speeds for each main rotor r.p.m. within the ranges determined under paragraph (b) of this section.
- (d) The maximum rearward and side-wind flight speeds.
- (e) The center of gravity limits corresponding to the limitations determined under paragraphs (b), (c), and (d) of this section.
- (f) The rotational speed ratios between each powerplant and each connected rotating component.
- (g) The positive and negative limit maneuvering load factors.

FLIGHT LOADS

§ 27.321 General.

(a) For rotorcraft, flight load factors are rotor load factors. The net load factor acting at the center of gravity must be obtained by proper consideration of the balancing loads in each flight condition specified in this part.

(b) Compliance with the flight load requirements of this subpart must be shown—

- (1) At each weight from the design minimum weight to the design maximum weight; and
- (2) With any practical distribution of disposable load within the operating limitations in the Rotorcraft Flight Manual.

§ 27.337 Limit maneuvering load factor.

The rotorcraft must be designed for—

- (a) A positive limit maneuvering load factor of 3.5 and a negative limit maneuvering load factor of 1.0; or

- (b) Any lesser positive limit maneuvering load factor not less than 2.0, and lesser negative limit maneuvering load factor not less than 0.5, whose probability of being exceeded is shown by analysis and flight test to be extremely remote.

§ 27.339 Resultant limit maneuvering loads.

The loads resulting from the application of limit maneuvering load factors are assumed to act at the center of each rotor hub and to act in directions, and with distributions of load among the rotors and auxiliary lifting surfaces, so as to represent each critical maneuvering condition, including power-on and power-off flight with the maximum design rotor tip speed ratio. The rotor tip speed ratio is the ratio of the rotorcraft flight velocity component in the plane of the rotor disc to the rotational tip speed of the rotor blades, and is expressed as follows:

$$\mu = \frac{V \cos \alpha}{\Omega R}$$

where—

- V = The airspeed along flight path (f.p.s.);
 α = The angle between the projection, in the plane of symmetry, of the axis of no feathering and a line perpendicular to the flight path (radians, positive when axis is pointing aft);
 Ω = The angular velocity of rotor (radians per second); and
 R = The rotor radius (ft.).

§ 27.341 Gust loads.

The rotorcraft must be designed to withstand, at each critical airspeed including hovering, the loads resulting from a vertical gust of 30 feet per second.

§ 27.361 Engine torque.

The limit engine torque may not be less than the mean torque multiplied by a factor of—

- (a) 1.25, for turbine engines;
- (b) 1.33, for engines with five or more cylinders; and
- (c) Two, three, and four, for engines with four, three, and two cylinders, respectively.

CONTROL SURFACE AND SYSTEM LOADS

§ 27.391 General.

Each auxiliary rotor, each fixed or movable stabilizing or control surface, and each system operating any flight

control must meet the requirements of §§ 27.395, 27.397, 27.401, 27.403, 27.411, and 27.413.

§ 27.395 Control system.

(a) The part of each control system from the pilot's controls to the control stops must be designed to withstand pilot forces of not less than—

- (1) The forces specified in § 27.397; or
- (2) If the system prevents the pilot from applying the limit pilot forces to the system, the maximum forces that the system allows the pilot to apply, but not less than 0.60 times the forces specified in § 27.397.

(b) The part of each control system from the control stops to the attachment to the rotor blades (or control areas) must be designed to at least—

- (1) Withstand the maximum pilot forces obtainable in normal operation; and

(2) If operational loads may be exceeded through jamming, ground gusts, control inertia, or friction, support, without yielding, 0.60 times the limit pilot forces specified in § 27.397.

§ 27.397 Limit pilot forces.

The limit pilot forces are as follows:

- (a) For foot controls, 130 pounds.
- (b) For stick controls, 100 pounds fore and aft and 67 pounds laterally.
- (c) For wheel controls, 100 pounds fore and aft and a lateral couple of 53D inch-pounds applied at the rim of the control wheel (where D is the wheel diameter in inches).

§ 27.399 Dual control system.

Each dual primary flight control system must be designed to withstand the loads that result when pilot forces of 0.75 times those obtained under § 27.395 are applied—

- (a) In opposition; and
- (b) In the same direction.

§ 27.401 Auxiliary rotor assemblies.

(a) Auxiliary rotor assemblies. Each auxiliary rotor assembly must be tested as prescribed in § 27.923.

- (b) Assemblies with detachable blades. Each auxiliary rotor assembly with detachable blades must be designed to withstand the centrifugal loads resulting from the maximum design rotor r.p.m.
- (c) Highly stressed metal components. For each auxiliary rotor with highly

stressed metal components, the vibration stresses must be determined in flight and shown not to exceed safe values for continuous operation.

§ 27.403 Auxiliary rotor attachment structure.

The attachment structure for each auxiliary rotor must be designed to withstand a limit load equal to the maximum loads occurring in the structure in any flight and landing condition.

§ 27.411 Ground clearance: tail rotor guard.

(a) It must be impossible for the tail rotor to contact the landing surface during a normal landing.

(b) If a tail rotor guard is required to show compliance with paragraph (a) of this section—

- (1) Suitable design loads must be established for the guard; and
- (2) The guard and its supporting structure must be designed to withstand those loads.

§ 27.413 Stabilizing and control surfaces.

(a) Each stabilizing and control surface must be designed so that—

- (1) Limit loads are not less than the greater of—
- (i) 15 pounds per square foot; or
- (ii) The load resulting where C_N

equals 0.55 at the maximum design speed; and

(2) The surface can withstand the critical loads resulting from maneuvers and from combined maneuvers and gusts.

(b) Compliance with paragraph (a) of this section must be shown with load distributions that closely simulate actual pressure distribution conditions.

GROUND LOADS

§ 27.471 General.

(a) *Loads and equilibrium.* For limit ground loads—

(1) The limit ground loads obtained in the landing conditions in this part must be considered to be external loads that would occur in the rotorcraft structure if it were acting as a rigid body; and

(2) In each specified landing condition, the external loads must be placed in equilibrium with linear and angular inertia loads in a rational or conservative manner.

(b) *Critical centers of gravity.* The critical centers of gravity within the range for which certification is requested must be selected so that the maximum design loads are obtained in each landing gear element.

§ 27.473 Ground loading conditions and assumptions.

(a) For specified landing conditions, a design maximum weight must be used that is not less than the maximum weight. A rotor lift may be assumed to act through the center of gravity throughout the landing impact. This lift may not exceed—

(1) One-half of the design maximum weight; or

(2) Any greater lift proven to be appropriate by tests or data that are applicable to the particular rotorcraft.

(b) Unless otherwise prescribed, for each specified landing condition, the rotorcraft must be designed for a limit load factor of not less than the limit inertia load factor substantiated under §§ 27.725 and 27.727.

§ 27.475 Tires and shock absorbers.

Unless otherwise prescribed, for each specified landing condition, the tires must be assumed to be in their static position and the shock absorbers to be in their most critical position.

§ 27.477 Landing gear arrangement.

Sections 27.235, 27.479 through 27.485, and 27.493 apply to landing gear with two wheels aft, and one or more wheels forward, of the center of gravity.

§ 27.479 Level landing conditions.

(a) *Attitudes.* Under each of the loading conditions prescribed in paragraph (b) of this section, the rotorcraft is assumed to be in each of the following level landing attitudes:

(1) An attitude in which all wheels contact the ground simultaneously.

(2) An attitude in which the aft wheels contact the ground with the forward wheels just clear of the ground.

(b) *Loading conditions.* The rotorcraft must be designed for the following landing loading conditions:

(1) Vertical loads applied under § 27.471.

(2) The loads resulting from a combination of the loads applied under subparagraph (1) of this paragraph with

drag loads at each wheel of not less than 25 percent of the vertical load at that wheel.

(3) If there are two wheels forward, a distribution of the loads applied to those wheels under subparagraphs (1) and (2) of this paragraph in a ratio of 40:60.

(c) *Pitching moments.* Pitching moments are assumed to be restricted by—

(1) In the case of the attitude in paragraph (a) (1) of this section, the forward landing gear; and

(2) In the case of the attitude in paragraph (a) (2) of this section, the angular inertia forces.

§ 27.481 Tail-down landing conditions.

(a) The rotorcraft is assumed to be in the maximum nose-up attitude allowing ground clearance by each part of the rotorcraft.

(b) In this attitude, ground loads are assumed to act perpendicular to the ground.

§ 27.483 One-wheel landing conditions.

For the one-wheel landing condition, the rotorcraft is assumed to be in the level attitude and to contact the ground on one aft wheel. In this attitude—

(a) The vertical load must be the same as that obtained on that side under § 27.479(b) (1); and

(b) The unbalanced external loads must be reacted by rotorcraft inertia.

§ 27.485 Lateral drift landing conditions.

(a) The rotorcraft is assumed to be in the level landing attitude, with—

(1) Side loads combined with one-half of the maximum ground reactions obtained in the level landing conditions of § 27.479(b) (1); and

(2) The loads obtained under subparagraph (1) of this paragraph applied—

(i) At the ground contact point; or

(ii) For full-swiveling gear, at the center of the axle.

(b) The rotorcraft must be designed to withstand, at ground contact—

(1) When only the aft wheels contact the ground, side loads of 0.8 times the vertical reaction acting inward on one side, and 0.6 times the vertical reaction acting outward on the other side, all combined with the vertical loads specified in paragraph (a); and

(2) When all wheels contact the ground simultaneously—

(1) For the aft wheels, the side loads specified in subparagraph (1) of this paragraph; and

(ii) For the forward wheels, a side load of 0.8 times the vertical reaction combined with the vertical load specified in paragraph (a) of this section.

§ 27.493 Braked roll conditions.

Under braked roll conditions with the shock absorbers in their static positions—

(a) The limit vertical load must be based on a load factor of at least—

(1) 1.33, for the attitude specified in § 27.479(a) (1); and

(2) 1.0, for the attitude specified in § 27.479(a) (2); and

(b) The structure must be designed to withstand, at the ground contact point of each wheel with brakes, a drag load at least the lesser of—

(1) The vertical load multiplied by a coefficient of friction of 0.8; and

(2) The maximum value based on limiting brake torque.

§ 27.497 Ground loading conditions: landing gear with tail wheels.

(a) *General.* Rotorcraft with landing gear with two wheels forward, and one wheel aft, of the center of gravity must be designed for loading conditions as prescribed in this section.

(b) *Level landing attitude with only the forward wheels contacting the ground.* In this attitude—

(1) The vertical loads must be applied under §§ 27.471 through 27.475;

(2) The vertical load at each axle must be combined with a drag load at that axle of not less than 25 percent of that vertical load; and

(3) Unbalanced pitching moments are assumed to be resisted by angular inertia forces.

(c) *Level landing attitude with all wheels contacting the ground simultaneously.* In this attitude, the rotorcraft must be designed for landing loading conditions as prescribed in paragraph (b) of this section.

(d) *Maximum nose-up attitude with only the rear wheel contacting the ground.* The attitude for this condition must be the maximum nose-up attitude expected in normal operation, including autorotative landings. In this attitude—

- (1) The appropriate ground loads specified in paragraph (b) (1) and (2) of this section must be determined and applied, using a rational method to account for the moment arm between the rear wheel ground reaction and the rotorcraft center of gravity; or
- (2) The probability of landing with initial contact on the rear wheel must be shown to be extremely remote.
- (c) *Level landing attitude with only one forward wheel contacting the ground.* In this attitude, the rotorcraft must be designed for ground loads as specified in paragraph (b) (1) and (2) of this section.
- (f) *Side loads in the level landing attitude.* In the attitudes specified in paragraphs (b) and (c) of this section, the following apply:
 - (1) The side loads must be combined at each wheel with one-half of the maximum vertical ground reactions obtained for that wheel under paragraphs (b) and (c) of this section. In this condition, the side loads must be—
 - (i) For the forward wheels, 0.8 times the vertical reaction (on one side) acting inward, and 0.6 times the vertical reaction (on the other side) acting outward; and
 - (ii) For the rear wheel, 0.8 times the vertical reaction.
 - (2) The loads specified in subparagraph (1) of this paragraph must be applied—
 - (i) At the ground contact point with the wheel in the trailing position (for non-full swiveling landing gear or for full swiveling landing gear with a lock, steering device, or shimmy damper to keep the wheel in the trailing position); or
 - (ii) At the center of the axle (for full swiveling landing gear without a lock, steering device, or shimmy damper).
 - (g) *Braked roll conditions in the level landing attitude.* In the attitudes specified in paragraphs (b) and (c) of this section, and with the shock absorbers in their static positions, the rotorcraft must be designed for braked roll loads as follows:
 - (1) The limit vertical load must be based on a limit vertical load factor of not less than—
 - (i) 1.0, for the attitude specified in paragraph (b) of this section; and
- (h) 1.33, for the attitude specified in paragraph (c) of this section.
- (2) For each wheel with brakes, a drag load must be applied, at the ground contact point, of not less than the lesser of—
 - (i) 0.8 times the vertical load; and
 - (ii) The maximum based on limiting brake torque.
- (b) *Rear wheel turning loads in the static ground attitude.* In the static ground attitude, and with the shock absorbers and tires in their static positions, the rotorcraft must be designed for rear wheel turning loads as follows:
 - (1) A vertical ground reaction equal to the static load on the rear wheel must be combined with an equal sideload.
 - (2) The load specified in subparagraph (1) of this paragraph must be applied to the rear landing gear—
 - (i) Through the axle, if there is a swivel (the rear wheel being assumed to be swiveled 90 degrees to the longitudinal axis of the rotorcraft); or
 - (ii) At the ground contact point, if there is a lock, steering device or shimmy damper (the rear wheel being assumed to be in the trailing position).
 - (i) *Taxing condition.* The rotorcraft and its landing gear must be designed for loads that would occur when the rotorcraft is taxied over the roughest ground that may reasonably be expected in normal operation.
- § 27.501 **Ground loading conditions: landing gear with skids.**
 - (a) *General.* Rotorcraft with landing gear with skids must be designed for the loading conditions specified in this section. In showing compliance with this section, the following apply:
 - (1) The design maximum weight, center of gravity, and load factor must be determined under §§ 27.471 through 27.475.
 - (2) Structural yielding of elastic spring members under limit loads is acceptable.
 - (3) Design ultimate loads for elastic spring members need not exceed those obtained in a drop test of the gear with—
 - (i) A drop height of 1.5 times that specified in § 27.725; and
 - (ii) An assumed rotor lift of not more than 1.5 times that used in the limit drop tests prescribed in § 27.725.
 - (b) *General.* Rotorcraft with landing gear with skids must be designed for the loading conditions specified in this section. In showing compliance with this section, the following apply:
 - (1) The design maximum weight, center of gravity, and load factor must be determined under §§ 27.471 through 27.475.
 - (2) Structural yielding of elastic spring members under limit loads is acceptable.
 - (3) Design ultimate loads for elastic spring members need not exceed those obtained in a drop test of the gear with—
 - (i) A drop height of 1.5 times that specified in § 27.725; and
 - (ii) An assumed rotor lift of not more than 1.5 times that used in the limit drop tests prescribed in § 27.725.
- (4) Compliance with paragraphs (b) through (e) of this section must be shown with—
 - (i) The gear in its most critically deflected position for the landing condition being considered; and
 - (ii) The ground reactions rationally distributed along the bottom of the skid tube.
- (b) *Vertical reactions in the level landing attitude.* In the level attitude, and with the rotorcraft contacting the ground along the bottom of both skids, the vertical reactions must be applied as prescribed in paragraph (a) of this section.
- (c) *Drag reactions in the level landing attitude.* In the level attitude, and with the rotorcraft contacting the ground along the bottom of both skids, the following apply:
 - (1) The vertical reactions must be combined with horizontal drag reactions of 50 percent of the vertical reaction applied at the ground.
 - (2) The resultant ground loads must be—
 - (i) Equal to the vertical load specified in paragraph (b) of this section; and
 - (ii) Directed through the center of gravity.
 - (d) *Sideloads in the level landing attitude.* In the level attitude, and with the rotorcraft contacting the ground along the bottom of both skids, the following apply:
 - (1) The vertical ground reaction must be—
 - (i) Equal to the vertical loads obtained in the condition specified in paragraph (b) of this section; and
 - (ii) Divided equally among the skids.
 - (2) The vertical ground reactions must be combined with a horizontal sideload of 25 percent of their value.
 - (3) The total sideload must be applied along the length of one skid only.
 - (4) The unbalanced moments are assumed to be resisted by angular inertia.
 - (5) The skid gear must be investigated for—
 - (i) Inward acting sideloads; and
 - (ii) Outward acting sideloads.
 - (e) *One-skid landing loads in the level attitude.* In the level attitude, and with the rotorcraft contacting the ground along the bottom of one skid only, the following apply:
 - (1) The vertical load on the ground contact side must be the same as that obtained on that side in the condition specified in paragraph (b) of this section.
 - (2) The unbalanced moments are assumed to be resisted by angular inertia.
 - (f) *Special conditions.* In addition to the conditions specified in paragraphs (b) and (c) of this section, the rotorcraft must be designed for the following ground reactions:
 - (1) A ground reaction load acting up and aft at an angle of 45 degrees to the longitudinal axis of the rotorcraft. This load must be—
 - (i) Equal to 1.33 times the maximum weight;
 - (ii) Distributed symmetrically among the skids;
 - (iii) Concentrated at the forward end of the straight part of the skid tube; and
 - (iv) Applied only to the forward end of the skid tube and its attachment to the rotorcraft.
 - (2) With the rotorcraft in the level landing attitude, a vertical ground reaction load equal to one-half of the vertical load determined under paragraph (b) of this section. This load must be—
 - (i) Applied only to the skid tube and its attachment to the rotorcraft; and
 - (ii) Concentrated at a point midway between the skid tube attachments.
 - § 27.505 **Ski landing conditions.**

If certification for ski operation is requested, the rotorcraft, with skis, must be designed to withstand the following loading conditions (where P is the maximum static weight on each ski with the rotorcraft at design maximum weight, and n is the limit load factor determined under § 27.473 (b)).

 - (a) Up-load conditions in which—
 - (1) A vertical load of Pn and a horizontal load of $Pn/4$ are simultaneously applied at the pedestal bearings; and
 - (2) A vertical load of $1.33 P$ is applied at the pedestal bearings.
 - (b) A side-load condition in which a side load of $0.35 Pn$ is applied at the pedestal bearings in a horizontal plane perpendicular to the centerline of the rotorcraft.
 - (c) A torque-load condition in which a torque load of $1.33 P$ (in foot pounds) is applied to the ski about the vertical

axis through the centerline of the pedestal bearings.

WATER LOADS

§ 27.521 Float landing conditions.

If certification for float operation is requested, the rotorcraft, with floats, must be designed to withstand the following loading conditions (where the limit load factor is determined under § 27.473(b) or assumed to be equal to that determined for wheel landing gear):

- (a) Up-load conditions in which—
 - (1) A load is applied so that, with the rotorcraft in the static level attitude, the resultant water reaction passes vertically through the center of gravity; and
 - (2) The vertical load prescribed in subparagraph (1) of this paragraph is applied simultaneously with an aft component of 0.25 times the vertical component.
- (b) A side-load condition in which—
 - (1) A vertical load of 0.75 times the total vertical load specified in paragraph (a) (1) of this section is divided equally among the floats; and
 - (2) For each float, the load share determined under subparagraph (1) of this paragraph, combined with a total side load of 0.25 times the total vertical load specified in subparagraph (1) of this paragraph, is applied to that float only.

MAIN COMPONENT REQUIREMENTS

§ 27.547 Main rotor structure.

- (a) Each main rotor assembly (including rotor hubs and blades) must be designed as prescribed in this section.
- (b) Each hub, blade, blade attachment, and blade control subject to alternating stresses must be designed to withstand repeated loading conditions. In addition—

- (1) The stresses of each critical part must be determined in flight in each attitude appropriate to the type of rotorcraft throughout the ranges of limitations prescribed in § 27.309; and
- (2) The service life of each critical part must be established on the basis of—

- (i) Fatigue tests; or
- (ii) Any other acceptable method.
- (c) The main rotor structure must be designed to withstand the following loads prescribed in §§ 27.337 through 27.341:
 - (1) Critical flight loads.

- (2) Limit loads occurring under normal conditions of autorotation. For this condition, the rotor r.p.m. must be selected to include the effects of altitude.
- (d) The main rotor structure must be designed to withstand loads simulating—

- (1) For the rotor blades, hubs, and flapping hinges, the impact force of each blade against its stop during ground operation; and
- (2) Any other critical condition expected in normal operation.

- (e) The main rotor structure must be designed to withstand the limit torque at any rotational speed, including zero. In addition:
 - (1) The limit torque need not be greater than the torque defined by a torque limiting device (where provided), and may not be less than the greater of—

- (i) The maximum torque likely to be transmitted to the rotor structure in either direction; and
- (ii) The limit engine torque specified in § 27.361.
- (2) The limit torque must be distributed to the rotor blades in a rational manner.

§ 27.549 Fuselage, landing gear, and rotor pylon structures.

- (a) Each fuselage, landing gear, and rotor pylon structure must be designed as prescribed in this section. Resultant rotor forces may be represented as a single force applied at the rotor hub attachment point.
- (b) Each structure must be designed to withstand—

- (1) The critical loads prescribed in §§ 27.337 through 27.341;
- (2) The applicable ground loads prescribed in §§ 27.235, 27.471 through 27.485, 27.493, 27.497, 27.501, 27.505, and 27.521; and

- (3) The loads prescribed in § 27.547 (d) (2) and (e).
- (c) Auxiliary rotor thrust, and the balancing air and inertia loads occurring under accelerated flight conditions, must be considered.

- (d) Each engine mount and adjacent fuselage structure must be designed to withstand the loads occurring under accelerated flight and landing conditions, including engine torque.
- (e) For critical parts (parts whose sudden failure would threaten the struc-

tural integrity of the rotorcraft), the following apply:

- (1) Each part must be designed to withstand any repeated loading condition likely to occur within its established service life.
- (2) Stresses must be determined in flight—

- (i) For each attitude appropriate to the rotorcraft; and
- (ii) For each attitude, throughout the ranges of limitations prescribed in § 27.309.
- (3) The service life of each part must be established by—

- (i) Fatigue tests; or
- (ii) Any other acceptable method.

EMERGENCY LANDING CONDITIONS

§ 27.561 General.

- (a) The rotorcraft, although it may be damaged in emergency landing conditions on land or water, must be designed as prescribed in this section to protect the occupants under those conditions.

- (b) The structure must be designed to give each occupant every reasonable chance of escaping serious injury in a minor crash landing when—
 - (1) Proper use is made of seats, belts, and other safety design provisions;
 - (2) The wheels are retracted (where applicable); and
 - (3) The occupant experiences the following ultimate inertia forces relative to the surrounding structure:
 - (i) Upward—1.5 g.
 - (ii) Forward—4.0 g.
 - (iii) Sideward—2.0 g.
 - (iv) Downward—4.0 g, or any lower force that will not be exceeded when the rotorcraft absorbs the landing loads resulting from impact with an ultimate descent velocity of five f.p.s. at design maximum weight.

- (c) The supporting structure must be designed to restrain, under any load up to those specified in paragraph (b) (3) of this section, any item of mass that could injure an occupant if it came loose in a minor crash landing.

Subpart D—Design and Construction

GENERAL

§ 27.601 Design.

- (a) The rotorcraft may have no design features or details that experience has shown to be hazardous or unreliable.
- (b) The suitability of each questionable design detail and part must be established by tests.

§ 27.603 Materials.

- The suitability and durability of materials used in the structure must—
- (a) Be established on the basis of experience or tests; and
- (b) Meet approved specifications that ensure their having the strength and other properties assumed in the design data.

§ 27.605 Fabrication methods.

The methods of fabrication used must produce consistently sound structures. If a fabrication process (such as gluing, spot welding, or heat-treating) requires close control to reach this objective, the process must be performed according to an approved process specification.

§ 27.607 Self-locking nuts.

No self-locking nut may be used on any bolt subject to rotation in operation.

§ 27.609 Protection of structure.

- Each part of the structure must—
- (a) Be suitably protected against deterioration or loss of strength in service due to any cause, including—
- (1) Weathering;
- (2) Corrosion; and
- (3) Abrasion; and
- (b) Have provisions for ventilation and drainage where necessary to prevent the accumulation of corrosive, flammable, or noxious fluids.

§ 27.611 Inspection provisions.

There must be means to allow the close examination of each part that requires—

- (a) Recurring inspection;
- (b) Adjustment for proper alignment and functioning; or
- (c) Lubrication.

§ 27.613 Material strength properties and design values.

(a) Material strength properties must be based on enough tests of material

meeting specifications to establish design values on a statistical basis.

- (b) Design values must be chosen so that the probability of any structure being understrength because of material variations is extremely remote.

(c) The strength, detail design, and fabrication of the structure must minimize the probability of disastrous fatigue failure, particularly at points of stress concentration.

- (d) Unless they are inapplicable in a particular case, the design values must be those contained in the following publications, obtainable from the Superintendent of Documents, Government Printing Office, Washington, D.C., 20402:
- (1) MIL-HDBK-5, "Metallic Materials and Elements for Flight Vehicle Structure";
- (2) MIL-HDBK-17, "Plastics for Flight Vehicles";
- (3) ANC-18, "Design of Wood Aircraft Structures";
- (4) MIL-HDBK-23, "Composite Construction for Flight Vehicles".

§ 27.619 Special factors.

- (a) The special factors prescribed in §§ 27.621 through 27.625 apply to each part of the structure whose strength is—
- (1) Uncertain;
- (2) Likely to deteriorate in service before normal replacement; or
- (3) Subject to appreciable variability due to—
- (i) Uncertainties in manufacturing processes; or
- (ii) Uncertainties in inspection methods.

(b) For each part to which §§ 27.621 through 27.625 apply, the factor of safety prescribed in § 27.303 must be multiplied by a special factor equal to—

- (1) The applicable special factors prescribed in §§ 27.621 through 27.625; or
- (2) Any other factor great enough to ensure that the probability of the part being understrength because of the uncertainties specified in paragraph (a) of this section is extremely remote.

§ 27.621 Casting factors.

- (a) General. The factors, tests, and inspections specified in paragraphs (b) and (c) of this section must be applied in addition to those necessary to establish foundry quality control. The in-

spections must meet approved specifications. Paragraphs (c) and (d) of this section apply to structural castings except castings that are pressure tested as parts of hydraulic or other fluid systems and do not support structural loads.

- (b) Bearing stresses and surfaces. The casting factors specified in paragraphs (c) and (d) of this section—
- (1) Need not exceed 1.25 with respect to bearing stresses regardless of the method of inspection used; and
- (2) Need not be used with respect to the bearing surfaces of a part whose bearing factor is larger than the applicable casting factor.

(c) Critical castings. For each casting whose failure would preclude continued safe flight and landing of the rotorcraft or result in serious injury to any occupant, the following apply:

- (1) Each critical casting must—
- (i) Have a casting factor of not less than 1.25; and
- (ii) Receive 100 percent inspection by visual, radiographic, and magnetic particle (for ferromagnetic materials) or penetrate (for nonferromagnetic materials) inspection methods or approved equivalent inspection methods.
- (2) For each critical casting with a casting factor less than 1.50, three sample castings must be static tested and shown to meet—

- (i) The strength requirements of § 27.305 at an ultimate load corresponding to a casting factor of 1.25; and
- (ii) The deformation requirements of § 27.305 at a load of 1.15 times the limit load.

(d) Noncritical castings. For each casting other than those specified in paragraph (c) of this section, the following apply:

- (1) Except as provided in subparagraphs (2) and (3) of this paragraph, the casting factors and corresponding inspections must meet the following table:

Casting factor	Inspection
2.0 or greater.	100 percent visual.
Less than 2.0, greater than 1.5.	100 percent visual, and magnetic particle (ferromagnetic materials), penetrant (nonferromagnetic materials), or approved equivalent inspection methods.

Casting factor
1.25 through
1.50.

Inspection
100 percent visual, and magnetic particle (ferromagnetic materials), penetrant (nonferromagnetic materials), and radiographic or approved equivalent inspection methods.

- (2) The percentage of castings inspected by nonvisual methods may be reduced below that specified in subparagraph (1) of this paragraph when an approved quality control procedure is established.

(3) For castings procured to a specification that guarantees the mechanical properties of the material in the casting and provides for demonstration of these properties by test of coupons cut from the castings on a sampling basis—

- (i) A casting factor of 1.0 may be used; and
- (ii) The castings must be inspected as provided in subparagraph (1) of this paragraph for casting factors of "1.25 through 1.50" and tested under paragraph (c) (2) of this section.

§ 27.623 Bearing factors.

- (a) Except as provided in paragraph (b) of this section, each part that has clearance (free fit), and that is subject to pounding or vibration, must have a bearing factor large enough to provide for the effects of normal relative motion.
- (b) No bearing factor need be used on a part for which any larger special factor is prescribed.

§ 27.625 Fitting factors.

For each fitting (part or terminal used to join one structural member to another) the following apply:

- (a) For each fitting whose strength is not proven by limit and ultimate load tests in which actual stress conditions are simulated in the fitting and surrounding structures, a fitting factor of at least 1.15 must be applied to each part of—

- (1) The fitting;
- (2) The means of attachment; and
- (3) The bearing on the joined members.
- (b) No fitting factor need be used—
- (1) For joints made under approved practices and based on comprehensive test data (such as continuous joints in

metal plating, welded joints, and scarf joints in wood); and

(2) With respect to any bearing surface for which a larger special factor is used.

(c) For each integral fitting, the part must be treated as a fitting up to the point at which the section properties become typical of the member.

§ 27.629 Flutter.

Each part of the rotorcraft must be free from flutter under each appropriate speed and power condition.

MAIN ROTOR

§ 27.653 Pressure venting and drainage of main rotor blades.

For each main rotor blade—

- There must be means for venting the internal pressure of the blade;
- Drainage holes must be provided for the blade; and
- The blade must be designed to prevent water from becoming trapped in it.

§ 27.659 Mass balance.

The rotors and blades must be mass balanced as necessary to—

- Prevent excessive vibration; and
- Prevent flutter at any speed up to the maximum forward speed.

§ 27.661 Rotor blade clearance.

There must be enough clearance between the main rotor blades and other parts of the structure to prevent the blades from striking any part of the structure during any operating condition.

CONTROL SYSTEMS

§ 27.671 General.

(a) Each control and control system must operate with the ease, smoothness, and positiveness appropriate to its function.

(b) Each element of each flight control system must be designed, or distinctively and permanently marked, to minimize the probability of any incorrect assembly that could result in the malfunction of the system.

§ 27.675 Stops.

(a) Each control system must have stops that positively limit the range of motion of the pilot's controls.

(b) Each stop must be located in the system so that the range of travel of its control is not appreciably affected by—

- Wear;
 - Slackness; or
 - Takeup adjustments.
- (c) Each stop must be able to withstand the loads corresponding to the design conditions for the system.
- (d) For each main rotor blade—
- The blade must have stops, appropriate to the design, to limit its travel about its hinges; and
 - There must be means to keep the blade from hitting the droop stops during any operation other than starting and stopping the rotor.

§ 27.679 Control system locks.

If there is a device to lock the control system with the rotorcraft on the ground or water, there must be means to—

- Give unmistakable warning to the pilot when the lock is engaged; and
- Prevent the lock from engaging in flight.

§ 27.681 Limit load static tests.

(a) Compliance with the limit load requirements of this part must be shown by tests in which—

- The direction of the test loads produces the most severe loading in the control system; and
 - Each fitting, pulley, and bracket used in attaching the system to the main structure is included.
- (b) Compliance must be shown (by analyses or individual load tests) with the special factor requirements for control system joints subject to angular motion.

§ 27.683 Operation tests.

It must be shown by operation tests that, when the controls are operated from the pilot compartment with the control system loaded to correspond with loads specified for the system, the system is free from—

- Jamming;
- Excessive friction; and
- Excessive deflection.

§ 27.685 Control system details.

(a) Each detail of each control system must be designed to prevent jamming, chafing, and interference from cargo, passengers, or loose objects.

(b) There must be means in the cockpit to prevent the entry of foreign objects into places where they would jam the system.

(c) There must be means to prevent the slapping of cables or tubes against other parts.

§ 27.687 Spring devices.

(a) Each control system spring device whose failure could cause flutter or other unsafe characteristics must be reliable.

(b) Compliance with paragraph (a) of this section must be shown by tests simulating service conditions.

§ 27.691 Autorotation control mechanism.

Each main rotor blade pitch control mechanism must allow rapid entry into autorotation after power failure.

§ 27.695 Power boost and power-operated control system.

(a) If a power boost or power-operated control system is used, an alternate system must be immediately available that allows continued safe flight and landing in the event of—

- Any single failure in the power portion of the system; or
 - The failure of all engines.
- (b) Each alternate system may be a duplicate power portion or a manually operated mechanical system. The power portion includes the power source (such as hydraulic pumps), and such items as valves, lines, and actuators.
- (c) The failure of mechanical parts (such as piston rods and links), and the jamming of power cylinders, must be considered unless they are extremely improbable.

LANDING GEAR

§ 27.723 Shock absorption tests.

The landing inertia load factor and the reserve energy absorption capacity of the landing gear must be substantiated by the tests prescribed in §§ 27.725 and 27.727, respectively. These tests must be conducted on the complete rotorcraft or on units consisting of wheel, tire, and shock absorber in their proper relation.

§ 27.725 Limit drop test.

The limit drop test must be conducted as follows:

- The drop height must be—
- 13 inches from the lowest point of the landing gear to the ground; or

(2) Any lesser height, not less than eight inches, resulting in a drop contact velocity equal to the greatest probable sinking speed likely to occur at ground contact in normal power-off landings.

(b) If considered, the rotor lift specified in § 27.473(a) must be introduced into the drop test by appropriate energy absorbing devices or by the use of an effective mass.

(c) Each landing gear unit must be tested in the attitude simulating the landing condition that is most critical from the standpoint of the energy to be absorbed by it.

(d) When an effective mass is used in showing compliance with paragraph (b) of this section, the following formula may be used instead of more rational computations:

$$W_e = W \left[\frac{h + (1-L)d}{h+d} \right]; \text{ and } n = \frac{W_e + L}{W}$$

where:

W_e = the effective weight to be used in the drop test (lbs.);

$W = W_M$ for main gear units (lbs.), equal to the static reaction on the particular unit with the rotorcraft in the most critical attitude. A rational method may be used in computing a main gear static reaction, taking into consideration the moment arm between the main wheel reaction and the rotorcraft center of gravity.

$W = W_N$ for nose gear units (lbs.), equal to the vertical component of the static reaction that would exist at the nose wheel, assuming that the mass of the rotorcraft acts at the center of gravity and exerts a force of 1.0g downward and 0.25g forward.

$W = W_T$ for tailwheel units (lbs.), equal to whichever of the following is critical:

- The static weight on the tailwheel with the rotorcraft resting on all wheels; or
- The vertical component of the ground reaction that would occur at the tailwheel, assuming that the mass of the rotorcraft acts at the center of gravity and exerts a force of 1g downward with the rotorcraft in the maximum nose-up attitude considered in the nose-up landing conditions.

h = specified free drop height (inches).

L = ratio of assumed rotor lift to the rotorcraft weight.

d = deflection under impact of the tire (at the proper inflation pressure) plus the vertical component of the axle travels (inches) relative to the drop mass.

(b) The reactions from safety belts and harnesses must be considered.

(c) Each pilot seat must be designed for the reactions resulting from the application of the pilot forces prescribed in § 27.397.

(d) The structural analysis and testing of the structures specified in paragraphs (a) through (c) may be simplified—

- (1) By assuming that the critical load in each direction, as determined from the prescribed flight, ground, and emergency landing conditions, acts separately; or
- (2) By using selected combinations of loads, if the required strength in the specified directions is proven.

§ 27.787 Cargo and baggage compartments.

(a) Each cargo and baggage compartment must be designed for its placarded maximum weight of contents and for the critical load distributions at the appropriate maximum load factors corresponding to the specified flight and ground load conditions, except the emergency landing conditions of § 27.561.

(b) There must be means to prevent the contents of any compartment from becoming a hazard by shifting under the loads specified in paragraph (a) of this section.

(c) There must be means to protect each occupant from injury by the contents of any compartment when the ultimate forward inertia force is 4g.

§ 27.807 Emergency exits.

(a) *Number and location.* Rotorcraft with closed cabins having a total seating capacity of more than five persons must have at least one emergency exit on the opposite side of the cabin from the main door. Additional exits must be provided where the total seating capacity is more than 15.

(b) *Type and operation.* Each emergency exit prescribed in paragraph (a) of this section must—

- (1) Consist of a movable window or panel, or additional external door, providing an unobstructed opening that will admit a 19- by 26-inch ellipse;
- (2) Be readily accessible, require no exceptional agility of a person using it, and be located so as to allow ready use, without crowding, in any probable attitudes that may result from a crash;

his duties without unreasonable concentration or fatigue;

(b) If there is provision for a second pilot, the rotorcraft must be controllable with equal safety from either pilot seat; and

(c) The vibration and noise characteristics of cockpit appurtenances may not interfere with safe operation.

§ 27.773 Pilot compartment view.

(a) Each pilot compartment must be free from glare and reflections that could interfere with the pilot's view, and designed so that—

- (1) Each pilot's view is sufficiently extensive, clear, and undistorted for safe operation; and
- (2) Each pilot is protected from the elements so that moderate rain conditions do not unduly impair his view of the flight path in normal flight and while landing.

(b) If certification for night operation is requested, compliance with paragraph (a) of this section must be shown in night flight tests.

§ 27.775 Windshields and windows.

Nonsplintering safety glass must be used in glass windshields and windows.

§ 27.777 Cockpit controls.

Cockpit controls must be—

- (a) Located to provide convenient operation and to prevent confusion and inadvertent operation; and
- (b) Located and arranged with respect to the pilots' seats so that there is full and unrestricted movement of each control without interference from the cockpit structure or the pilot's clothing when pilots from 5'2" to 6'0" in height are seated.

§ 27.783 Doors.

(a) Each closed cabin must have at least one adequate and easily accessible external door.

(b) No passenger door may be located with respect to any rotor disc so as to endanger persons using that door.

§ 27.785 Seats and berths.

(a) The seats and berths, and their supporting structures, must be designed for loads resulting from the specified flight and landing conditions, including the emergency landing conditions of § 27.561.

(2) Hold the rotorcraft parked on a 10-degree slope on a dry, smooth pavement.

§ 27.737 Skis.

The maximum limit load rating of each ski must equal or exceed the maximum limit load determined under the applicable ground load requirements of this part.

FLOATS AND HULLS

§ 27.751 Main float buoyancy.

(a) For main floats, the buoyancy necessary to support the maximum weight of the rotorcraft in fresh water must be exceeded by—

- (1) 50 percent, for single floats; and
 - (2) 60 percent, for multiple floats.
- (b) Each main float must have at least four watertight compartments approximately equal in volume.

§ 27.753 Main float design.

(a) *Bag floats.* Each bag float must be designed to withstand—

- (1) The maximum pressure differential that might be developed at the maximum altitude for which certification with that float is requested; and
- (2) The vertical loads prescribed in § 27.521(a), distributed along the length of the bag over three-quarters of its projected area.

(b) *Rigid floats.* Each rigid float must be able to withstand the vertical, horizontal, and side loads prescribed in § 27.521. These loads may be distributed along the length of the float.

§ 27.755 Hulls.

For each rotorcraft, with a hull and auxiliary floats, that is to be approved for both taking off from and landing on water, the hull and auxiliary floats must have enough watertight compartments so that, with any single compartment flooded, the buoyancy of the hull and auxiliary floats (and wheel tires if used) provides a margin of positive stability great enough to minimize the probability of capsizing.

PERSONNEL AND CARGO ACCOMMODATIONS

§ 27.771 Pilot compartment.

For each pilot compartment—

- (a) The compartment and its equipment must allow each pilot to perform

n_z = limit inertia load factor.
 n_y = the load factor developed, during impact, on the mass used in the drop test (i.e., the acceleration dv/dt in g's recorded in the drop test plus 1.0).

§ 27.727 Reserve energy absorption drop test.

The reserve energy absorption drop test must be conducted as follows:

(a) The drop height must be 1.5 times that specified in § 27.725(a).

(b) Rotor lift, where considered in a manner similar to that prescribed in § 27.725(b), may not exceed 1.5 times the lift allowed under that paragraph.

(c) The landing gear must withstand this test without collapsing.

§ 27.731 Wheels.

(a) Each landing gear wheel must be approved.

(b) The maximum static load rating of each wheel may not be less than the corresponding static ground reaction with—

- (1) Maximum weight; and
 - (2) Critical center of gravity.
- (c) The maximum limit load rating of each wheel must equal or exceed the maximum radial limit load determined under the applicable ground load requirements of this part.

§ 27.733 Tires.

(a) Each landing gear wheel must have a tire—

- (1) That is a proper fit on the rim of the wheel; and
- (2) Of the proper rating.

(b) The maximum static load rating of each tire must equal or exceed the static ground reaction obtained at its wheel, assuming—

- (1) The design maximum weight; and
- (2) The most unfavorable center of gravity.

§ 27.735 Brakes.

A braking device must be installed that is—

- (a) Controllable by the pilot;
- (b) Usable during power-off landings; and
- (c) Adequate to—

- (1) Counteract any normal unbalanced torque when starting or stopping the rotor; and

- (3) Have a simple and obvious method of opening and be arranged and marked so as to be readily located and operated, even in darkness; and
- (4) Be reasonably protected from jamming by fuselage deformation.
- (c) *Tests.* The proper functioning of each emergency exit must be shown by test.

§ 27.831 Ventilation.

- (a) The ventilating system for the pilot and passenger compartments must be designed to prevent the presence of excessive quantities of fuel fumes and carbon monoxide.
- (b) The concentration of carbon monoxide may not exceed one part in 20,000 parts of air during forward flight or hovering in still air. If the concentration exceeds this value under other conditions, there must be suitable operating restrictions.

FIRE PROTECTION

§ 27.853 Compartment interiors.

For each compartment to be used by the crew or passengers—

- (a) The materials must be at least flash-resistant;
- (b) The wall and ceiling linings, and the covering of upholstery, floors, and furnishings must be at least flame resistant; and
- (c) Each compartment where smoking is to be allowed must have self-contained, removable ash trays, and other compartments must be placarded against smoking.

§ 27.855 Cargo and baggage compartments.

(a) Each cargo and baggage compartment must be constructed of, or lined with, materials that are at least—

- (1) Flame resistant, in the case of compartments that are readily accessible to a crewmember in flight; and
- (2) Fire resistant, in the case of other compartments.

(b) No compartment may contain any controls, wiring, lines, equipment, or accessories whose damage or failure would affect safe operation, unless those items are protected so that—

- (1) They cannot be damaged by the movement of cargo in the compartment; and

- (2) Their breakage or failure will not create a fire hazard.

§ 27.859 Heating systems.

(a) *General.* For each heating system that involves the passage of cabin air over, or close to, the exhaust manifold, there must be means to prevent carbon monoxide from entering any cabin or pilot compartment.

(b) *Heat exchangers.* Each heat exchanger must be—

- (1) Of suitable materials;
- (2) Adequately cooled under all conditions; and
- (3) Easily disassembled for inspection.
- (c) *Combustion heaters.* Each gasoline-operated combustion heater must be approved and installed to meet the applicable powerplant installation requirements covering fire hazards and precautions. In addition—

- (1) Each applicable requirement concerning fuel tanks, lines, and exhaust systems must be met; and
- (2) Means independent of the components provided for the normal continuous control of air temperature, airflow, and fuel flow must be provided, for each heater, to automatically shut off and hold off the ignition and fuel supply of that heater at a point remote from that heater, when—
- (i) The heat exchanger temperature or ventilating air temperature exceeds safe limits; or
- (ii) The combustion airflow or the ventilating airflow becomes inadequate for safe operation.

§ 27.861 Fire protection of structure, controls, and other parts.

Each part of the structure, controls, and the rotor mechanism, and other parts essential to a controlled landing that would be affected by powerplant fires must be protected so that they can perform their essential functions for at least five minutes under any foreseeable powerplant fire condition.

MISCELLANEOUS

§ 27.871 Leveling marks.

There must be reference marks for leveling the rotorcraft on the ground.

§ 27.873 Ballast provisions.

Ballast provisions must be designed and constructed to prevent inadvertent shifting of ballast in flight.

Subpart E—Powerplant

GENERAL

§ 27.901 Installation.

(a) For the purpose of this part, the powerplant installation includes each part of the rotorcraft (other than the main and auxiliary rotor structures) that—

- (1) Is necessary for propulsion;
- (2) Affects the control of the major propulsive units; or

(3) Affects the safety of the major propulsive units between normal inspections or overhauls.

(b) For each powerplant installation—

- (1) Each component of the installation must be constructed, arranged, and installed to ensure its continued safe operation between normal inspections or overhauls;

(2) Accessibility must be provided to allow any inspection and maintenance necessary for continued airworthiness; and

(3) Electrical interconnections must be provided to prevent differences of potential between major components of the installation and the rest of the rotorcraft.

§ 27.903 Engines.

(a) *Engine type certification.* Each engine must be type certificated under Part 33 (New).

(b) *Engine cooling fan blade protection.* If an engine cooling fan is installed, there must be means to protect the rotorcraft and allow a safe landing if a fan blade fails. This must be shown by showing that—

(1) The fan blades are contained in case of failure;

(2) Each fan is located so that a failure will not jeopardize safety; or

(3) Each fan blade can withstand an ultimate load of 1.5 times the centrifugal force resulting from engine r.p.m. limited by either—

- (i) The terminal engine r.p.m. under uncontrolled conditions; or
- (ii) An overspeed limiting device.

§ 27.907 Engine vibration.

(a) Each engine must be installed to prevent the harmful vibration of any part of the engine or rotorcraft.

(b) The addition of the rotor and the rotor drive system to the engine may not subject the principal rotating parts of the engine to excessive vibration stresses. This must be shown by a vibration investigation.

(c) No part of the rotor drive system may be subjected to excessive vibration stresses.

ROTOR DRIVE SYSTEM

§ 27.917 Design.

(a) Each rotor drive system must incorporate a unit for each engine to automatically disengage that engine from the main and auxiliary rotors if that engine fails.

(b) Each rotor drive system must be arranged so that each rotor necessary for control in autorotation will continue to be driven by the main rotors after disengagement of the engine from the main and auxiliary rotors.

(c) If a torque limiting device is used in the rotor drive system, it must be located so as to allow continued control of the rotorcraft when the device is operating.

§ 27.921 Rotor brake.

If there is a means to control the rotation of the rotor drive system independently of the engine, any limitations on the use of that means must be specified, and the control for that means must be guarded to prevent inadvertent operation.

§ 27.923 Rotor drive system and control mechanism tests.

(a) Each part tested as prescribed in this section must be in a serviceable condition at the end of the tests.

(b) Each rotor drive system and control mechanism must be tested for not less than 100 hours. The test must be conducted on the rotorcraft, and the power must be absorbed by the rotors to be installed, except that other ground or flight test facilities with other appropriate methods of power absorption may be used if the conditions of support and vibration closely simulate the conditions that would exist during a test on the rotorcraft.

(c) A 60-hour part of the test prescribed in paragraph (b) of this section must be run at not less than the maximum continuous engine power and r.p.m. In this test, the main rotor must

be set in the position that will give maximum longitudinal cyclic pitch change to simulate forward flight. The auxiliary rotor controls must be in the position for normal operation under the conditions of the test.

(d) A 30-hour part of the test prescribed in paragraph (b) of this section must be run at not less than 90 percent of maximum continuous engine r.p.m. and 75 percent of maximum continuous engine power. The main and auxiliary rotor controls must be in the position for normal operation under the conditions of the test.

(e) A 10-hour part of the test prescribed in paragraph (b) of this section must be run at not less than takeoff engine power and r.p.m. The main and auxiliary rotor controls must be in the normal position for vertical ascent.

(f) The parts of the test prescribed in paragraphs (c) and (d) of this section must be conducted in intervals of not less than 30 minutes and may be accomplished either on the ground or in flight. The part of the test prescribed in paragraph (e) of this section must be conducted in intervals of not less than five minutes.

(g) At intervals of not more than five hours during the tests prescribed in paragraphs (c), (d), and (e) of this section, the engine must be stopped rapidly enough to allow the engine and rotor drive to be automatically disengaged from the rotors.

(h) Under the operating conditions specified in paragraph (c) of this section, 500 complete cycles of lateral control, 500 complete cycles of longitudinal control of the main rotors, and 500 complete cycles of control of each auxiliary rotor must be accomplished. A "complete cycle" involves movement of the controls from the neutral position, through both extreme positions, and back to the neutral position, except that control movements need not produce loads or flapping motions exceeding the maximum loads or motions encountered in flight. The cycling may be accomplished during the testing prescribed in paragraph (c) of this section.

§ 27.927 Additional tests.

Any additional dynamic, endurance, and operational tests, and vibratory investigations necessary to determine

that the rotor drive mechanism is safe, must be performed.

§ 27.931 Shafting critical speed.

(a) The critical speeds of any shafting must be determined by demonstration, except that analytical methods may be used if reliable methods of analysis are available for the particular design.

(b) If any critical speed lies within, or close to, the operating ranges for idling, power on, and autorotative conditions, the stresses occurring at that speed must be within safe limits. This must be shown by tests.

(c) If analytical methods are used and show that no critical speed lies within the permissible operating ranges, the margins between the calculated critical speeds and the limits of the allowable operating ranges must be adequate to allow for possible variations between the computed and actual values.

§ 27.935 Shafting joints.

Each universal joint, slip joint, and other shafting joints whose lubrication is necessary for operation must have provision for lubrication.

FUEL SYSTEM

§ 27.951 General.

(a) Each fuel system must be constructed and arranged to ensure a flow of fuel at a rate and pressure established for proper engine functioning under any likely operating condition, including the maneuvers for which certification is requested.

(b) Each fuel system must be arranged so that—

- (1) No fuel pump can draw fuel from more than one tank at a time; or
- (2) There are means to prevent introducing air into the system.

§ 27.953 Fuel system independence.

(a) Each fuel system for multiengine rotorcraft must allow fuel to be supplied to each engine through a system independent of those parts of each system supplying fuel to other engines. However, separate fuel tanks need not be provided for each engine.

(b) If a single fuel tank is used on a multiengine rotorcraft, the following must be provided:

- (1) Independent tank outlets for each engine, each incorporating a shutoff

valve at the tank. This shutoff valve may also serve as the firewall shutoff valve required by § 27.995 if the line between the valve and the engine compartment does not contain a hazardous amount of fuel that can drain into the engine compartment.

(2) At least two vents arranged to minimize the probability of both vents becoming obstructed simultaneously.

(3) Filler caps designed to minimize the probability of incorrect installation or inflight loss.

(4) A fuel system in which those parts of the system from each tank outlet to any engine are independent of each part of each system supplying fuel to other engines.

§ 27.955 Fuel flow.

(a) Each fuel system must provide at least 100 percent of the fuel flow required under the intended operating conditions and maneuvers. This must be shown as follows:

(1) Fuel must be delivered to each engine at a pressure within the limits specified in the engine type certificate.

(2) The quantity of fuel in the tank may not exceed that established as the unusable fuel supply for that tank under § 27.959 plus that necessary to show compliance with this section.

(3) Each main pump must be used that is necessary for each operating condition and attitude for which compliance with this section is shown, and the appropriate emergency pump must be substituted for each main pump so used.

(b) If an engine can feed from more than one fuel tank, the fuel system must feed promptly when fuel becomes low in one tank and another tank is selected.

§ 27.959 Unusable fuel supply.

The unusable fuel supply for each tank must be established as not less than the quantity at which the first evidence of malfunction occurs under the most adverse fuel feed condition occurring under any intended operations and flight maneuvers involving that tank.

§ 27.961 Fuel system hot weather operation.

Each suction lift fuel system and other fuel systems conducive to vapor formation must be free from vapor lock when using fuel at a temperature of 110

degrees F. under critical operating conditions. This must be shown by test.

§ 27.963 Fuel tanks: general.

(a) Each fuel tank must be able to withstand, without failure, the vibration, inertia, fluid, and structural loads to which it may be subjected in operation.

(b) Each fuel tank of 10 gallons or greater capacity must have internal baffles, or must have external support to resist surging.

(c) Each fuel tank must be separated from the engine compartment by a firewall. At least one-half inch of clear airspace must be provided between the tank and the firewall.

(d) Spaces adjacent to the surfaces of fuel tanks must be ventilated so that fumes cannot accumulate in the tank compartment in case of leakage. If two or more tanks have interconnected outlets, they must be considered as one tank, and the airspaces in those tanks must be interconnected to prevent the flow of fuel from one tank to another as a result of a difference in pressure between those airspaces.

§ 27.965 Fuel tank internal pressure.

Each fuel tank must be able to withstand, without leakage, an internal pressure equal to the pressure developed during the maximum limit acceleration with that tank full, but not less than—

- (a) 3.5 p.s.i., for conventional tanks; or
- (b) 2.0 p.s.i., for bladder tanks.

§ 27.969 Fuel tank expansion space.

Each fuel tank must have an expansion space of not less than two percent of the tank capacity. It must be impossible to fill the fuel tank expansion space inadvertently with the rotorcraft in the normal ground attitude.

§ 27.971 Fuel tank sump.

Each fuel tank must have a sump and drain at the point in the tank that is lowest with the rotorcraft in the normal ground attitude. The main fuel supply may not be drawn from the bottom of the sump.

§ 27.973 Fuel tank filler connection.

Each fuel tank filler connection must prevent the entrance of fuel into any part of the rotorcraft other than the tank.

§ 27.975 Fuel tank vents.

Each fuel tank must be vented from the top part of the expansion space so that venting is effective under all normal flight conditions. Each vent must minimize the probability of stoppage by dirt or ice.

§ 27.977 Fuel tank outlet.

There must be a large-mesh finger strainer for the fuel tank outlet.

FUEL SYSTEM COMPONENTS

§ 27.991 Fuel pumps.

(a) *Main pumps.* Each fuel pump required for proper engine operation, or required to meet the fuel system requirements of this subpart (other than those in paragraph (b) of this section), is a main pump. For each main pump, there must be means to allow the bypass of each positive displacement fuel pump other than a fuel injection pump (a pump that supplies the proper flow and pressure for fuel injection when the injection is not accomplished in a carburetor) approved as part of an engine.

(b) *Emergency pumps.* There must be emergency pumps to feed the engines immediately after the failure of any main pump (other than fuel injection pump approved as part of the engine). Each emergency pump must be actuated automatically or operated continuously so that enough fuel pressure will be maintained to prevent engine stoppage.

§ 27.993 Fuel system lines and fittings.

(a) Each fuel line must be installed and supported to prevent excessive vibration and to withstand loads due to fuel pressure and accelerated flight conditions.

(b) Each fuel line connected to components of the rotorcraft between which relative motion could exist must have provisions for flexibility.

(c) Flexible hose must be approved.

(d) Each fuel line and fitting must have a large enough inside diameter so that the fuel flow, at the minimum pressure for proper carburetor operation, is not less than—

- (1) For gravity feed systems, 1.5 times the normal flow required at takeoff power; and
- (2) For pump systems, 1.25 times the normal flow required at takeoff power.

(e) Compliance with the applicable flow requirements must be shown by test.

§ 27.995 Fuel valves.

(a) There must be a positive, quick-acting valve to shut off fuel to each engine individually.

(b) The control for this valve must be within easy reach of appropriate crewmembers.

(c) Where there is more than one source of fuel supply there must be means for independent feeding from each source.

(d) No shutoff valve may be on the engine side of any firewall.

§ 27.997 Fuel strainer or filter.

(a) There must be a fuel strainer or filter between the fuel tank outlet and the fuel metering device of the engine (or engine-driven fuel pump, if one is provided). In addition—

- (1) Each strainer or filter must have a sediment trap and drain;
- (2) Each strainer or filter must be accessible; and
- (3) Each screen or filter element must be easily removable for cleaning.

(b) For turbine engines—

- (1) There must be means to automatically maintain the fuel flow when the strainer or filter is clogged by ice; or
- (2) There must be means in the fuel system to prevent the accumulation of ice on the strainer or filter.

§ 27.999 Fuel system drains.

(a) There must be at least one accessible drain at the lowest point in each fuel system to completely drain the system with the rotorcraft in its normal attitude on level ground.

(b) Each drain required by paragraph (a) of this section must—

- (1) Discharge clear of the entire rotorcraft; and
- (2) Have a safety lock to prevent accidental opening.

OIL SYSTEM

§ 27.1011 General.

(a) Each engine must have an independent oil system that can supply it with an appropriate quantity of oil at a temperature not above that safe for continuous operation.

(b) The usable oil capacity of each system may not be less than the product of the endurance of the rotorcraft under critical operating conditions and the maximum oil consumption of the engine under the same conditions, plus a suitable margin to ensure adequate circulation and cooling. Instead of a rational analysis of endurance and consumption, a usable oil capacity of one gallon for each 40 gallons of usable fuel may be used.

(c) The oil cooling provisions for each engine must be able to maintain the oil inlet temperature to that engine at or below the maximum established value. This must be shown by flight tests.

§ 27.1013 Oil tanks.

Each oil tank must be designed and installed so that—

- (a) It can withstand, without failure, each vibration, inertia, fluid, and structural load expected in operation;
- (b) It can withstand, without leakage, an internal pressure of five p.s.i.;
- (c) It has an expansion space of not less than the greater of—

- (1) 10 percent of the tank capacity; or
- (2) 0.5 gallon;
- (d) It is impossible to fill the tank expansion space inadvertently with the rotorcraft in the normal ground attitude;
- (e) Adequate venting is provided; and
- (f) There are means in the filler opening to prevent oil overflow from entering the oil tank compartment.

§ 27.1017 Oil lines and fittings.

(a) Each oil line must be supported to prevent excessive vibration.

(b) Each oil line connected to components of the rotorcraft between which relative motion could exist must have provisions for flexibility.

(c) Flexible hose must be approved.

(d) Each oil line must have an inside diameter of not less than the inside diameter of the engine inlet or outlet. No line may have splices between connections.

§ 27.1019 Oil strainer or filter.

Each oil strainer or filter in the powerplant installation must be constructed and installed so that oil will flow at the normal rate through the rest of the system with the strainer or filter element completely blocked.

§ 27.1021 Oil system drains.

(a) There must be at least one accessible drain at the lowest point in the oil system to drain the system completely with the rotorcraft in its normal position on level ground.

(b) Each drain must discharge clear of the entire rotorcraft and have safety locks to prevent accidental opening.

COOLING

§ 27.1041 General.

(a) Each powerplant cooling system must be able to maintain the temperatures of powerplant components and engine fluids within the limits established for those components and fluids under any critical surface (ground or water) and flight operating conditions.

(b) Compliance with paragraph (a) of this section must be shown in tests conducted under the conditions prescribed in that paragraph.

§ 27.1043 Cooling tests.

(a) *General.* For the tests prescribed in § 27.104(b), the following apply:

- (1) If the tests are conducted under conditions deviating from the maximum anticipated air temperature specified in paragraph (b) of this section, the recorded powerplant temperatures must be corrected under paragraphs (c) and (d) of this section unless a more rational correction method is applicable.
- (2) No corrected temperature determined under subparagraph (1) of this paragraph may exceed established limits.

(3) For reciprocating engines, the fuel used during the cooling tests must be of the minimum grade approved for the engines, and the mixture settings must be those normally used in the flight stages for which the cooling tests are conducted.

(4) The test procedures must be as prescribed in § 27.1045.

(b) *Maximum anticipated air temperature.* For cooling tests, the maximum anticipated temperature (hot-day condition) is 100 degrees F. at sea level, decreasing from this value at the rate of 3.6 degrees F. per thousand feet of altitude above sea level up to the altitude at which a temperature of -69.7 degrees F. is reached, above which altitude the temperature is constant at -69.7 degrees F.

- (c) *Correction factor (except cylinder barrels).* The temperatures of engine fluids and powerplant components (except cylinder barrels) for which temperature limits are established must be corrected by adding to them the difference between the maximum anticipated air temperature and the temperature of the ambient air at the time of the first occurrence of the maximum component or fluid temperatures recorded during the cooling test.
- (d) *Correction factor for cylinder barrel temperatures.* Cylinder barrel temperatures must be corrected by adding to them 0.7 times the difference between the maximum anticipated air temperature and the temperature of the ambient air at the time of the first occurrence of the maximum cylinder barrel temperature recorded during the cooling test.
- § 27.1045 Cooling test procedures.**
- (a) *General.* For each stage of flight, the cooling tests must be conducted with the rotorcraft—
- (1) In the configuration most critical for cooling; and
 - (2) Under the conditions most critical for cooling.
- (b) *Temperature stabilization.* For the purpose of the cooling tests, a temperature is "stabilized" when its rate of change is less than two degrees F. per minute. The following component and engine fluid temperature stabilization rules apply:
- (1) For each rotorcraft, and for each stage of flight—
 - (i) The temperatures must be stabilized under the conditions from which entry is made into the stage of flight being investigated; or
 - (ii) If the entry condition normally does not allow temperatures to stabilize, operation through the full entry condition must be conducted before entry into the stage of flight being investigated in order to allow the temperatures to attain their natural levels at the time of entry.
 - (2) For each helicopter during the takeoff stage of flight, the climb at takeoff power must be preceded by a period of hover during which the temperatures are stabilized.
- (c) *Duration of test.* For each stage of flight the tests must be continued until—
- (1) The temperatures stabilize;
- (2) That stage of flight is completed; or
- (3) An operating limitation is reached.
- INDUCTION SYSTEM**
- § 27.1091 Air induction.**
- (a) The air induction system for each engine must supply the air required by that engine under the operating conditions and maneuvers for which certification is requested.
- (b) Each cold air induction system opening must be outside the cowl if backfire flames can emerge.
- (c) If fuel can accumulate in any air induction system, that system must have drains that discharge fuel—
- (1) Clear of the rotorcraft; and
 - (2) Out of the path of exhaust flames.
- (d) Operation of turbine engines from idle power and r.p.m. to the power and r.p.m. necessary for lift-off may not result in pebble ingestion into the induction air inlet with the rotorcraft on a pebble bed at least 1½ inches deep, consisting of pebbles that—
- (1) Can pass through one-half inch mesh screening but not through one-eighth inch mesh screening; and
 - (2) Are spread over an area that extends horizontally five feet beyond the tips of the main rotors.
- § 27.1093 Induction system icing protection.**
- (a) *Reciprocating engines.* Each reciprocating engine air induction system must have means to prevent and eliminate icing. Unless this is done by other means, it must be shown that, in air free of visible moisture at a temperature of 30 degrees F., and with the engines at 75 percent of maximum continuous power—
- (1) Each rotorcraft with sea level engines using conventional venturi carburetors has a preheater that can provide a heat rise of 90 degrees F.;
 - (2) Each rotorcraft with sea level engines using carburetors tending to prevent icing has a sheltered alternate source of air, and that the preheat supplied to the alternate air intake is not less than that provided by the engine cooling air downstream of the cylinders;
 - (3) Each rotorcraft with altitude engines using conventional venturi carburetors has a preheater capable of providing a heat rise of 120 degrees F.; and
- (4) Each rotorcraft with altitude engines using carburetors tending to prevent icing has a preheater that can provide a heat rise of—
- (i) 100 degrees F.; or
 - (ii) If a fluid deicing system is used, at least 40 degrees F.
- (b) *Turbine engines.* Each turbine engine must be able to operate throughout its flight power range, without adverse effect on engine operation or serious loss of power or thrust, under the icing conditions specified in Appendix C of Part 25 of this chapter.
- EXHAUST SYSTEM**
- § 27.1121 General.**
- For each exhaust system—
- (a) There must be means for thermal expansion of manifolds and pipes;
 - (b) There must be means to prevent local hot spots;
 - (c) Exhaust gases must discharge clear of the engine air intake, fuel system components, and drains;
 - (d) No exhaust pipe may be adjacent to, or under, any carburetor or fuel system part that is not protected against leakage;
 - (e) Exhaust gases may not impair pilot vision at night due to glare; and
 - (f) If significant traps exist, each turbine engine exhaust system must have drains discharging clear of the rotorcraft, in any normal ground and flight attitudes, to prevent fuel accumulation after the failure of an attempted engine start.

POWERPLANT CONTROLS AND ACCESSORIES

§ 27.1141 Powerplant controls: general.

(a) Powerplant controls must be located and arranged under § 27.777 and marked under § 27.1555.

(b) Each flexible powerplant control must be approved.

§ 27.1143 Throttle controls.

(a) There must be a separate throttle control for each engine.

(b) Throttle controls must be grouped and arranged to allow—

 - (1) Separate control of each engine; and
 - (2) Simultaneous control of all engines.

(c) Each throttle control must provide a positive and immediately responsive means of controlling its engine.

§ 27.1145 Ignition switches.

(a) There must be means to quickly shut off all ignition by the grouping of switches or by a master ignition control.

(b) Each master ignition control must have a guard to prevent its inadvertent operation.

§ 27.1147 Mixture controls.

If there are mixture controls, each engine must have a separate control and the controls must be arranged to allow—

 - (a) Separate control of each engine; and
 - (b) Simultaneous control of all engines.

§ 27.1163 Powerplant accessories.

Each engine-mounted accessory must—

 - (a) Be approved for mounting on the engine involved; and
 - (b) Use the provisions on the engine for mounting.

POWERPLANT FIRE PROTECTION

§ 27.1183 Lines and fittings.

(a) Except as provided in paragraph (b) of this section, each line and fitting carrying flammable fluids in any area subject to engine fire conditions must meet the following:

 - (1) The line and fitting must be at least fire resistant.
 - (2) Flexible hose assemblies (hose and end fittings) must be approved.
 - (3) The line and fitting must be located or shielded to prevent fluid leakage on surfaces hot enough to ignite the fluid.

(b) Paragraph (a) does not apply to—

 - (1) Lines and fittings forming an integral part of an engine; and
 - (2) Vent and drain lines, and their fittings, whose failure will not result in, or add to, a fire hazard.

(c) Each flammable fluid drain and vent must discharge clear of the induction system air inlet.

§ 27.1185 Flammable fluids.

(a) Each fuel tank must be isolated from the engines by a firewall or shroud.

(b) For rotorcraft with engines of more than 900 cu. in. displacement—

 - (1) Each flammable fluid tank must be isolated under paragraph (a) of this section; or

Subpart F—Equipment

GENERAL

§ 27.1301 Function and installation.

Each item of installed equipment must—

- Be of a kind and design appropriate to its intended function;
- Be labeled as to its identification, function, or operating limitations, or any applicable combination of these factors;
- Be installed according to limitations specified for that equipment; and
- Function properly when installed.

§ 27.1303 Flight and navigation instruments.

The following are the required flight and navigation instruments:

- An airspeed indicator.
- An altimeter.
- A magnetic direction indicator.

§ 27.1305 Powerplant instruments.

The following are the required powerplant instruments:

- A carburetor air temperature indicator, for each engine having a preheater that can provide a heat rise in excess of 60° F.
- A cylinder head temperature indicator, for each—

- Air cooled engine;
- Rotorcraft with cooling shutters; and

- Rotorcraft for which compliance with § 27.1043 is shown in any condition other than the most critical flight condition with respect to cooling.

- A fuel pressure indicator, for each pump-fed engine.

- A fuel quantity indicator, for each fuel tank.

- A manifold pressure indicator, for each altitude engine.

- An oil temperature warning device to indicate when the temperature exceeds a safe value in each main rotor drive gearbox (including any gearboxes essential to rotor phasing) having an oil system independent of the engine oil system.

- An oil pressure warning device to indicate when the pressure falls below a safe value in each pressure-lubricated main rotor drive gearbox (including any gearboxes essential to rotor phasing) having an oil system independent of the engine oil system.

- Essential to a controlled landing; and

- Not protected under § 27.861.

- Each auxiliary power unit and combustion heater, and any other combustion equipment to be used in flight, must be isolated from the rest of the rotorcraft by firewalls, shrouds, or equivalent means.

- In meeting paragraphs (a) and (b) of this section, account must be taken of the probable path of a fire as affected by the airflow in normal flight and in autorotation.

- Each firewall and shroud must be constructed so that no hazardous quantity of air, fluids, or flame can pass from any engine compartment to other parts of the rotorcraft.

- Each opening in the firewall or shroud must be sealed with close-fitting, fireproof grommets, bushings, or fire-wall fittings.

- Each firewall and shroud must be fireproof and protected against corrosion.

§ 27.1193 Cowling and engine compartment covering.

- Each cowling and engine compartment covering must be constructed and supported so that it can resist the vibration, inertia, and air loads to which it may be subjected in operation.

- There must be means for rapid and complete drainage of each part of the cowling or engine compartment in the normal ground and flight attitudes.

- No drain may discharge where it might cause a fire hazard.

- Each cowling and engine compartment covering must be at least fire resistant.

- Each part of the cowling or engine compartment covering subject to high temperatures due to its nearness to exhaust system parts or exhaust gas impingement must be fireproof.

- The fluid in the tank, the design of the system, the materials used in the tank, the shutoff means, and all connections, lines, and controls must provide a degree of safety equal to that resulting from isolation under paragraph (a) of this section.

- There must be at least one-half inch of clear airspace between each tank and each firewall or shroud isolating that tank, unless equivalent means are used to prevent heat transfer from each engine compartment to the flammable fluid.

§ 27.1187 Ventilation.

Each compartment containing any part of the powerplant installation must have provision for ventilation.

§ 27.1189 Shutoff means.

- There must be means to shut off each line carrying flammable fluids into the engine compartment, except—

- Lines forming an integral part of an engine; and

- Engine oil system lines in powerplant installations using engines of less than 500 cu. in. displacement.

- There must be means to guard against inadvertent operation of each shutoff, and to make it possible for the crew to reopen it in flight after it has been closed.

- Each shutoff valve and its controls must be on the remote side of the firewall from the engine if they cannot function under any fire condition likely to result from an engine fire.

§ 27.1191 Firewall.

- Each engine must be isolated by a firewall, shroud, or equivalent means, from personnel compartments, structures, controls, rotor mechanisms, and other parts that are—

- An oil pressure indicator for each engine.

- An oil quantity indicator for each oil tank.

- An oil temperature indicator for each engine.

- At least one tachometer to indicate the r.p.m. of each engine and, as applicable—

- The r.p.m. of the single main rotor;

- The common r.p.m. of any main rotors whose speeds cannot vary appreciably with respect to each other; or

- The r.p.m. of each main rotor whose speed can vary appreciably with respect to that of another main rotor.

- If an engine can be supplied with fuel from more than one tank, a warning device to indicate, for each tank, when a five-minute usable fuel supply remains when the rotorcraft is in the most adverse fuel feed condition for that tank, regardless of whether that condition can be sustained for the five minutes.

- Means to indicate to the pilot when each emergency pump is in operation.

- A gas temperature indicator for each turbine engine.

- Means to enable the pilot to determine the torque of each turboshaft engine, if a torque limitation is established for that engine under § 27.1521(e).

§ 27.1307 Miscellaneous equipment.

The following is the required miscellaneous equipment:

- An approved seat for each occupant.

- An approved safety belt for each occupant.

- A master switch arrangement.

- An adequate source of electrical energy, where electrical energy is necessary for operation of the rotorcraft.

- Electrical protective devices.

§ 27.1309 Equipment, systems, and installations.

- Functioning and reliability.* The equipment, systems, and installations whose functioning is required by this subchapter must be designed and installed to ensure that they perform their intended functions under any foreseeable operating condition.

- Hazards.* All equipment, systems, and installations must be designed

to prevent hazards to the rotorcraft if they malfunction or fail.

INSTRUMENTS: INSTALLATION

§ 27.1321 Arrangement and visibility.

- Each flight, navigation, and powerplant instrument for use by any pilot must be easily visible to him.
- For each multiengine rotorcraft, identical powerplant instruments must be located so as to prevent confusion as to which engine each instrument relates.
- Instrument panel vibration may not damage, or impair the readability or accuracy of, any instrument.

§ 27.1323 Airspeed indicating system.

- The airspeed indicating system must be calibrated in flight at forward speeds of 10 m.p.h. and over.
- At each forward speed above 80 percent of the climbout speed, the airspeed indicator must indicate true airspeed, at sea level with a standard atmosphere, to within an allowable installation error of not more than the greater of—
 - ±3 percent of the calibrated airspeed; or
 - Five m.p.h.

§ 27.1325 Static air vent system.

Each instrument with static air case connections must be vented so that the influence of rotorcraft speed, the opening and closing of windows, airflow variation, and moisture or other foreign matter does not seriously affect its accuracy.

§ 27.1327 Magnetic direction indicator.

- Each magnetic direction indicator must be installed so that its accuracy is not excessively affected by the rotorcraft's vibration or magnetic fields.
- The compensated installation may not have a deviation, in level flight, greater than 10° on any heading.

§ 27.1337 Powerplant instruments.

- Instrument lines.* Each powerplant instrument line must meet the requirements of §§ 27.961 and 27.993. Each line carrying flammable fluids or gases under pressure must have restricting orifices or equivalent safety devices at the source of pressure to prevent the escape of excessive fluid or gas if the line fails.

- Protected from fuel, oil, water, other detrimental substances, and mechanical damage.

(2) Electric power sources must function properly when connected in combination or independently.

(3) No failure or malfunction of any source may impair the ability of any remaining source to supply load circuits essential for safe operation.

(4) Each electric power source control must allow the independent operation of each source.

(c) *Generating system.* There must be at least one generator if the system supplies power to load circuits essential for safe operation. In addition—

- Each generator must be able to deliver its continuous rated power;
- Generator voltage control equipment must be able to dependably regulate each generator output within rated limits; and

(3) Each generator must have a reverse current cutout designed to disconnect the generator from the battery and from the other generators when enough reverse current exists to damage that generator.

(d) *Instruments.* There must be means to indicate to appropriate crewmembers the electric power system quantities essential for safe operation of the system. In addition—

- For direct current systems, an ammeter that can be switched into each generator feeder may be used; and
- If there is only one generator, the ammeter may be in the battery feeder.

§ 27.1353 Storage battery design and installation.

(a) Each storage battery must be designed and installed as prescribed in this section.

(b) Safe cell temperatures and pressures must be maintained during any probable charging and discharging condition. No uncontrolled increase in cell temperature may result when the battery is recharged (after previous complete discharge)—

- At maximum regulated voltage;
 - During a flight of maximum duration; and
 - Under the most adverse cooling condition likely to occur in service.
- (c) Compliance with paragraph (b) of this section must be shown by test

unless experience with similar batteries and installations has shown that maintaining safe cell temperatures and pressures presents no problem.

(d) No explosive or toxic gases emitted by any battery in normal operation, or as the result of any probable malfunction in the charging system or battery installation, may accumulate in hazardous quantities within the rotorcraft.

(e) No corrosive fluids or gases that may escape from the battery may damage surrounding structures or adjacent essential equipment.

§ 27.1357 Circuit protective devices.

(a) Protective devices, such as fuses or circuit breakers, must be installed in each electrical circuit other than—

- The main circuits of starter motors; and
- Circuits in which no hazard is presented by their omission.

(b) No protective device may protect more than one circuit essential to flight safety.

(c) Each resettable circuit protective device ("trip free" device in which the tripping mechanism cannot be overridden by the operating control) must be designed so that—

- A manual operation is required to restore service after tripping; and
- If an overload or circuit fault exists, the device will open the circuit regardless of the position of the operating control.

(d) If the ability to reset a circuit breaker or replace a fuse is essential to safety in flight, that circuit breaker or fuse must be located and identified so that it can be readily reset or replaced in flight.

(e) If fuses are used, there must be one spare of each rating, or 50 percent spare fuses of each rating, whichever is greater.

§ 27.1361 Master switch.

(a) There must be a master switch arrangement to allow ready disconnection of each electric power source from the main bus. The point of disconnection must be adjacent to the sources controlled by the switch.

(b) Load circuits may be connected so that they remain energized after the switch is opened, if they are protected by

circuit protective devices, rated at five amperes or less, adjacent to the electric power source.

(c) The master switch or its controls must be installed so that the switch is easily discernible and accessible to a crewmember in flight.

§ 27.1365 Electric cables.

(a) Each electric connecting cable must be of adequate capacity.

(b) Each cable that would overheat in the event of circuit overload or fault must be at least flame resistant and may not emit dangerous quantities of toxic fumes.

§ 27.1367 Switches.

Each switch must be—

- (a) Able to carry its rated current;
- (b) Accessible to the crew; and
- (c) Labeled as to operation and the circuit controlled.

LIGHTS

§ 27.1381 Instrument lights.

The instrument lights must—

(a) Make each instrument, switch, and other devices for which they are provided easily readable; and

(b) Be installed so that—

- (1) Their direct rays are shielded from the pilot's eyes; and
- (2) No objectionable reflections are visible to the pilot.

§ 27.1383 Landing lights.

(a) Each required landing or hovering light must be approved.

(b) Each landing light must be installed so that—

- (1) No objectionable glare is visible to the pilot;
- (2) The pilot is not adversely affected by halation; and
- (3) It provides enough light for night operation, including hovering and landing.

(c) At least one separate switch must be provided, as applicable—

- (1) For each separately installed landing light; and
- (2) For each group of landing lights installed at a common location.

§ 27.1385 Position light system installation.

(a) *General.* Each part of each position light system must meet the applicable requirements of this section, and

operating at a steady value equal to the average luminous output of the source at the normal operating voltage of the rotorcraft. The light distribution and intensity of each position light must meet the requirements of paragraph (b) of this section.

(b) *Forward and rear position lights.* The light distribution and intensities of forward and rear position lights must be expressed in terms of minimum intensities in the horizontal plane, minimum intensities in any vertical plane, and maximum intensities in overlapping beams, within dihedral angles *L*, *R*, and *A*, and must meet the following requirements:

(1) *Intensities in the horizontal plane.* Each intensity in the horizontal plane (the plane containing the longitudinal axis of the rotorcraft and perpendicular to the plane of symmetry of the rotorcraft) must equal or exceed the values in § 27.1391.

(2) *Intensities in any vertical plane.* Each intensity in any vertical plane (the plane perpendicular to the horizontal plane) must equal or exceed the appropriate value in § 27.1393, where *I* is the minimum intensity prescribed in § 27.1391 for the corresponding angles in the horizontal plane.

(3) *Intensities in overlaps between adjacent signals.* No intensity in any overlap between adjacent signals may exceed the values in § 27.1395, except that higher intensities in overlaps may be used with main beam intensities substantially greater than the minima specified in §§ 27.1391 and 27.1393, if the overlap intensities in relation to the main beam intensities do not adversely affect signal clarity. When the peak intensity of the forward position lights is greater than 100 candles, the maximum overlap intensities between them may exceed the values in § 27.1395 if the overlap intensity in Area A is not more than 10 percent of peak position light intensity and the overlap intensity in Area B is not more than 2.5 percent of peak position light intensity.

§ 27.1391 Minimum intensities in the horizontal plane of forward and rear position lights.

Each position light intensity must equal or exceed the applicable values in the following table:

Dihedral angle (light included)	Angle from right or left of longitudinal axis, measured from dead ahead	Intensity (candles)
<i>L</i> and <i>R</i> (forward red and green).	0° to 10°	40
	10° to 20°	30
	20° to 110°	5
<i>A</i> (rear white).	110° to 180°	20

§ 27.1393 Minimum intensities in any vertical plane of forward and rear position lights.

Each position light intensity must equal or exceed the applicable values in the following table:

Angle above or below the horizontal plane:	Intensity
0°	1.00 <i>I</i>
0° to 5°	0.90 <i>I</i>
5° to 10°	0.80 <i>I</i>
10° to 15°	0.70 <i>I</i>
15° to 20°	0.50 <i>I</i>
20° to 30°	0.30 <i>I</i>
30° to 40°	0.10 <i>I</i>
40° to 90°	0.05 <i>I</i>

§ 27.1395 Maximum intensities in overlapping beams of forward and rear position lights.

No position light intensity may exceed the applicable values in the following table, except as provided in § 27.1389 (b) (3).

Overlaps	Maximum intensity	
	Area A (candles)	Area B (candles)
Green in dihedral angle <i>L</i>	10	1
Red in dihedral angle <i>R</i>	10	1
Green in dihedral angle <i>A</i>	5	1
Red in dihedral angle <i>A</i>	5	1
Rear white in dihedral angle <i>L</i>	5	1
Rear white in dihedral angle <i>R</i>	5	1

Where—

(a) Area A includes all directions in the adjacent dihedral angle that pass through the light source and intersect the common boundary plane at more than 10 degrees but less than 20 degrees; and

(b) Area B includes all directions in the adjacent dihedral angle that pass through the light source and intersect the common boundary plane at more than 20 degrees.

the rotorcraft. This line must be weak enough to break before submerging the empty raft to which it is attached.

(d) Each signaling device must be free from hazard in its operation and must be installed in an accessible location.

§ 27.1435 Hydraulic systems.

(a) *Design.* Each hydraulic system and its elements must withstand, without yielding, any structural loads expected in addition to hydraulic loads.

(b) *Tests.* Each system must be substantiated by proof pressure tests. When proof tested, no part of any system may fail, malfunction, or experience a permanent set. The proof load of each system must be at least 1.5 times the maximum operating pressure of that system.

(c) *Accumulators.* No hydraulic accumulator or pressurized reservoir may be installed on the engine side of any firewall unless it is an integral part of an engine.

§ 27.1413 Safety belts.

(a) The rated strength of safety belts may not be less than that corresponding with the ultimate load factors specified in § 27.561(b), considering the dimensional characteristics of the belt installation for the specific seat or berth arrangement.

(b) Each belt must be attached so that no part of its anchorage can fail at a load lower than that corresponding with the ultimate load factors specified in § 27.561(b).

§ 27.1415 Ditching equipment.

(a) Emergency flotation and signaling equipment required by any operating rule in this chapter must meet the requirements of this section.

(b) Each raft and each life preserver must be approved and must be installed so that it is readily available to the crew and passengers.

(c) Each raft released automatically or by the pilot must be attached to the rotorcraft by a line to keep it alongside

(c) *Flashing characteristics.* The arrangement of the system, that is, the number of light sources, beam width, speed of rotation, and other characteristics, must give an effective flash frequency of not less than 40, nor more than 100, cycles per minute. The effective flash frequency is the frequency at which the rotorcraft's complete anticollision light system is observed from a distance, and applies to each sector of light including any overlaps that exist when the system consists of more than one light source. In overlaps, flash frequencies may exceed 100, but not 180, cycles per minute.

(d) *Color.* Each anticollision light must be aviation red and must meet the requirements of § 27.1397(a).

(e) *Light intensity.* The minimum light intensities in any vertical plane, measured with the red filter and expressed in terms of "effective" intensities, must meet the requirements of paragraph (f) of this section. The following relation must be assumed:

$$I_e = \frac{\int_{t_1}^{t_2} I(t) dt}{0.2 + (t_2 - t_1)}$$

where:

I_e = effective intensity (candles).

$I(t)$ = instantaneous intensity as a function of time.

$t_2 - t_1$ = flash time interval (seconds).

Normally, the maximum value of effective intensity is obtained when t_2 and t_1 are chosen so that the effective intensity is equal to the instantaneous intensity at t_2 and t_1 .

(f) *Minimum effective intensities for anticollision lights.* Each anticollision light effective intensity must equal or exceed the applicable values in the following table.

Angle above or below the horizontal plane:	Effective intensity (candles)
0° to 5°	100
5° to 10°	60
10° to 20°	20
20° to 30°	10

SAFETY EQUIPMENT

§ 27.1411 General.

Required safety equipment to be used by the crew in an emergency, such as flares and automatic liferaft releases, must be readily accessible.

§ 27.1397 Color specifications.

Each position light color must have the applicable International Commission on Illumination chromaticity coordinates as follows:

(a) *Aviation red*—

"y" is not greater than 0.335; and
"z" is not greater than 0.002.

(b) *Aviation green*—

"x" is not greater than 0.440—0.320y;
"y" is not greater than y—0.170; and
"y" is not less than 0.390—0.170x.

(c) *Aviation white*—

"x" is not less than 0.350;
"y" is not greater than 0.540; and
"y—y₀" is not numerically greater than 0.01, "y₀" being the y coordinate of the Planckian radiator for which x₀=x.

§ 27.1399 Riding light.

(a) Each riding light required for water operation must be installed so that it can—

(1) Show a white light for at least two miles at night under clear atmospheric conditions; and

(2) Show a maximum practicable unbroken light with the rotorcraft on the water.

(b) Externally hung lights may be used.

§ 27.1401 Anticollision light system.

(a) *General.* If certification for night operation is requested, the rotorcraft must have an anticollision light system that—

(1) Consists of one or more approved anticollision lights located so that their emitted light will not impair the crew's vision or detract from the conspicuity of the position lights; and

(2) Meets the requirements of paragraphs (b) through (f) of this section.

(b) *Field of coverage.* The system must consist of enough lights to illuminate the vital areas around the rotorcraft, considering the physical configuration and flight characteristics of the rotorcraft. The field of coverage must extend in each direction within at least 30 degrees above and 30 degrees below the horizontal plane of the rotorcraft, except that there may be solid angles of obstructed visibility totaling not more than 0.5 steradians.

Subpart G—Operating Limitations and Information

§ 27.1501 General.

Each operating limitation specified in §§ 27.1503 through 27.1525 and other information necessary for safe operation, must be—

- Included in the Rotorcraft Flight Manual;
- Expressed in markings and placards; and
- Made available by any other means that will convey the information to the crewmembers.

OPERATING LIMITATIONS

§ 27.1503 Airspeed limitations: general.

- An operating speed range must be established.
- When airspeed limitations are a function of weight, weight distribution, altitude, rotor speed, power, or other factors, airspeed limitations corresponding with the critical combinations of these factors must be established.

§ 27.1505 Never-exceed speed.

- The never-exceed speed V_{NE} must be established so that it is—
 - Not less than V_Y with the engines at maximum continuous power; and
 - Not more than the lesser of—
 - 0.9V established under § 27.309; and
 - 0.9 times the maximum speed shown under §§ 27.251 and 27.629.
- V_{NE} may vary with altitude and rotor r.p.m., if the ranges of these variables are large enough to allow an operationally practical and safe variation of V_{NE} .

§ 27.1509 Rotor speed.

- Maximum power off (autorotation).** The maximum power-off rotor speed must be established so that it does not exceed 95 percent of the lesser of—
 - The maximum design r.p.m. determined under § 27.309(b); and
 - The maximum r.p.m. shown during the type tests.
- Minimum power off.** The minimum power-off rotor speed must be established so that it is not less than 105 percent of the greater of—
 - The minimum shown during the type tests; and

- The minimum determined by design substantiation.

(c) **Minimum power on.** The minimum power-on rotor speed must be established so that it is—

- Not less than the greater of—
 - The minimum shown during the type tests; and
 - The minimum determined by design substantiation; and
- Not more than a value determined under § 27.33(a) (1) and (b) (1).

§ 27.1519 Weight and center of gravity. The weight and center of gravity limitations determined under §§ 27.25 and 27.27, respectively, must be established as operating limitations.

§ 27.1521 Powerplant limitations.

(a) **General.** The powerplant limitations prescribed in this section must be established so that they do not exceed the corresponding limits for which the engines are type certified.

(b) **Takeoff operation.** The powerplant takeoff operation must be limited by—

- The maximum rotational speed, which may not be greater than—
 - The maximum value determined by the rotor design; or
 - The maximum value shown during the type tests;
- The maximum allowable manifold pressure (for reciprocating engines);
- The time limit for the use of the power corresponding to the limitations established in subparagraphs (1) and (2) of this paragraph;
- If the time limit in subparagraph (3) of this paragraph exceeds two minutes, the maximum allowable cylinder head, coolant outlet, or oil temperatures;
- The gas temperature limits for turbine engines over the range of operating and atmospheric conditions for which certification is requested.

(c) **Continuous operation.** The continuous operation must be limited by—

- The maximum rotational speed, which may not be greater than—
 - The maximum value determined by the rotor design; or
 - The maximum value shown during the type tests;
- The minimum rotational speed shown under the rotor speed requirements in § 27.1509(c); and

- The gas temperature limits for turbine engines over the range of operating and atmospheric conditions for which certification is requested.

(d) **Fuel grade or designation.** The minimum fuel grade (for reciprocating engines), or fuel designation (for turbine engines), must be established so that it is not less than that required for the operation of the engines within the limitations in paragraphs (b) and (c) of this section.

(e) **Turboshaft engine torque.** For rotorcraft with main rotors driven by turboshaft engines, and that do not have a torque limiting device in the transmission system, the following apply:

- A limit engine torque must be established if the maximum torque that the engine can exert is greater than—
 - The torque that the rotor drive system is designed to transmit; or
 - The torque that the main rotor assembly is designed to withstand in showing compliance with § 27.547(e).
- The limit engine torque established under subparagraph (1) of this paragraph may not exceed either torque specified in subdivision (1) (i) or (ii) of this paragraph.

§ 27.1523 Minimum flight crew.

The minimum flight crew must be established so that it is sufficient for safe operation, considering—

- The workload on individual crewmembers;
- The accessibility and ease of operation of necessary controls by the appropriate crewmember; and
- The kinds of operation authorized under § 27.1525.

§ 27.1525 Kinds of operation.

The kinds of operation to which the rotorcraft is limited are established by the flight characteristics and installed equipment.

§ 27.1529 Maintenance manual.

Each rotorcraft must have a maintenance manual containing any information that the applicant considers essential for proper maintenance, including recommended limits on service life or retirement periods for major components. These components must be identified by the manufacturer.

tified by serial number or equivalent means.

MARKINGS AND PLACARDS

§ 27.1541 General.

(a) The rotorcraft must contain—

- The markings and placards specified in §§ 27.1545 through 27.1565, and
- Any additional information, instrument markings, and placards required for the safe operation of rotorcraft with unusual design, operating or handling characteristics.

(b) Each marking and placard prescribed in paragraph (a) of this section—

- Must be displayed in a conspicuous place; and
- May not be easily erased, disfigured, or obscured.

§ 27.1543 Instrument markings: general.

For each instrument—

- When markings are on the cover glass of the instrument, there must be means to maintain the correct alignment of the glass cover with the face of the dial; and
- Each arc and line must be wide enough, and located, to be clearly visible to the pilot.

§ 27.1545 Airspeed indicator.

- Each airspeed indicator must be marked to show indicated airspeed.
- The following markings must be made:
 - For the limit beyond which operation is dangerous, a red radial line.
 - For the caution range, a yellow arc.
 - For the safe operating range, a green arc.

§ 27.1547 Magnetic direction indicator.

- A placard meeting the requirements of this section must be installed on or near the magnetic direction indicator.
- The placard must show the calibration of the instrument in level flight with the engines operating.
- The placard must state whether the calibration was made with radio receivers on or off.
- Each calibration reading must be in terms of magnetic heading in not more than 45 degree increments.

§ 27.1549 Powerplant instruments.

For each required powerplant instrument—

- (a) Each maximum and, if applicable, minimum safe operating limit must be marked with a red radial line;
- (b) Each normal operating range must be marked with a green arc not extending beyond the maximum and minimum safe operating limits; and
- (c) Each takeoff and precautionary range must be marked with a yellow arc.

§ 27.1551 Oil quantity indicator.

Each oil quantity indicator must be marked with enough increments to indicate readily and accurately the quantity of oil.

§ 27.1553 Fuel quantity indicator.

If the unusable fuel supply for any tank exceeds one gallon, or five percent of the tank capacity, whichever is greater, a red arc must be marked on its indicator extending from the calibrated zero reading to the lowest reading obtainable in level flight.

§ 27.1555 Control markings.

(a) Each cockpit control must be plainly marked as to its function and method of operation.

(b) For powerplant fuel controls—

- (1) Each fuel tank selector control must be marked to indicate the position corresponding to each tank and to each existing cross feed position;

(2) If safe operation requires the use of any tanks in a specific sequence, that sequence must be marked on, or adjacent to, the selector for those tanks; and

(3) Each valve control for any engine of a multielement rotorcraft must be marked to indicate the position corresponding to each engine controlled.

(c) The capacity of each tank must be marked on, or near each selector controlling that tank.

(d) For accessory, auxiliary, and emergency controls—

(1) Each essential visual position indicator, such as those showing rotor pitch or landing gear position, must be marked so that each crewmember can determine at any time the position of the unit to which it relates; and

(2) Each emergency control must be red and must be marked as to method of operation.

§ 27.1557 Miscellaneous markings and placards.

(a) *Baggage and cargo compartments, and ballast location.* Each baggage and cargo compartment, and each ballast location must have a placard stating any limitations on contents, including weight, that are necessary under the loading requirements.

(b) *Seats.* If the maximum allowable weight to be carried in a seat is less than 170 pounds, a placard stating the lesser weight must be permanently attached to the seat structure.

(c) *Fuel and oil filler openings.* The following must be marked on, or near, each appropriate filler cover:

- (1) The word "fuel", the minimum fuel grade or designation for the engines, and the usable fuel tank capacity.
- (2) The word "oil" and the oil tank capacity.

(d) *Emergency exit placards.* Each placard and operating control for each emergency exit must be red. A placard must be near each emergency exit control and must clearly indicate the location of that exit and its method of operation.

§ 27.1559 Operating limitations placard.

There must be a placard in clear view of the pilot stating: "This (helicopter, gyroplane, etc.) must be operated in compliance with the operating limitations specified in the FAA approved Rotorcraft Flight Manual."

§ 27.1561 Safety equipment.

(a) Each safety equipment control to be operated by the crew in emergency, such as controls for automatic liferaft releases, must be plainly marked as to its method of operation.

(b) Each location, such as a locker or compartment, that carries any fire extinguishing, signaling, or other life saving equipment, must be so marked.

§ 27.1565 Tail rotor.

Each tail rotor must be marked so that its disc is conspicuous under normal ground conditions.

ROTORCRAFT FLIGHT MANUAL**§ 27.1581 General.**

(a) *Furnishing information.* The applicable information in §§ 27.1583 through 27.1589 must be furnished—

(1) For each rotorcraft other than a helicopter, in a Rotorcraft Flight Manual; and

(2) For each helicopter, in a Rotorcraft Flight Manual or in any combination of manuals, markings, and placards.

(b) *Approval and segregation of information.* Each part of the Rotorcraft Flight Manual containing information prescribed in §§ 27.1583 through 27.1589 must be approved, segregated, identified, and clearly distinguished from each unapproved part of that manual.

(c) *Additional information.* Any information not specified in §§ 27.1583 through 27.1589 that is required for safe operation because of unusual design, operating, or handling characteristics, must be furnished.

§ 27.1583 Operating limitations.

(a) *Airspeed and rotor limitations.* Information necessary for the marking of airspeed and rotor limitations on, or near, their respective indicators must be furnished. The significance of each limitation and of the color coding must be explained.

(b) *Powerplant limitations.* Information must be furnished to explain the powerplant limitations, and to allow marking the instruments under §§ 27.1549 through 27.1553.

(c) *Weight and loading distribution.* The weight and center of gravity limits required by §§ 27.25 and 27.27, respectively, must be furnished, together with the items included in the empty weight in § 27.29(a). If the variety of possible loading conditions warrants, instructions must be included to allow ready observance of the limitations.

(d) *Flight crew.* When a flight crew of more than one is required, the number and functions of the minimum flight crew determined under § 27.1523 must be furnished.

(e) *Kinds of operation.* Each kind of operation for which the rotorcraft and its equipment installations are approved must be listed.

(f) *Unusable fuel.* If the unusable fuel in any tank exceeds one gallon, or five percent of tank capacity, whichever

is greater, there must be means to warn the flight personnel that the fuel remaining in that tank when the quantity indicator reads "zero" cannot be used safely in flight.

§ 27.1585 Operating procedures.

Parts of the manual containing operating procedures must have information concerning any normal and emergency procedures, and other information necessary for safe operation, including takeoff and landing procedures and associated airspeeds.

§ 27.1587 Performance information.

(a) The rotorcraft must be furnished with—

- (1) Enough information to determine the limiting height-speed envelope; and
- (2) Information relative to—

- (i) The hovering ceilings and the steady rates of climb and descent, as affected by any pertinent factors such as airspeed, temperature, and altitude; and

(ii) The maximum safe wind for operation near the ground.

(b) The Rotorcraft Flight Manual (if provided) must contain—

- (1) In its performance information section any pertinent information concerning the takeoff weights and altitudes used in compliance with § 27.51; and
- (2) In its operating procedures section—

(i) Any pertinent information concerning the takeoff procedure, including the kind of takeoff surface used in the tests and each appropriate climbout speed; and

(ii) Any pertinent landing procedures, including the kind of landing surface used in the tests and appropriate approach and glide airspeeds.

§ 27.1589 Loading information.

There must be loading instructions for each possible loading condition between the maximum and minimum weights determined under § 27.25 that can result in a center of gravity beyond any extreme prescribed in § 27.27, assuming any probable occupant weights.

DISTRIBUTION TABLE

Former section	Revised section	Former section	Revised section	Former section	Revised section	Former section	Revised section
6.0 (1st sentence)	27.1.	6.100 (a)-(c)	To be trans-ferred to Part 21 [New].	6.230(e)	27.475.	6.356	27.787.
6.0 (less 1st sentence)	Surplusage.	6.100 (less (a)-(c))	ferred to Part 21 [New].	6.230 (less (a)-(e))	27.477.	6.357	27.807.
6.1(a) (1)	Part 1 [New].			6.231	27.479.	6.358	27.831.
6.1(a) (2)	Surplusage.			6.231-1	Not a rule.	6.380	Surplusage.
6.1(a) (less (1) and (2))	Part 1 [New].			6.232	27.481.	6.381	27.853.
6.1(b)	Part 1 [New].			6.233	27.483.	6.382	27.855.
6.1(c) (1)	Part 1 [New].			6.234	27.485.	6.383	27.859.
6.1(c) (2)	Surplusage.			6.235	27.493.	6.384	27.861.
6.1(c) (3)	Part 1 [New].			6.236	27.255.	6.390	27.871.
6.1(c) (4)	Part 1 [New].			6.237 (introductory para-graph).	27.723.	6.391	27.873.
6.1(c) less (1) through (4)	Surplusage.			6.237(a)	27.725.	6.400	27.901.
6.1(d) (1)-(d) (2)	Executed.			6.237 (less introductory paragraph and (a)).	27.727.	6.400-1	27.901.
6.1(d) (3)	Surplusage.			6.240	27.505.	6.401 (less (c))	27.903.
6.1(d) (4)-(d) (5)	Executed.			6.245	27.521.	6.401 (c)	27.917.
6.1(d) (less (1)-(5))	Surplusage.			6.246	27.497.	6.410	27.921.
6.1(e) (1) (less symbol "IAS").	Part 1 [New].			6.247	27.501.	6.411	27.923.
Symbol "IAS"	To be trans-ferred to Part 1 [New].			6.250	27.547.	6.412	27.927.
6.1(e) (2)	Part 1 [New].			6.251 (c) (2d-4th sentences)	27.361.	6.413	27.931.
6.1(e) (3)	Part 1 [New].			6.251 (less (c) (2d-4th sentences))	27.361.	6.414	27.935.
6.1(e) (4)	Part 1 [New].			6.251 (less (c) (2d-4th sentences))	27.361.	6.415	27.935.
Symbol "EAS"	To be trans-ferred to Part 1 [New].			6.260	27.561.	6.418	27.955.
6.1(e) (2)	Part 1 [New].			6.300	27.601.	6.419	27.955.
6.1(e) (3)	Part 1 [New].			6.301	27.603.	6.421	27.959.
6.1(e) (4)	Part 1 [New].			6.302	27.605.	6.422	27.963.
Symbol "TAS"	To be trans-ferred to Part 1 [New].			6.303	27.607.	6.423 (a)	27.969.
6.1(e) (2)	Part 1 [New].			6.304	27.609.	6.423 (b)	27.971.
6.1(e) (3)	Part 1 [New].			6.305	27.611.	6.423 (c)	27.973.
6.1(e) (4)	Part 1 [New].			6.306	27.613.	6.423 (d)	27.975.
Symbol "TAS"	To be trans-ferred to Part 1 [New].			6.307 (a)	27.619.	6.423 (less (a)-(d))	27.977.
6.1(e) (2)	Part 1 [New].			6.307 (b)	27.621.	6.424 (less 2d and 3d sentences of note following (a)).	27.991.
6.1(e) (3)	Part 1 [New].			6.307 (c)	27.623.	2d and 3d sentences of note following § 6.424 (a).	Not a rule.
6.1(e) (4)	Part 1 [New].			6.310	27.625.	6.425 (e)	27.961.
6.1(e) (less (1)-(4))	Part 1 [New].			6.311	27.675.	6.425 (less (e))	27.993.
6.1(e) (less (1)-(4))	Part 1 [New].			6.312	27.659.	6.426	27.995.
6.1(f) (1) and (2)	Executed.			6.313	27.661.	6.427	27.997.
6.1(f) (3)	Surplusage.			6.320	27.671.	6.428	27.999.
6.1(f) (4)	Part 1 [New].			6.321	27.675.	6.429	27.1337.
6.1(f) (less (1)-(4))	Part 1 [New].			6.322	27.679.	6.430	27.1011.
6.1(f) (less (1)-(4))	Part 1 [New].			6.323	27.681.	6.440	27.1013.
6.1(f) (less (1)-(4))	Part 1 [New].			6.324	27.683.	6.441	27.1017.
6.1(f) (less (1)-(4))	Part 1 [New].			6.325	27.685.	6.442	27.1017.
6.1(f) (less (1)-(4))	Part 1 [New].			6.326	27.687.	6.443	27.1037.
6.1(f) (less (1)-(4))	Part 1 [New].			6.327	27.691.	6.444	27.1037.
6.1(f) (less (1)-(4))	Part 1 [New].			6.328	27.695.	6.447	27.1019.
6.1(f) (less (1)-(4))	Part 1 [New].			6.335	27.731.	6.450	27.1041.
6.1(f) (less (1)-(4))	Part 1 [New].			6.336	27.735.	6.451 (1st sentence)	27.1041.
6.1(f) (less (1)-(4))	Part 1 [New].			6.337	27.733.	6.451 (less 1st sentence)	27.1043.
6.1(f) (less (1)-(4))	Part 1 [New].			6.338	27.737.	6.452	27.1045.
6.1(f) (less (1)-(4))	Part 1 [New].			6.340	27.751.	6.460	27.1091.
6.1(f) (less (1)-(4))	Part 1 [New].			6.341 (a) and (b)	27.751.	6.461	27.1091.
6.1(f) (less (1)-(4))	Part 1 [New].			6.341 (less (a) and (b))	27.755.	6.461-1	Not a rule.
6.1(f) (less (1)-(4))	Part 1 [New].			6.342	27.755.	6.462	27.1098.
6.1(f) (less (1)-(4))	Part 1 [New].			6.350	27.771.	6.463	27.1121.
6.1(f) (less (1)-(4))	Part 1 [New].			6.351	27.773.	6.470	27.1141.
6.1(f) (less (1)-(4))	Part 1 [New].			6.352	27.775.	6.471	27.1143.
6.1(f) (less (1)-(4))	Part 1 [New].			6.353	27.777.	6.472	27.1145.
6.1(f) (less (1)-(4))	Part 1 [New].			6.354	27.783.	6.473	27.1147.
6.1(f) (less (1)-(4))	Part 1 [New].			6.355	27.785.	6.474	27.1163.
6.1(f) (less (1)-(4))	Part 1 [New].			6.355-1 (less 1st sentence)	27.785.	6.480	Surplusage.
6.1(f) (less (1)-(4))	Part 1 [New].			6.355-1 (1st sentence)	27.785.	Note following § 6.480	Not a rule.
6.1(f) (less (1)-(4))	Part 1 [New].			6.355-1 (1st sentence)	27.785.	Surplusage.	Surplusage.

thence clockwise along the Albany 30-mile radius circle to intercept a line 12 miles S of and parallel to the Albany VOR 295° radial, thence along this line to latitude 31°41'20" N, longitude 84°56'55" W, on the W along a line extending from latitude 31°41'20" N, longitude 84°56'55" W, to the INT of the centerline of V-159 and the S boundary of V-70, including that airspace from the W boundary of V-97 to a line 10 miles W of and parallel to the centerline of V-97, extending from the N boundary of V-22 to the 30-mile radius circle centered on Albany Municipal Airport; that airspace extending upward from 3,700 feet MSL bounded on the N by a line 12 miles S of and parallel to the Albany VOR 295° radial, extending from latitude 31°37'30" N, longitude 84°48'00" W, to intercept a 30-mile radius circle centered on Albany Municipal Airport, thence counterclockwise along an arc of this circle, on the E by a line 10 miles W of and parallel to the centerline of V-97, on the S and SW by V-22 and V-7, and on the W by the arc of a 35-mile radius circle centered on latitude 31°14'55" N, longitude 85°48'20" W, and a line beginning at latitude 31°14'35" N, longitude 85°10'45" W, thence to latitude 31°16'30" N, longitude 84°51'30" W, thence to latitude 31°37'30" N, longitude 84°48'00" W.

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

Issued in Washington, D.C., on November 17, 1964.

H. B. HELSTROM,
Acting Chief, Airspace Regulations
and Procedures Division.

[F.R. Doc. 64-11948; Filed, Nov. 23, 1964; 8:45 am.]

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

Designation of Control Zone

On September 12, 1964, a notice of proposed rule making was published in the FEDERAL REGISTER (29 F.R. 12879) stating that the Federal Aviation Agency proposed to designate a part-time control zone at Riverside Airport, Tulsa, Okla.

Interested persons were afforded an opportunity to participate in the rule making through submission of comments. All comments received were favorable.

In consideration of the foregoing, Part 71 [New] of the Federal Aviation Regu-

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

Alteration of Control Zone and Transition Area, and Revocation of Control Area Extension

On August 6, 1964, a notice of proposed rule making was published in the FEDERAL REGISTER (29 F.R. 11381) stating that the Federal Aviation Agency proposed to alter the controlled airspace in the Albany, Ga., terminal area.

Interested persons were afforded an opportunity to participate in the rule making through submission of comments. All comments received were favorable.

In consideration of the foregoing, Part 71 [New] of the Federal Aviation Regulations is amended, effective 0001 e.s.t. February 4, 1965, as hereinafter set forth.

1. Section 71.165 (29 F.R. 1073) is amended as follows: The Albany, Ga., control area extension is revoked.

2. In § 71.171 (29 F.R. 1101), the Albany, Ga., control zone is amended to read:

Within a 5-mile radius of Turner AFB (latitude 31°35'50" N, longitude 84°05'05" W.); within 2 miles each side of the 224° radial of the Turner VOR, extending from the 5-mile radius zone to 8 miles NE of the VOR; within 2 miles each side of the 038° radial of the Turner TACAN, extending from the 5-mile radius zone to 8 miles NE of the TACAN; within a 5-mile radius of Albany Municipal Airport (latitude 31°32'00" N, longitude 84°11'35" W); within 2 miles each side of the 155° radial of the Albany VOR, extending from the 5-mile radius zone to the VOR; and within 2 miles each side of the 098° radial of the Albany VOR, extending from the Turner 5-mile radius zone to the Albany VOR.

3. In § 71.181 (29 F.R. 1160), the Albany, Ga., transition area is amended to read:

That airspace extending upward from 700 feet above the surface within an 8-mile radius of Turner AFB (latitude 31°35'50" N, longitude 84°05'05" W.); and that airspace extending upward from 1,200 feet above the surface bounded on the N by V-70, on the E by the arc of a 40-mile radius circle centered on Turner AFB, on the S by a line extending along latitude 31°35'30" N, from the Turner AFB 40-mile radius circle to the arc of a 30-mile radius circle centered on Albany Municipal Airport (latitude 31°32'00" N, longitude 84°11'35" W.);

Former section	Revised section
Figure 6-4	Figure 6-4
6.637-1	6.637-1
6.640	6.640
6.643	6.643
6.644	6.644
6.650	6.650
6.700(a)	6.700(a)
6.700 (less (a))	6.700 (less (a))
6.710	6.710
6.711	6.711
6.712	6.712
6.713	6.713
6.714	6.714
6.716	6.716
6.717	6.717
6.718	6.718
6.719	6.719
6.730	6.730
6.731	6.731
6.732	6.732
6.733	6.733
6.734	6.734
6.735	6.735
6.736 (less last sentence)	6.736 (less last sentence)
Last sentence of § 6.736	Surplusage.
6.737	6.737
6.738(a)-(c)	6.738(a)-(c)
6.738(d)	6.738(d)
6.738(e)	6.738(e)
6.738 (less (a)-(e))	6.738 (less (a)-(e))
6.740	6.740
6.741	6.741
6.742	6.742
6.743	6.743
6.744	6.744
6.750-6.751	6.750-6.751
Appendix A	Appendix A
Appendix B	Appendix B
SR 392C	SR 392C
SR 392D	SR 392D
SR 425C	SR 425C
To be transferred to Part 45 [New].	To be transferred to Part 45 [New].
Not a rule.	Not a rule.
Expired.	Expired.
Expired.	Expired.
To be transferred to proposed Part 21 [New].	To be transferred to proposed Part 21 [New].
[F.R. Doc. 64-12026; Filed, Nov. 23, 1964; 8:50 a.m.]	[F.R. Doc. 64-12026; Filed, Nov. 23, 1964; 8:50 a.m.]

Former section	Revised section
6.481	6.481
6.482	6.482
6.483	6.483
6.484	6.484
6.485	6.485
6.486	6.486
6.600	6.600
6.601	6.601
6.602	6.602
6.603	6.603
6.604	6.604
6.605	6.605
6.606	6.606
6.610	6.610
6.611	6.611
6.612 (less (b) and (c))	6.612 (less (b) and (c))
6.612(b)	6.612(b)
6.612(c) (less last sentence)	6.612(c) (less last sentence)
6.612(c) (last sentence)	6.612(c) (last sentence)
6.613	6.613
6.617	6.617
6.618	6.618
6.619	6.619
6.620	6.620
6.621	6.621
6.622	6.622
6.623	6.623
6.624	6.624
6.625 (less last sentence of note following)	6.625 (less last sentence of note following)
Last sentence of note following § 6.625.	Not a rule.
6.626	6.626
6.627	6.627
6.628	6.628
6.630	6.630
6.631	6.631
6.632 (less note following (a)).	6.632 (less note following (a)).
Note following § 6.632(a)	Not a rule.
6.633	6.633
6.634	6.634
6.634-1 (less footnote 2)	6.634-1 (less footnote 2)
Footnote 2 of § 6.634-1	Not a rule.
Figure 6-1	Figure 6-1
Figure 6-2	Figure 6-2
Figure 6-3 and note following	Figure 6-3 and note following
6.635	6.635
6.636	6.636
6.637	6.637

lations is amended, effective 0001 e.s.t., March 4, 1965, as hereinafter set forth.

In § 71.171 (29 F.R. 1101) the following control zone is added:

TULSA, OKLA. (RIVERSIDE AIRPORT)

That airspace within a 3-mile radius of Riverside Airport, Tulsa, Okla. (latitude 36°02'19" N., longitude 95°59'00" W.). This control zone is effective from 0600 to 2200 hours, local time, daily.

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

Issued in Fort Worth, Tex., on November 16, 1964.

ARCHIE W. LEAGUE,
Director, Southwest Region.

[F.R. Doc. 64-11951; Filed, Nov. 23, 1964;
8:45 a.m.]

[Airspace Docket No. 64-WA-46]

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

PART 73—SPECIAL USE AIRSPACE [NEW]

Designation of Restricted Area and Alteration of Continental Control Area

On September 29, 1964, a notice of proposed rule making was published in the FEDERAL REGISTER (29 F.R. 13430) stating that the Federal Aviation Agency was considering amendments to Parts 73 and 71 [New] of the Federal Aviation Regulations which would designate restricted airspace for a weapons range complex in Dare County, N.C., and alter the description of the continental control area in order to reflect the establishment of such special use airspace.

The portion of the NPRM which stated that the Cherry Point transition area and the Edenton control area extension would be redescribed to exclude the proposed restricted area was included in error. If this action were taken, it would unnecessarily preclude, during the periods the restricted area is not being used by the military, the use of that airspace within the transition area and control area extension which coincides with the area herein designated as R-5314. This would be unnecessary since restricted area R-5314 is to be operated under the joint-use concept. Therefore, the descriptions of the transition area and control area extension are not changed herein.

It was also stated in the NPRM that the state of North Carolina and the Departments of the Air Force and the Navy had entered into agreements relevant to the use of the Dare County Range complex and that, among other matters, reviews of the effects of the range operation on migratory waterfowl would be conducted. Further, the Air Force and Navy agreed not to extend their operations in the Dare County Range until they have negotiated changes with the Office of the Governor of North Carolina and the Fish and Wildlife Service of the Department of the Interior. It is emphasized, at this point, that the final responsibility for effecting any altera-

tion necessitated by the review, or for other reasons, rests with the Federal Aviation Agency.

Interested persons were afforded the opportunity to participate in the rule making through the submission of comments. Due consideration was given to all relevant matter presented.

The Soaring Society of America, Inc., supported the proposal as written, with the understanding that it may be altered after consideration of other comments. The Society also urged the necessity of keeping the restricted area and its use as simple as possible in order that all users could better comply with, recognize, and accommodate the requisites of the range complex. The Federal Aviation Agency agrees with the comments of the Soaring Society and, accordingly, the restricted area is designated as simply as can be permitted after a thorough evaluation of military requirements, safety and welfare needs of persons and property on the surface, and the overall restricted airspace program.

The Weyerhaeuser Company, North Carolina Division, Plymouth, N.C., stated it was concerned that jet aircraft participating in the weapons delivery training will conduct flights over the company airport, located 12 miles west of the restricted area, at low altitudes that possibly could compromise the safety of company and other aircraft using the airport. It has requested that military aircraft be restricted to airspace not lower than 5,000 feet MSL west of the proposed restricted area and that descent from this altitude not be permitted until eastbound aircraft cross the proposed boundary of the restricted area. To designate the area west of R-5314 as requested would result in additional restricted airspace that is not considered to be warranted. All weapons delivery training maneuvers will be conducted within the boundaries of the proposed area and in consideration of safety the Air Force has stated that "aircraft will be confined within the restricted airspace by visual or airborne radar reference to geographical landmarks, constructed initial points and run-in lines." Flight outside the proposed restricted area will continue to be governed by pertinent Federal Aviation Regulations.

In consideration of the foregoing, Parts 71 and 73 [New] of the Federal Aviation Regulations are amended, effective January 7, 1965, as hereinafter set forth.

1. In § 73.53 (29 F.R. 1269) restricted area R-5314 is added as follows:

R-5314 DARE COUNTY, N.C.
SUBAREA A

Boundaries. Beginning at latitude 35°45'40" N., longitude 75°49'20" W.; to latitude 35°40'10" N., longitude 75°50'15" W.; to latitude 35°41'30" N., longitude 76°00'20" W.; to latitude 35°47'00" N., longitude 75°59'00" W.; to the point of beginning.

Designated altitudes. Surface up to, but not including, flight level 240.

Time of designation. Continuous.

Controlling agency. Federal Aviation Agency, Washington ARTC Center.

Using agency. Commander, 4th Tactical Fighter Wing, Seymour Johnson AFB, N.C.

SUBAREA B

Boundaries. Beginning at latitude 35°39'30" N., longitude 75°45'45" W.; to latitude 35°34'40" N., longitude 75°46'50" W.; to latitude 35°36'45" N., longitude 76°01'20" W.; to latitude 35°41'30" N., longitude 76°00'20" W.; to the point of beginning.

Designated altitudes. 500 feet above the surface to 14,000 feet MSL.

Time of designation. Continuous.

Controlling agency. Federal Aviation Agency, Washington ARTC Center.

Using agency. Commander, 4th Tactical Fighter Wing, Seymour Johnson AFB, N.C.

SUBAREA C

Boundaries. Beginning at latitude 35°48'30" N., longitude 75°43'40" W.; to latitude 35°45'00" N., longitude 75°44'35" W.; to latitude 35°47'00" N., longitude 75°59'00" W.; to latitude 35°51'35" N., longitude 75°57'55" W.; to latitude 35°49'30" N., longitude 75°45'00" W.; to the point of beginning.

Designated altitudes. 500 feet above the surface to 14,000 feet MSL.

Time of designation. Continuous.

Controlling agency. Federal Aviation Agency, Washington ARTC Center.

Using agency. Commander, 4th Tactical Fighter Wing, Seymour Johnson AFB, N.C.

[Airspace Docket No. 64-WA-46]

SUBAREA D

Boundaries. Beginning at latitude 35°40'30" N., longitude 75°52'15" W.; to latitude 35°38'40" N., longitude 75°52'35" W.; to latitude 35°39'00" N., longitude 75°54'35" W.; to latitude 35°40'40" N., longitude 75°54'10" W.; to the point of beginning.

Designated altitudes. Surface to 14,000 feet MSL.

Time of designation. Continuous.

Controlling agency. Federal Aviation Agency, Washington ARTC Center.

Using agency. Commander, 4th Tactical Fighter Wing, Seymour Johnson AFB, N.C.

SUBAREA E

Boundaries. Beginning at latitude 35°47'50" N., longitude 75°45'50" W.; to latitude 35°45'40" N., longitude 75°49'20" W.; to latitude 35°46'10" N., longitude 75°52'35" W.; to latitude 35°48'00" N., longitude 75°52'00" W.; to the point of beginning.

Designated altitudes. Surface to 14,000 feet MSL.

Time of designation. Continuous.

Controlling agency. Federal Aviation Agency, Washington ARTC Center.

Using agency. Commander, 4th Tactical Fighter Wing, Seymour Johnson AFB, N.C.

SUBAREA F

Boundaries. Beginning at latitude 35°45'00" N., longitude 75°44'35" W.; to latitude 35°39'30" N., longitude 75°45'45" W.; to latitude 35°40'10" N., longitude 75°50'15" W.; to latitude 35°45'40" N., longitude 75°49'20" W.; to the point of beginning.

Designated altitudes. 500 feet above the surface up to, but not including, flight level 240.

Time of designation. Continuous.

Controlling agency. Federal Aviation Agency, Washington ARTC Center.

Using agency. Commander, 4th Tactical Fighter Wing, Seymour Johnson AFB, N.C.

SUBAREA G

Boundaries. Beginning at latitude 35°49'40" N., longitude 75°58'20" W.; to latitude 35°38'55" N., longitude 76°01'00" W.; to latitude 35°39'20" N., longitude 76°05'00" W.; to latitude 35°50'20" N., longitude 76°02'30" W.; to the point of beginning.

Designated altitudes. 200 feet above the surface to 14,000 feet MSL.

Time of designation. Continuous.

Controlling agency. Federal Aviation Agency, Washington ARTC Center.

Using agency. Commander, 4th Tactical Fighter Wing, Seymour Johnson AFB, N.C.

SUBAREA H

Boundaries. Beginning at latitude 35°50'20" N., longitude 76°02'30" W.; to latitude 35°39'20" N., longitude 76°05'00" W.; to latitude 35°40'25" N., longitude 76°12'25" W.; to latitude 35°51'25" N., longitude 76°10'05" W.; to the point of beginning.

Designated altitudes. 500 feet above the surface to 5,000 feet MSL.

Time of designation. Continuous.

Controlling agency. Federal Aviation Agency, Washington ARTC Center.

Using agency. Commander, 4th Tactical Fighter Wing, Seymour Johnson AFB, N.C.

SUBAREA J

Boundaries. Beginning at latitude 35°51'25" N., longitude 76°10'05" W.; to latitude 35°40'25" N., longitude 76°12'25" W.; to latitude 35°43'50" N., longitude 76°35'30" W.; to latitude 35°54'50" N., longitude 76°33'10" W.; to the point of beginning.

Designated altitudes. 1,000 feet above the surface to 5,000 feet MSL.

Time of designation. Continuous.

Controlling agency. Federal Aviation Agency, Washington ARTC Center.

Using agency. Commander 4th Tactical Fighter Wing, Seymour Johnson AFB, N.C.

2. In § 71.151 (29 F.R. 1067) "R-5314 Dare County, N.C." is added.

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

Issued in Washington, D.C., on November 17, 1964.

CLIFFORD P. BURTON,
Acting Director,
Air Traffic Service.

[F.R. Doc. 64-11949; Filed, Nov. 23, 1964; 8:45 a.m.]

[Airspace Docket No. 64-SW-5]

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

PART 73—SPECIAL USE AIRSPACE [NEW]

Alteration of Restricted Area and Federal Airways

On April 2, 1964, a notice of proposed rule making was published in the *FEDERAL REGISTER* (29 F.R. 4742) stating that the Federal Aviation Agency proposed to redesignate Restricted Area/Military Climb Corridor R-6310 at Houston, Tex. (Ellington AFB) and to delete references to R-6310 as they appear in the descriptions of VOR Federal airways Nos. 15, 76 and 180.

Interested persons were afforded an opportunity to participate in the rule making through submission of comments. Due consideration was given to all relevant matter presented.

The Air Transport Association of America (ATA) objected to the realignment of the climb corridor due to intensive training activities by airline flight training crews south of Houston. Since Convair-880 training aircraft nor-

mally operate above FL-240 there will be no imposition on these flights. DC-3 and Convair-240 training aircraft, by remaining 8 miles south of Ellington AFB, would have 5,000 feet of free airspace, and by remaining 12 miles south of Ellington AFB, would have 9,000 feet of free airspace. Turbojet training flights operating mainly in the northeast and southeast quadrants at altitudes up to 20,000 feet would not be disrupted by the redesignation if they utilized the Houston and Galveston VORs since the realigned restricted area R-6310 would barely penetrate the southeast quadrant. The ATA also commented that maximum use of ATC radar should obviate the necessity of using a climb corridor at all. However, it has been determined that in areas of heavy VFR traffic such as this, a climb corridor is more desirable than in areas of light traffic, especially during active missions where high-angle climb is necessary for pertinent military training.

In consideration of the objections and suggestions submitted by the ATA it has been determined that by slight adjustments in the areas previously used by the airlines for training, both operations can be conducted satisfactorily and in a safe manner.

In consideration of the foregoing, Parts 71 and 73 [New] of the Federal Aviation Regulations are amended, effective 0001 e.s.t., December 10, 1964, as hereinafter set forth.

1. In § 73.63 (29 F.R. 1276), restricted area R-6310 is altered to read as follows:

R-6310 HOUSTON, TEXAS (ELLINGTON AFB),
RESTRICTED AREA/MILITARY CLIMB CORRIDOR

Boundaries. From a point of beginning at latitude 29°33'50" N., longitude 95°10'00" W., the area centered on a bearing therefrom of 183°, extending to a point 30 nmi S, having a width 1 nmi at the beginning and expanding uniformly to a width of 6 nmi at the outer extremity.

Designated altitudes.

2,000 feet MSL to 14,000 feet MSL from the point of beginning to 1 nmi S. 2,000 feet MSL to 16,000 feet MSL from 1 to 2 nmi S of the point of beginning. 2,000 feet MSL to 19,000 feet MSL from 2 to 3 nmi S of the point of beginning. 2,000 feet MSL to 21,000 feet MSL from 3 to 4 nmi S of the point of beginning. 2,000 feet MSL to 23,000 feet MSL from 4 to 6 nmi S of the point of beginning. 5,000 feet MSL to 23,000 feet MSL from 6 to 10 nmi S of the point of beginning. 9,000 feet MSL to 23,000 feet MSL from 10 to 13 nmi S of the point of beginning. 12,000 feet MSL to 23,000 feet MSL from 13 to 19 nmi S of the point of beginning. 16,000 feet MSL to 23,000 feet MSL from 19 to 25 nmi S of the point of beginning. 20,000 feet MSL to 23,000 feet MSL from 25 to 30 nmi S of the point of beginning.

Time of designation. Continuous.

Controlling agency. Federal Aviation Agency, Houston Approach Control.

Using agency. Commander, Ellington AFB, Texas.

2. In § 71.123 (29 F.R. 1009, 2999) V-15, V-76 and V-180 are amended as follows:

a. In V-15 delete "The airspace within R-6310 is excluded."

b. In V-76 delete "The airspace within R-6310 is excluded."

c. In V-180 delete "The airspace within R-6310 shall be used only after obtaining prior approval from appropriate authority."

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

Issued in Washington, D.C., on November 17, 1964.

CLIFFORD P. BURTON,
Acting Director,
Air Traffic Service.

[F.R. Doc. 64-11950; Filed, Nov. 23, 1964; 8:45 a.m.]

Title 50—WILDLIFE AND FISHERIES

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

PART 32—HUNTING

Horicon National Wildlife Refuge, Wisconsin

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

§ 32.32 Special regulations; big game; for individual wildlife refuge areas.

WISCONSIN

HORICON NATIONAL WILDLIFE REFUGE

Public hunting of deer and fox on the Horicon National Wildlife Refuge is permitted only on the area designated by signs as open to hunting. This open area, comprising 20,400 acres, is delineated on a map available at the refuge headquarters, Mayville, Wisconsin, and from the Regional Director, Bureau of Sport Fisheries and Wildlife, 1006 West Lake Street, Minneapolis, Minn., 55408. Hunting shall be in accordance with all applicable State regulations subject to the following special conditions:

(1) Shotgun season: 8:00 a.m., central standard time, November 30, 1964, until 4:00 p.m., central standard time, December 1, 1964. Bow and arrow season one-half hour before sunrise, central standard time, December 5, 1964, until sunset, central standard time, December 31, 1964.

(2) Hunting will be by State-issued permits during the shotgun season. Permits will not be required during the bow and arrow season.

(3) Entry to the refuge will be at access points designated by signs.

R. W. BURWELL,
Regional Director, Bureau of
Sport Fisheries and Wildlife.

NOVEMBER 16, 1964.

[F.R. Doc. 64-11981; Filed, Nov. 23, 1964; 8:48 a.m.]

Title 7—AGRICULTURE

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

SUBCHAPTER E—WAREHOUSE REGULATIONS

PART 101—COTTON WAREHOUSES

PART 102—GRAIN WAREHOUSES

Republication of Regulations

Parts 101 and 102 of Title 7, Chapter I, of the Code of Federal Regulations are republished as set forth below to include all outstanding amendments to date. No substantive changes are included in this republication.

CLARENCE H. GIRARD,
Deputy Administrator.

NOVEMBER 1964.

PART 101—COTTON WAREHOUSES

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AUTHORITY: The provisions of this Part 101 issued under Sec. 28, 39 Stat. 490; 7 U.S.C. 268.

DEFINITIONS

§ 101.1 Meaning of words.
Words used in this part in the singular form shall be deemed to import the plural, and vice versa, as the case may demand.

§ 101.2 Terms defined.

For the purpose of this part, unless the context otherwise requires, the following terms shall be construed, respectively, to mean:

(a) *The act*. The United States Warehouse Act, approved August 11, 1916 (39 Stat. 486; 7 U.S.C. 241-273), as amended.
(b) *Person*. An individual, corporation, partnership, or two or more persons having a joint or common interest.
(c) *Secretary*. The Secretary of Agriculture of the United States or any officer or employee of the Department to whom authority has heretofore been delegated, or to whom authority may hereafter be delegated, to act in his stead.

(d) *Administrator*. The Administrator of the Service or any other officer or employee of the Service to whom authority has heretofore lawfully been delegated, or may hereafter lawfully be delegated, to act in his stead.
(e) *Designated representative*. The Administrator.

(f) *Regulations*. Rules and regulations made under the act by the Secretary.

(g) *Department*. The United States Department of Agriculture.

(h) *Service*. The Agricultural Marketing Service of the Department.

(i) *Linters*. As far as applicable the regulations in this part shall include linters.

(j) *Warehouse*. Any building, structure, or other protected inclosure in which cotton is or may be stored for interstate or foreign commerce, or, if located within any place under the exclusive jurisdiction of the United States, in which cotton is or may be stored.

(k) *Warehouseman*. A person lawfully engaged in the business of storing cotton.

(l) *License*. A license issued under the act by the Secretary.

(m) *Licensed warehouseman*. A warehouseman licensed as such under the act.

(n) *Licensed warehouse*. A warehouse for the conduct of which a license has been issued.

(o) *Licensed warehouseman's bond*. A bond required to be given under the act by a licensed warehouseman.

(p) *Licensed classifier*. A person licensed under the act to classify according to grade or otherwise and certificate the grade or other class of cotton.

(q) *Licensed weigher*. A person licensed under the act to weigh and certify the weight of cotton.

(r) *Cotton examiner*. An officer of the Department of Agriculture designated by the Administrator for the purpose of hearing cotton appeals under §§ 101.75-101.85.

(s) *Receipt*. A warehouse receipt.

(t) *Bale*. A bale or other package.

(u) *State*. A State, Territory, or district of the United States.

(v) *Licensed sampler*. A person, employed by a licensed warehouseman, licensed under the act to draw samples

from cotton stored in the licensed warehouse at which such person is employed. (w) *Board of Cotton Examiners.* A board of cotton examiners properly qualified and designated as such under the regulations (Part 28 of this chapter) under the United States Cotton Standards Act.

WAREHOUSE LICENSES

§ 101.3 Application forms.

Applications for licenses under sections 4 and 9 of the act and for amendments of licenses under section 5 of the act shall be made to the Secretary upon forms prescribed for the purpose and furnished by the Service, shall be in English, shall truly state the information therein contained, and shall be signed by the applicant. The applicant shall at any time furnish such additional information as the Secretary or the Administrator shall find to be necessary to the consideration of his application.

§ 101.3a All facilities to be licensed or exempted.

All facilities within the same city or town used for the storage of cotton by an applicant for a warehouse license must qualify for a license and be licensed under the act if the applicant is to be licensed to operate as a cotton warehouseman in such city or town, unless the facilities which are not to be covered by a license are exempted by the Secretary or his designated representative upon a finding that, due to the exercise of adequate controls by some independent agency over the operation of non-federally licensed facilities, there would be no likelihood of interchange or substitution of cotton stored in such facilities with cotton stored in the federally licensed facilities. If all such facilities do not qualify for a license or for an exemption under this section, the applicant shall not be licensed under the act as a cotton warehouseman in the city or town in which the facilities in question are located. Each applicant for a warehouse license must apply for a license covering all facilities operated by him for the storage of cotton within the same city or town or for exemption as provided in this section. If a licensed cotton warehouseman acquires any additional cotton storage facilities with-

plication for license has been made, under the regulations in this part, shall have and maintain, above all exemptions and liabilities, net assets liable for the payment of any indebtedness arising from the conduct of the warehouse, equal to at least \$5.00 per bale for the maximum number of bales that the warehouse will accommodate when stored in the manner customary to the warehouse as determined by the Administrator: *Provided*, That the amount of such net assets shall not be less than \$10,000.00, and need not be more than \$100,000.00: *And provided further*, That any deficiency in the net assets required above the \$10,000.00 minimum may be supplied by an increase in the amount of the warehouseman's bond in accordance with § 101.12 (b). In case such a warehouseman has applied for licenses to conduct two or more warehouses in the same state, and his total assets are subject to the liabilities of each warehouse, such warehouses shall be deemed to be one warehouse for the purposes of determining the net assets required under this section. In determining total net assets, credit may be given for insurable property such as buildings, machinery, equipment, and merchandise inventory, only to the extent that such property is protected by insurance against loss or damage by fire. Such insurance shall be in the form of lawful policies issued by one or more insurance companies authorized to do such business and subject to service of process in suits brought in the state in which the warehouse is located. For the purposes of this section only, capital stock as such shall not be considered a liability.

(b) In case a state agency, licensed or applying for a license as provided in section 9 of the act, has funds of not less than \$500,000.00 guaranteeing the performance of obligations of the agency as a warehouseman, such funds shall be considered sufficient to meet the maximum net asset requirements of this section.

§ 101.6 License shall be posted.

Immediately upon receipt of his license or of any modification or extension thereof under the act, the warehouseman shall post the same, and thereafter, except as otherwise provided in the regulations in this part, keep it posted until

suspended or terminated, in a conspicuous place in the principal office where receipts issued by the warehouseman are delivered to depositors.

§ 101.7 Suspension or revocation of warehouse licenses.

Pending investigation, the Secretary, or his designated representative, whenever he deems necessary, may suspend a warehouseman's license temporarily without hearing. Upon written request and a satisfactory statement of reasons therefor, submitted by a warehouseman, the Secretary, or his designated representative, may, without hearing, suspend or cancel the license issued to such warehouseman. The Secretary, or his designated representative, may, after opportunity for hearing has been afforded in the manner prescribed in this section, suspend or revoke a license issued to a warehouseman when such warehouseman—

(a) Does not have a net worth of at least \$10,000.00;

(b) Has parted, in whole or in part, with his control over the licensed warehouse;

(c) Is in process of dissolution or has been dissolved;

(d) Has ceased to conduct such licensed warehouse;

(e) Has in any other manner become nonexistent or incompetent or incapacitated to conduct the business of the warehouse;

(f) Has made unreasonable or exorbitant charges for services rendered;

(g) Is operating in the same city or town in which his licensed warehouse facilities are located, any facility for storage of cotton which is not covered by a license or an exemption as provided in § 101.3a; or

(h) Has in any other manner violated or failed to comply with any provision of the act or the regulations in this part.

Whenever any of the conditions mentioned in paragraphs (a) through (h) of this section shall come into existence, it shall be the duty of the warehouseman to notify the Administrator immediately of the existing condition. Before a license is revoked or suspended (other than temporarily pending investigation) for any violation of, or failure to comply with, any provision of the act or of the regulations in this part, or upon the

(a) Each warehouseman conducting a warehouse licensed, or for which ap-

WAREHOUSE RECEIPTS

§ 101.16 Form.

(a) Every receipt, whether negotiable or non-negotiable, issued for cotton stored in a licensed warehouse shall, in addition to complying with the requirements of section 18 of the act, embody within its written or printed terms the following:

(1) The name of the licensed warehouseman and the designation, if any, of the warehouse;

(2) The license number of the warehouse;

(3) A statement whether the warehouseman is incorporated or unincorporated, and, if incorporated, under what laws;

(4) In the event the relationship existing between the warehouseman and any depositor is not that of strictly disinterested custodianship, a statement setting forth the actual relationship;

(5) The tag number given to each bale of cotton in accordance with § 101.31;

(6) A statement conspicuously placed, whether or not the cotton is insured, and, if insured, to what extent, by the warehouseman, against loss or damage by fire, lightning and other risks;

(7) The words "Not Negotiable," or "Negotiable," according to the nature of the receipt, clearly and conspicuously printed or stamped thereon;

(8) A blank space designated for the purpose in which the grade and/or other classification may be stated; and

(9) A statement to the effect that the weight was determined by a weigher licensed under the United States Warehouse Act.

(b) Except as to warehouse receipts issued on or before August 30, 1944, or when an expiration date authorized by the Department is shown on the face of the receipt, every negotiable receipt issued for cotton stored in a licensed warehouse shall be effective until surrendered for delivery of the cotton, and every non-negotiable receipt shall be effective until surrendered for delivery of the cotton or until all cotton covered by the receipt has been delivered in response to proper delivery orders of the person rightfully entitled to the cotton; *Provided*, That nothing contained in this section shall prohibit a warehouseman from legally selling the cotton when his accrued stor-

to the amount of the bond determined in accordance with paragraph (a) of this section, an amount equal to such deficiency.

(c) In case the Secretary, or his designated representative, finds the existence of conditions warranting such action, there shall be added to the amount of the bond determined in accordance with paragraphs (a) and (b) of this section, a further amount fixed by him, to meet such conditions.

§ 101.13 Amendment to license.

In case an application is made under § 101.3 for an amendment to a license and no bond previously filed by the warehouseman covers obligations arising under such amendment, the warehouseman shall, when notice has been given by the Secretary, or his designated representative, that such amendment will be granted upon compliance by such warehouseman with the act, file with the Secretary, within the time, if any, fixed in such notice, a bond complying with the act. In the discretion of the Secretary, a properly executed instrument in form approved by him, amending, extending, or continuing in force and effect the obligations of a valid bond previously filed by the warehouseman and otherwise complying with the act and the regulations in this part may be filed in lieu of a new bond.

§ 101.14 New bond required each year.

Whenever a license has been issued for a period longer than one year, such license shall not be effective beyond one year from its effective date unless the warehouseman shall have filed a new bond in the required amount with, and such bond shall have been approved by, the Secretary, or his designated representative, prior to the date on which said license would have expired had it been issued for but one year, subject to the provisions of § 101.13.

§ 101.15 Approval of bond.

No bond, amendment, or continuation thereof shall be accepted for the purposes of the act and the regulations in this part until it has been approved by the Secretary, or his designated representative.

bond forms, with such changes as may be necessary to adapt the forms to the type of legal entity involved:

Now, therefore, if the said license(s) or any amendments thereto be granted and said principal, and its successors and assigns operating said warehouse(s), shall:

Faithfully perform during the period of one year commencing -----, or until the termination of said license(s) in the event of termination prior to the end of the one year period, all obligations of a licensed warehouseman under the terms of the act and regulations thereunder relating to the above-named products; and

Faithfully perform during said one year period and thereafter, whether or not said warehouse(s) remain(s) licensed under the act, such delivery obligations and further obligations as a warehouseman as exist at the beginning of said one year period or are assumed during said period and prior to termination of said license(s) under contracts with the respective depositors of such products in the warehouse(s);

Then this obligation shall be null and void and of no effect, otherwise to remain in full force. For purposes of this bond, the aforesaid obligations under the act and regulations and contracts shall include obligations under any and all modifications of the act, the regulations, and the contracts that may hereafter be made, notice of which modifications to the surety being hereby waived.

§ 101.12 Amount of bond; additional amounts.

(a) The amount of bond to be furnished by each warehouseman under the regulations in this part shall be at the rate of \$5 per bale for the maximum number of bales that his warehouse will accommodate when stored in the manner customary to the warehouse as determined by the Administrator, but not less than \$5,000 nor more than \$100,000, except as provided in paragraphs (b) and (c) of this section. In case a warehouseman has applied for licenses to operate two or more warehouses in the same State under the regulations in this part, and his total assets are subject to the liabilities of each warehouse, he may, if he desires, give a single bond meeting the requirements of the act and the regulations in this part to cover all such warehouses and such warehouses shall be deemed to be one warehouse for the purposes of such bond.

(b) In case of a deficiency in net assets above the \$10,000 minimum, required under § 101.5, there shall be added

ground that unreasonable or exorbitant charges have been made for services rendered, the warehouseman involved shall be furnished by the Secretary, or his designated representative, a written statement specifying the charges and shall be allowed a reasonable time within which he may answer the same in writing and apply for a hearing, an opportunity for which shall be afforded in accordance with § 101.89.

§ 101.8 Return of suspended or revoked warehouse license.

In case a license issued to a warehouseman terminates or is suspended or revoked by the Secretary, or his designated representative, such license shall be returned to the Secretary. At the expiration of any period of suspension of such license, unless it be in the meantime revoked, the dates of the beginning and termination of the suspension shall be indorsed thereon, it shall be returned to the warehouseman to whom it was originally issued, and it shall be posted as prescribed in § 101.6; or in the discretion of the Administrator a new license may be issued.

§ 101.9 Lost or destroyed warehouse license.

Upon satisfactory proof of the loss or destruction of a license issued to a warehouseman, a duplicate thereof may be issued under the same number.

§ 101.10 Unlicensed warehousemen must not represent themselves as licensed.

No warehouse or its warehouseman shall be designated as licensed under the act and no name or description conveying the impression that it or he is so licensed shall be used, either in a receipt or otherwise, unless such warehouseman holds an unsuspended and unrevoked license for the conduct of such warehouse.

WAREHOUSE BONDS

§ 101.11 Bond required; time of filing.

Each warehouseman applying for a warehouse license under the act shall, before such license is granted, file with the Secretary or his designated representative a bond containing the following conditions and such other terms as the Secretary or his designated representative may prescribe in the approved

age and other charges approach the current market value of the cotton.

(c) Every negotiable receipt issued for cotton stored in a licensed warehouse shall, in addition to complying with paragraphs (a) and (b) of this section, embody within its written or printed terms the following: (1) If the cotton covered by such receipt was classified by a licensed classifier or a board of cotton examiners, a statement to that effect, and (2) a form of indorsement which may be used by the depositor, or his authorized agent, for showing the ownership of, and liens, mortgages, or other encumbrances on, the cotton covered by the receipt.

(d) Whenever the grade or other class of the cotton is stated in a receipt issued for cotton stored in a licensed warehouse, such grade or other class shall be determined by a licensed classifier or a board of cotton examiners upon the basis of a sample drawn in accordance with § 101.71, and shall be stated in the receipt in accordance with §§ 101.63 to 101.74.

(e) If a warehouseman issue a receipt omitting the statement of grade on request of the depositor, such receipt shall have clearly and conspicuously stamped or written on the face thereof the words "Not graded on request of depositor."

(f) Licensed receipts issued to cover linters shall be clearly and conspicuously marked "Linters".

(g) If a warehouseman issue a receipt under the act omitting any information not required to be stated, for which a blank space is provided in the form of the receipt, a line shall be drawn through such space to show that such omission has been made by the warehouseman.

§ 101.17 Copies of receipts.

At least one actual or skeleton copy of all receipts shall be made, and all copies, except skeleton copies, shall have clearly and conspicuously printed or stamped thereon the words "Copy—Not Negotiable." A copy of each receipt issued shall be retained by the warehouseman for a period of one year after December 31 of the year in which the corresponding original receipt is canceled.

§ 101.18 Lost or destroyed receipts; bond.

(a) In the case of a lost or destroyed receipt, a new receipt upon the same

terms, subject to the same conditions, and bearing on its face the number and the date of the receipt in lieu of which it is issued and a plain and conspicuous statement that it is a duplicate issued in lieu of a lost or destroyed receipt, may be issued upon compliance with the conditions set out in paragraph (b) of this section.

(b) Before issuing such new or duplicate receipt the warehouseman shall require the depositor or other person applying therefor to make and file with the warehouseman (1) an affidavit showing that he is lawfully entitled to the possession of the original receipt, that he has not negotiated or assigned it, how the original receipt was lost or destroyed, and, if lost, that diligent effort has been made to find the receipt without success, and (2) a bond in an amount double the value, at the time the bond is given, of the cotton represented by the lost or destroyed receipt. Such bond shall be in a form approved for the purpose by the Secretary, or his designated representative, shall be conditioned to indemnify the warehouseman against any loss sustained by reason of the issuance of such receipt, and shall have as surety thereon preferably a surety company which is authorized to do business, and is subject to service of process in a suit on the bond, in the State in which the warehouse is located, or at least two individuals who are residents of such State and each of whom owns real property therein having a value, in excess of all exemptions and encumbrances, equal to the amount of the bond.

§ 101.19 Printing of receipts.

No receipt shall be issued by a licensed warehouseman unless it is (a) in a form prescribed by the Administrator, (b) upon distinctive paper or card stock specified by the Administrator, (c) printed by a printer with whom the United States has a subsisting contract and bond for such printing, and (d) on paper manufactured by and procured from a manufacturer with whom the United States has a subsisting contract and bond for the manufacture of such paper, or on card stock distinctively tinted with fugitive ink by the printer in the manner prescribed by the contract under paragraph (c) of this section.

§ 101.20 Partial delivery of cotton.

If a warehouseman delivers a part only of a lot of cotton for which he has issued a negotiable receipt under the act, he shall take up and cancel such receipt and issue a new receipt in accordance with the regulations in this part for the undelivered portion of the cotton.

§ 101.21 Return of receipts before delivery of cotton.

Except as permitted by law or by the regulations in this part, a warehouseman shall not deliver cotton for which he has issued a negotiable receipt under the act until such receipt has been returned to him and canceled; and shall not deliver cotton for which he has issued a negotiable receipt until such receipt has been returned to him or he has obtained from the person lawfully entitled to such delivery or his authorized agent a written delivery order, properly signed, specifying by bale or tag number each bale to be delivered from any receipt or receipts. Before delivering, or upon delivery of, all the cotton covered by a nonnegotiable warehouse receipt, the warehouseman may require the surrender of the receipt. For the purpose of the regulations in this part, return of a receipt to a warehouseman means surrender of the receipt to the warehouseman at his office in the city or town in which the cotton is stored.

§ 101.22 Omission of grade; no compulsion by warehouseman.

No licensed warehouseman shall, directly or indirectly by any means whatever, compel or attempt to compel the depositor of any cotton in his warehouse to request the issuance of a receipt omitting the statement of grade.

DUTIES OF LICENSED WAREHOUSEMAN

§ 101.23 Insurance; requirements.

(a) When requested in writing by the depositor of cotton in a licensed warehouse, or by the holder of the receipt covering such cotton, to insure such cotton against loss or damage by fire, lightning, and other risks, each licensed warehouseman shall secure in his own name such insurance under reporting forms of policies which automatically attach for the full value of such cotton, including daily changes of value through market fluctuations and changes in the quantity

of such product from day to day, as soon as such cotton is placed in his legal custody, and he shall continue such insurance in effect so long as the cotton remains in his legal custody. Such insurance shall be covered by lawful policies issued by one or more insurance companies. Each warehouseman insuring cotton under the provisions of this section shall submit such reports to underwriters as may be required under the terms of such policies, and copies of such reports shall be submitted to the Department as it may require. If the warehouseman is unable to procure insurance to the extent requested, he shall, orally or by telegraph or by telephone, and at his own expense, immediately notify the person making the request of such fact. When insurance is not carried in the warehouseman's name, the receipt shall show that the cotton is not insured by the warehouseman. Nothing in this section shall be construed to prevent a licensed warehouseman from adopting a rule that he will insure all cotton stored in his warehouse, but if he elects to insure he shall accomplish such insurance through policies as above specified.

(b) Each warehouseman shall keep exposed conspicuously in the place prescribed by § 101.6, and at such other place as the Administrator or his representative may from time to time designate, a notice, stating briefly the conditions under which the cotton will be insured against loss or damage by fire, lightning, and other risks.

§ 101.24 Premiums; inspections; reports.

Each warehouseman shall, in accordance with his contracts with insurance and bonding companies for the purpose of meeting the insurance and bonding requirements of the regulations in this part, pay such premiums, permit such reasonable inspections and examinations, and make such reasonable reports as may be provided for in such contracts.

§ 101.25 Warehouseman to collect and pay over insurance.

Each warehouseman shall promptly take such steps as may be necessary and proper to collect any moneys which may become due under contracts of insurance entered into by him for the purpose of meeting the requirements of the regulations in this part, and shall, as soon as

collected, promptly pay over to the persons concerned any portion of such moneys which they may be entitled to receive from him.

§ 101.26 Care of cotton in licensed warehouse.

Each warehouseman shall at all times exercise such care in regard to cotton in his custody as a reasonably careful owner would exercise under the same circumstances and conditions.

§ 101.27 Care of other cotton and other commodities.

If, at any time, a warehouseman shall handle or store cotton otherwise than as a licensed warehouseman, or shall handle or store any other commodity, he shall so protect the same, and otherwise exercise such care with respect to it, as not to endanger the cotton in his custody as a licensed warehouseman or impair his ability to meet his obligations and perform his duties under the act and the regulations in this part. Nonlicensed cotton shall be kept separate from licensed cotton.

§ 101.28 Records to be kept in safe place.

Each warehouseman shall provide a metal fireproof safe, a fireproof vault, or a fireproof compartment in which he shall keep, when not in actual use, all records, books, and papers pertaining to the licensed warehouse, including his current receipt book, copies of receipts issued and canceled receipts, except that with the written consent of the Administrator or his representative, upon a showing by such warehouseman that it is not practicable to provide such fireproof safe, vault, or compartment, he may keep such records, books, and papers in some other place of safety, approved by the Administrator or his representative. Each canceled receipt shall be retained by the warehouseman for a period of six years after December 31 of the year in which the receipt is canceled and for such longer period as may be necessary for the purposes of any litigation which the warehouseman knows to be pending, or as may be required by the Administrator in particular cases to carry out the purposes of the act. Canceled receipts shall be arranged by the warehouseman in numerical order

not less than five days next preceding the date selected.

§ 101.30 Business hours.

(a) Each licensed warehouse shall be kept open for the purpose of receiving cotton for storage and delivering cotton out of storage every business day for a period of not less than six hours between the hours of 8 a.m. and 6 p.m., except as provided in paragraph (b) of this section. The warehouseman shall keep conspicuously posted on the door of the public entrance to his office and to his warehouse a notice showing the hours during which the warehouse will be kept open, except when such warehouse is kept open continuously from 8 a.m. to 6 p.m.

(b) In case the warehouse is not to be kept open as required by paragraph (a) of this section, the notice posted as prescribed in that paragraph shall state the period during which the warehouse is to be closed and the name of an accessible person, with the address where he is to be found, who shall be authorized to deliver cotton stored in such warehouse, upon lawful demand by the depositor thereof or the holder of the receipt therefor, as the case may be.

§ 101.31 Numbered tags to be attached to bales.

Each warehouseman shall, upon acceptance of any bale of cotton for storage, immediately attach thereto a numbered tag of good quality which shall identify the bale. Such tag either shall be made of reasonably heavy waterproof paper or linen, with reinforced eyelet or eyelets, and be attached to the bale with a flexible, rustproof wire, or shall be made of such other material and attached by such other means as shall be approved by the Administrator or his representative. The tags shall be attached in numerical sequence or any series of sequence clearly distinguishable from each other.

§ 101.32 Arrangement of stored cotton.

(a) Each warehouseman shall store each bale of cotton for which a receipt under the act has been issued so that the tag thereon, required by § 101.31 is visible and readily accessible, except as provided in paragraph (b) of this section, and shall arrange all other cotton in his

licensed warehouse so as to permit an accurate check thereof.

(b) If any licensed warehouseman is tendered for storage cotton of same grade and staple and in such quantity by any one depositor that efficiency of operation dictates that such cotton should be stored in lots without reference to visibility of all tags on all bales within any lot, the warehouseman may store such cotton of same grade and staple belonging to the same depositor in lots of not less than 25 bales nor more than 200 bales: *Provided, however*, That each bale entering into the lot must bear an individual identification tag, and each lot must be so stored that the number of bales within the lot may be accurately determined.

(c) An identification card or tag shall be attached by the warehouseman to each lot of cotton which shall show the lot number and the number of bales in the lot. The warehouseman shall also maintain an office record showing bale or tag number of each bale in the lot and the location of the lot in the warehouse. Each lot shall be so arranged as to be readily distinguishable from each and every other lot. When requested by a proper representative of the Department of Agriculture engaged in making an examination of the warehouse, the warehouseman shall tear or break down at his own expense such stacks or lots of cotton as the examiner deems necessary to a proper examination. Before any warehouseman undertakes to store in accordance with this section he shall submit a statement setting forth (1) his reasons for desiring to avail himself of this section and (2) the plan of storage he proposes to follow, and he shall secure prior permission from the Secretary or his designated representative to practice such method of storage.

§ 101.33 System of accounts.

Each warehouseman shall use for his licensed warehouse a system of accounts, approved for the purpose by the Service, which shall show for each bale of cotton the tag number mentioned in § 101.31, its weight, its class when its class is required to be, or is, ascertained, its location, the dates received for, and delivered out of, storage, and the receipts issued and canceled, and such accounts shall include a detailed record of all moneys received and disbursed and of all effective

insurance policies. Such records shall be retained by the warehouseman for a period of six years after December 31 of the year in which created, and for such longer period as may be necessary for the purposes of any litigation which the warehouseman knows to be pending, or as may be required by the Administrator in particular cases to carry out the purposes of the Act.

§ 101.34 Reports.

Each licensed warehouseman shall, from time to time, when requested by the Administrator, or his representative, make such reports, on forms prescribed and furnished for the purpose by the Service, concerning the condition, contents, operation, and business of the warehouse as the Administrator may require.

§ 101.35 Canceled receipts; auditing.

Each warehouseman, when requested by the Service, shall forward his canceled receipts for auditing to such field offices of the Service as may be designated from time to time. For the purpose of this section, only such portion as the Service may designate of each canceled receipt, numbered to correspond with the actual receipt number, need be submitted.

§ 101.36 Copies of reports to be kept.

Each warehouseman shall keep on file, as a part of the records of the warehouse, for a period of three years after December 31 of the year in which submitted, an exact copy of each report submitted by such warehouseman under the regulations in this part.

§ 101.37 Inspections and examinations of warehouses.

Each licensed warehouseman shall permit any officer or agent of the Department, authorized by the Secretary for the purpose, to enter and inspect or examine, on any business day during the usual hours of business, any warehouse for the conduct of which such warehouseman holds a license, the office thereof, the books, records, papers, and accounts relating thereto, and the contents thereof, and such warehouseman shall furnish such officer or agent, when he so requests, the assistance necessary to enable him to make any inspection or examination under this section.

§ 101.38 Weighing of cotton; weighing apparatus.

All cotton before being stored in a licensed warehouse, shall be weighed at the warehouse by a licensed weigher, and the weight so determined shall be stated on the warehouse receipt. Each licensed warehouse shall be equipped with scales acceptable to the Department for weighing cotton into and out of the warehouse. The weighing apparatus used for ascertaining the weight stated in a receipt or certificate, issued for cotton stored in a licensed warehouse, shall be subject to examination by any officer or agent of the Department designated by the Administrator for the purpose. If the Department shall disapprove such weighing apparatus, it shall not there- after, unless such disapproval be withdrawn, be used in ascertaining the weight of any cotton for the purposes of the act and the regulations in this part.

§ 101.39 Loose cotton.

Each warehouseman shall keep his warehouse reasonably free of loose cotton, except in a space or container separate and apart from other cotton.

§ 101.40 Excess storage.

If at any time a warehouseman shall store cotton in his licensed warehouse in excess of the capacity thereof determined in accordance with § 101.12, such warehouseman shall so arrange the cotton as not to obstruct free access thereto and the proper use of sprinkler or other fire protection equipment provided for such warehouse, and shall immediately notify the Administrator of such excess storage and arrangement thereof.

§ 101.41 Removal of cotton from storage.

Except as may be permitted by law or the regulations in this part, a warehouseman shall not remove any cotton, for storage, from the licensed warehouse or a part thereof designated in the receipt for such cotton, if by such removal the insurance thereon will be impaired, without first obtaining the consent in writing of the holder of the receipt, and indorsing on such receipt the fact of such removal. Under no other circumstances, unless it becomes absolutely necessary to protect the interests of holders of receipts, shall cotton be removed from the

warehouse, and immediately upon any such removal the warehouseman shall notify the Administrator of such removal and the necessity therefor.

§ 101.42 Storage of wet and fire-damaged cotton.

A warehouseman shall not place any bale of cotton that is excessively wet in contact with any other cotton in the licensed warehouse. A warehouseman shall not store in the same compartment with cotton that has not been damaged by fire any cotton that has been damaged by fire until the risk of fire therein has passed and the fire-damaged cotton has been removed from the bale, and then he shall not store it in contact with cotton that has not been so damaged.

§ 101.43 Cotton handling; storage; injuries.

A warehouseman shall not handle or store cotton in such manner as will injure or damage it, or in any part of the warehouse in which it is likely to be injured or damaged by excessive moisture, or otherwise.

§ 101.44 Fire loss to be reported by wire.

If at any time a fire shall occur at or within any licensed warehouse, it shall be the duty of the warehouseman to report immediately by wire to the Administrator the occurrence of such fire and the extent of damage.

§ 101.45 Signatures on receipts to be filed with Department.

Each warehouseman shall file with the Department the name and genuine signature of each person authorized to sign warehouse receipts for the licensed warehouseman, and shall promptly notify the Department of any changes as to persons authorized to sign, and shall file signatures of such persons.

§ 101.46 Signs on field warehouses.

(a) Every warehouseman operating a "field" or "custodian" warehouse shall, during the life of his license, display and maintain appropriate signs on the licensed warehouse, both on the inside and on the exterior walls of the warehouse, and particularly on doors and usual places of entry, in such manner as will ordinarily be calculated to give the public correct notice of his tenancy of all

buildings or parts thereof included in his license.

(b) Such signs shall be of such size and design as to readily attract the attention of the public and shall include the following: (1) The name and license number of the licensee, (2) the name of the warehouse, (3) whether the warehouseman is owner or lessee, and (4) the words "Public Warehouse."

(c) Such other wording or lettering may appear in the sign or signs not inconsistent with the purpose of the act and the regulations in this part subject to the approval of the Service.

(d) Immediately upon the expiration or suspension or revocation of a license all signs required under this section shall be removed from the warehouse.

(e) No sign other than that required by this section shall remain on a licensed warehouse.

§ 101.47 Certificates to be filed with warehouseman.

When a grade or weight certificate has been issued by a licensed grader or weigher, a copy of such certificate shall be filed with the warehouseman in whose warehouse the cotton covered by such certificate is stored, and such certificates shall become a part of the records of the licensed warehouseman. The licensed warehouseman shall also keep a copy of each Form A memorandum and Form C certificate issued by a board of cotton examiners which forms a basis of any receipt issued by the warehouseman. All certificates and memoranda within this section shall be retained in the records of the licensed warehouseman for a period of one year after December 31 of the year in which the receipt based on such certificates or memoranda is canceled.

§ 101.48 Drawing of samples.

Each warehouseman shall have in his employ at all times one or more licensed samplers whose duty it shall be to draw samples from any cotton stored or to be stored in the licensed warehouse if the owner of such cotton or any person having a legal right to have such cotton sampled requests that samples be drawn. When directed by the Administrator such requests shall be in writing. Such samplers shall perform their duties under the supervision and at the direction of the licensed warehouseman and

the samples shall be drawn in accordance with § 101.72.

§ 101.49 Samples; drawing and marking; how.

All samples drawn from cotton in the custody of a licensed warehouseman for storage in a licensed warehouse shall be drawn by licensed samplers in the employment of the licensed warehouseman and at his direction and under his supervision, except when they are drawn as provided in § 101.79 or are drawn by or under the direction of a cotton exchange inspection agency in accordance with the regulations in Part 27 of this chapter under the cotton futures legislation (26 U.S.C. 4851 et seq.) or are drawn under the supervision of a Cotton Division employee in accordance with the regulations in Part 28 of this chapter under the United States Cotton Standards Act (7 U.S.C. 51 et seq.). Each sample shall be appropriately marked to show the tag number of the bale of cotton from which it was drawn and the date of sampling. A record of the sampling, including the written request, if any, of the owner of the cotton or the person having a legal right to have such cotton sampled, shall be kept by the licensed warehouseman as a part of the warehouse records, for a period of one year after December 31 of the year in which such cotton is removed from the warehouse.

CROSS REFERENCE: For regulations under the Cotton Futures Act and the Cotton Standards Act, see Parts 27 and 28 of this chapter.

FEEs

§ 101.50 License fees.

There shall be charged and collected a fee of \$20 for each original warehouseman's license, and a fee of \$10 for each amended or reinstated warehouseman's license applied for by a warehouseman, and a fee of \$6 for each license, or amendment thereto, issued to a sampler, classifier, and/or weigher.

§ 101.51 Warehouse inspection fee.

There shall be charged and collected for each original inspection of a warehouse under the act, when such inspection is made upon application of a warehouseman, a fee at the rate of \$20 for each 1,000 bales of the cotton storage capacity of the warehouse, or fraction

thereof, determined in accordance with § 101.5 but in no case less than \$20 nor more than \$500; and for each reinspection, applied for by the warehouseman, a fee based on the extent of the reinspection, proportioned to, but not greater than, that prescribed for the original inspection.

§ 101.52 Advance deposit.

Before any warehouseman's license or amendment thereto, or any sampler's, classifier's and/or weigher's license is granted, or an original examination or inspection, or reexamination or reinspection, applied for by a warehouseman is made pursuant to the regulation in this part, the warehouseman, sampler, classifier, and/or weigher, shall deposit with the Service the amount of the fee prescribed therefor. Such deposit shall be made in the form of a check, certified if required by the Service, draft, or post-office or express money order, payable to the order of the "Treasurer of the United States."

§ 101.53 Return of excess deposit.

The Treasurer of the United States shall hold in his custody each advance deposit made under § 101.52 until the fee, if any, is assessed and he is furnished by the Service with a statement showing the amount thereof and against whom assessed. Any part of such advance deposit which is not required for the payment of any fee assessed shall be returned to the party depositing the same.

LICENSED CLASSIFIERS AND LICENSED

WEIGHERS

§ 101.54 Sampler's, classifier's, and weigher's applications.

(a) Applications for licenses to sample, classify and/or weigh cotton under section 11 of the act shall be made to the Administrator on forms furnished for the purpose by him.

(b) Each such application shall be in English, shall be signed by the applicant, shall be verified by him, under oath or affirmation administered by a duly authorized officer, and shall contain or be accompanied by—

(1) The name and location of a warehouse or warehouses licensed, or for which application for license has been made, under the act, in which cotton

sought to be sampled, classified and/or weighed under such license is or may be stored;

(2) A statement from the warehouseman conducting such warehouse showing whether or not the applicant is competent and is acceptable to such warehouseman for the purpose;

(3) Satisfactory evidence that he is competent to sample, classify and/or weigh cotton;

(4) A statement by the applicant that he agrees to comply with and abide by the terms of the act and the regulations in this part so far as the same may relate to him; and

(5) Such other information as the Administrator may deem necessary:

Provided, That when an application for a license to classify cotton is filed by a person who does not intend to classify cotton for any particular licensed warehouseman but who does intend to classify cotton stored or to be stored in a licensed warehouse and to issue class certificates therefor, as provided for by the act and the regulations in this part, independent of the warehouse receipts issued to cover such cotton, it shall not be necessary to furnish such statement as is required in this paragraph.

(c) For the purpose of classifying cotton under the regulations in this part, each licensed classifier who holds an unsuspended or unrevoked license under the Cotton Standards Act of March 4, 1923, and regulations thereunder to classify cotton and certificate the grade thereof shall be deemed competent and a license may be issued to him under the United States Warehouse Act upon furnishing the information required by paragraph (b) of this section except as specified in subparagraph (3).

(d) The applicant shall at any time furnish such additional information as the Secretary, or his designated representative, shall find to be necessary to the consideration of his application.

(e) A single application may be made by any person for a license as a sampler, classifier and weigher upon complying with all the requirements of this section.

§ 101.55 Examination of applicant.

Each applicant for a license as a sampler, classifier and/or weigher and each licensed sampler, classifier and/or weigher shall, whenever requested by an

authorized agent of the Department designated by the Administrator, for the purpose, submit to an examination or test to show his ability to properly sample, classify or weigh cotton, as the case may be, and shall also make available for inspection copies of the standards of classification or the weighing apparatus as the case may be, used or to be used by him.

§ 101.56 Posting of license.

Each licensed classifier shall keep his license conspicuously posted in the office where all or most of the classifying is done, and each licensed sampler and/or weigher shall keep his license conspicuously posted in the warehouse office or in such place as may be designated for the purpose by a representative of the Service.

§ 101.57 Duties of sampler, classifier and weigher.

Each licensed classifier or weigher without discrimination, as soon as practicable, and upon reasonable terms, classify or weigh and certificate the class or weight, respectively, of cotton stored or to be stored in a licensed warehouse to which his license applies, if such cotton is offered to him under such conditions as permit the proper performance of such functions; except that no class or weight certificate need be issued when the class or weight so determined is entered on a receipt by the licensed classifier or weigher making the determination thereof. Each licensed sampler shall sample cotton stored or to be stored in a licensed warehouse for which he holds a license, in accordance with § 101.48. Each licensed sampler, classifier, and weigher shall give preference to persons who request his services as such over persons who request his services in any other capacity. No class or weight certificate shall be issued under the act for cotton not in the custody of a licensed warehouseman for purposes of storage in a licensed warehouse, nor shall cotton not in the custody of such a warehouseman for such purpose be sampled by a licensed sampler acting as such.

§ 101.58 Class certificates; form.

(a) Each class certificate issued under the act by a licensed classifier shall be

in a form approved for the purpose by the Administrator, and shall embody within its written or printed terms—

- (1) The caption "Cotton class certificate";
- (2) Whether it is an original, a duplicate, or other copy;
- (3) The name and location of the licensed warehouse in which the cotton is or is to be stored;
- (4) The date of the certificate;
- (5) The location of the cotton at the time of classification;

(6) The identification of each bale of cotton by the tag number given to the bale in accordance with § 101.31 or if there be no such tag number by other marks or numbers;

(7) The grade or other class, except length of staple, of each bale of cotton covered by the certificate, in accordance with §§ 101.68-101.73, as far as applicable, and the standard or description in accordance with which the classification is made;

(8) A blank space designated for the purpose in which the length of staple may be stated;

(9) That the certificate is issued by a licensed classifier under the United States Warehouse Act and regulations thereunder; and

(10) The signature of the licensed classifier.

In addition, the class certificate may include any other matter not inconsistent with the act or the regulations in this part, provided the approval of the Service is first secured.

(b) Form A memorandums and Form C certificates issued by a board of cotton examiners and class certificates issued by licensed classifiers under the United States Cotton Standards Act (7 U.S.C. 51 et seq.) shall be deemed sufficient for the purposes of the United States Warehouse Act and the regulations in this part, if the samples on which they are based were drawn in accordance with applicable requirements of § 101.71, and, in case of a class certificate issued by such a licensed classifier, if the classifier holds an unsuspended and unrevoked license under each of said acts.

§ 101.59 Weight certificates; form.

Each weight certificate issued under the act by a licensed weigher shall be in a form approved for the purpose by the

Administrator, and shall embody within its written or printed terms—

- (a) The caption "Cotton weight certificate";
- (b) Whether it is an original, a duplicate, or other copy;
- (c) The name and location of the licensed warehouse in which the cotton is or is to be stored;
- (d) The date of the certificate;
- (e) The location of the cotton at the time of weighing;

(f) The identification of each bale of cotton by the tag number given to the bale in accordance with § 101.31 or if there be no such tag number by other marks or numbers;

(g) The gross weight of the cotton and, if the cotton be excessively wet or otherwise of a condition materially affecting its weight, a statement of such fact to which may be added the weigher's estimate of the number of pounds which should be allowed for such condition;

(h) That the certificate is issued by a licensed weigher under the United States Warehouse Act and the regulations thereunder; and

(i) The signature of such licensed weigher.

In addition, the weight certificate may include any other matter not inconsistent with the act or the regulations in this part, provided the approval of the Service is first secured.

§ 101.60 Combined class and weight certificates.

The class and weight of any cotton, ascertained by a licensed classifier and a licensed weigher, may be stated on a certificate meeting the combined requirements of §§ 101.58 and 101.59 if the form of such certificate shall have been approved for the purpose by the Administrator.

§ 101.61 Copies of certificates to be kept.

Each licensed classifier and each licensed weigher shall keep for a period of one year in a place accessible to interested persons a copy of each certificate issued by him under the regulations in this part and shall file a copy of each such certificate with the warehouse in which the cotton covered by the certificate is stored.

§ 101.62 Licensees to permit and assist in inspection.

Each licensed sampler, classifier, and/or weigher shall permit any officer or agent of the Department authorized by the Secretary for the purpose, to inspect or examine, on any business day during the usual hours of business, his books, papers, records, and accounts relating to the performance of his duties under the act and the regulations in this part, and shall, with the consent of the licensed warehouseman concerned, assist any such officer or agent in the inspection or examination mentioned in § 101.37 as far as any such inspection or examination relates to the performance of the duties of such licensed sampler, classifier, and/or weigher under the act and this part.

§ 101.63 Reports.

Each licensed sampler, classifier, and/or weigher shall, from time to time, when requested by the Administrator, make reports, on forms furnished for the purpose by the Service, bearing upon his activities as such licensed sampler, classifier, and/or weigher.

§ 101.64 Licenses; suspension or revocation.

Pending investigation, the Secretary, or his designated representative, may, whenever he deems necessary, suspend the license of a sampler, classifier and/or weigher temporarily without hearing. Upon a written request and a satisfactory statement of reasons therefor, submitted by a licensed sampler, classifier, and/or weigher, the Secretary, or his designated representative, may, without hearing, suspend or revoke the license issued to such licensed sampler, classifier, and/or weigher. The Secretary, or his designated representative, may, after opportunity for hearing has been afforded in the manner prescribed in this section, suspend or revoke a license issued to a licensed sampler, classifier, and/or weigher when such licensed sampler, classifier, and/or weigher (a) has ceased to perform services as such sampler, classifier, and/or weigher, or (b) has in any other manner become incompetent or incapacitated to perform the duties of such licensed sampler, classifier, and/or weigher. As soon as it shall come to the

attention of a licensed warehouseman that any of the conditions mentioned under (a) or (b) of this section exist, it shall be the duty of such warehouseman to notify, in writing, the Administrator. Before the license of any licensed sampler, classifier, and/or weigher is permanently suspended or revoked pursuant to section 12 of the act, such licensed sampler, classifier, and/or weigher shall be furnished by the Secretary or by his designated representative, a written statement specifying the charges and shall be allowed a reasonable time within which he may answer the same in writing and apply for a hearing, an opportunity for which shall be afforded in accordance with § 101.89.

§ 101.65 Suspended or revoked licenses; return; termination of license.

(a) In case a license issued to a sampler, classifier, and/or weigher is suspended or revoked by the Secretary, or his designated representative, such license shall be returned to the Secretary. At the expiration of any period of suspension of such license, unless in the meantime it be revoked, the dates of the beginning and termination of the suspension shall be endorsed thereon, and it shall be returned to the licensed sampler, classifier, and/or weigher to whom it was originally issued, and it shall be posted as prescribed in § 101.56.

(b) Any license issued, under the act and the regulations in this part, to a sampler, classifier, and/or weigher shall automatically terminate as to any warehouse whenever the license of such warehouse shall be revoked or canceled. Thereupon the license of such sampler, classifier, and/or weigher shall be returned to the Secretary. In case such license shall apply to other warehouses, the Secretary, or his designated representative, shall issue to him a new license, omitting the names of the warehouses covering which licenses have been revoked. Such new license shall be posted as prescribed in § 101.56.

§ 101.66 Lost or destroyed licenses.

Upon satisfactory proof of the loss or destruction of a license issued to a licensed sampler, classifier, and/or weigher, a duplicate thereof may be issued under the same number.

§ 101.67 Unlicensed classifiers and weighers.

No person shall in any way represent himself to be a sampler, classifier, and/or weigher licensed under the act unless he holds an unsuspended and unrevoked license issued under the act.

COTTON CLASSIFICATION

§ 101.68 Statement of class.

Whenever the grade or other class of cotton is required to be, or is, stated for the purpose of the act or the regulations in this part it shall be stated in accordance with §§ 101.68-101.73 as far as applicable.

§ 101.69 Official cotton standards of the United States.

The official cotton standards of the United States, established and promulgated under the United States Cotton Standards Act of March 4, 1923 (42 Stat. 1517; 7 U.S.C. 51-56), within their scope, are hereby adopted as the official cotton standards for the purposes of the act and the regulations in this part.

§ 101.70 Defective cotton; designation; terms defined.

- (a) Cotton that,
 - (1) Because of the presence of extraneous matter of any character or irregularities or defects, is reduced in value below that of Good Ordinary,
 - (2) Is below the grade of Good Ordinary,
 - (3) Is below the grade of Low Middling, if tinged,
 - (4) Is below the grade of Middling, if stained,
 - (5) Is linters,
 - (6) Is less than seven-eighths of an inch in length of staple,
 - (7) Is of perished staple,
 - (8) Is of immature staple,
 - (9) Is gin cut,
 - (10) Is reginned,
 - (11) Is repacked,
 - (12) Is false packed,
 - (13) Is mixed packed, or
 - (14) Is water packed, shall be designated as such.

In the case of subparagraph (1) of this paragraph the particular extraneous matter or irregularities or defects shall be stated.

- (b) If cotton be reduced in value, by reason of the presence of extraneous matter of any character or irregularities or defects, below its grade or below its apparent length of staple according to the official cotton standards of the United States, the grade or length of staple from which it is so reduced, and the grade or length of staple to which it is so reduced, and the quality or condition which so reduces its value shall be determined and stated.

- (c) For the purposes of this section, the following terms shall be construed, respectively, to mean:

- (1) *Cotton of perished staple.* Cotton that has had the strength of fiber as ordinarily found in cotton destroyed or unduly reduced through exposure to the weather either before picking or after baling, or through heating by fire, or on account of water packing, or by other causes.

- (2) *Cotton of immature staple.* Cotton that has been picked and baled before the fiber has reached a normal state of maturity, resulting in a weakened staple of inferior value.

- (3) *Gin-cut cotton.* Cotton that shows damage in ginning through cutting by the saws, to an extent that reduces its value more than two grades.

- (4) *Reginned cotton.* Cotton that has passed through the ginning process more than once and cotton that, after having been ginned, has been subjected to a cleaning process and then baled.

- (5) *Repacked cotton.* Cotton that is composed of factors', brokers', or other samples, or of loose or miscellaneous lots collected and rebaled, or cotton in a bale which is composed of cotton from two or more smaller bales or parts of bales.

- (6) *False packed cotton.* Cotton in a bale (i) containing substances entirely foreign to cotton, (ii) containing damaged cotton in the interior with or without any indication of such damage upon the exterior, (iii) composed of good cotton upon the exterior and decidedly inferior cotton in the interior in such manner as not to be detected by customary examination—that is, a plated bale, or (iv) containing pickings or linters worked into the bale.

- (7) *Mixed packed cotton.* Cotton in a bale which, in the samples drawn therefrom, shows (i) a difference of three or more grades, or (ii) a difference of

three or more color gradations, or (iii) a difference of two or more grades and two or more color gradations, or (iv) a difference in length of staple of one-eighth inch or more.

- (8) *Water packed cotton.* Cotton in a bale that has been penetrated by water during the baling process, causing damage to the fiber, or a bale that through exposure to the weather or by other means, while apparently dry on the exterior, has been damaged by water in the interior.

§ 101.71 Class based on inspection and sample.

Whenever the grade or other class of cotton is required to be, or is, stated by a warehouseman or a classifier or board of cotton examiners for the purposes of the act or the regulations in this part, it shall be based upon a careful inspection of and a sample properly drawn from the cotton. Samples submitted to a board of cotton examiners for issuance of Form A memorandums and samples upon which classification is to be determined by licensed classifiers for purposes of the Act and the regulations in this part shall be drawn by samplers licensed under the Act and said regulations and in accordance with § 101.72.

§ 101.72 Samples.

Each sample shall be approximately 6 ounces in weight, not less than 3 ounces of which are to be drawn from each side of the bale. Each sample must be representative of the bale from which drawn. Samples shall not be dressed or trimmed and shall be carefully handled in such manner as not to cause loss of leaf, sand, or other material, or otherwise change their representative character. Any sample which does not meet these requirements may be rejected.

§ 101.73 Lower grade (of two samples) to determine classification.

If a sample drawn from one portion of a bale is lower in grade or shorter in length than one drawn from another portion of such bale, the classification of the bale shall be that of the sample showing the lower grade or shorter length.

§ 101.74 Access to official cotton standards.

Each licensed warehouseman and each licensed classifier shall keep himself pro-

vided with, or have access to, a set of practical forms of the official cotton standards of the United States, or such parts thereof as the Administrator may deem necessary for use in the locality in which the licensed warehouse is located.

COTTON APPEALS

§ 101.75 Who may appeal.

Whenever the grade or other class of cotton, for which official cotton standards of the United States are in effect, is stated on a receipt or a cotton class certificate issued under the act and the regulations in this part, and a question arises as to the true grade or other class of such cotton, any person having an interest in the cotton may take an appeal for the determination of such question.

§ 101.76 Complaint.

In order to take such an appeal a complaint in writing in accordance with § 101.77 shall be filed with a duly authorized cotton examiner or a board of cotton examiners, or with the Administrator, who shall designate a cotton examiner or a board of cotton examiners for the purpose of disposing of such complaint.

§ 101.77 Contents of complaint.

Such complaint shall be in English and shall state:

- (a) The name and post office address of the complainant and the nature of his interest in the cotton,
- (b) The name and post office address of the holder of the receipt, if he be not the complainant, and of any other interested party,
- (c) The name and location of the licensed warehouse in which the cotton is stored, and the tag number assigned to each bale of cotton involved in the appeal in accordance with § 101.31, the grade or other class assigned to such cotton by the licensed warehouseman, and the date of the receipt issued therefor,
- (d) The grade or other class assigned by the licensed classifier, if any,
- (e) The grade or other class, different from that assigned by the licensed warehouseman, which is contended for by any interested party,
- (f) Whether, within complainant's knowledge, any appeal involving the same cotton previously has been taken, and if so, an appropriate identification of such other appeal.

(g) If samples have been agreed upon and are submitted in accordance with § 101.79(b), a statement thereof.

The complainant shall file with his complaint, when practicable, or before the issuance of the cotton appeal certificate, in the appeal, the warehouse receipt or class certificate, if any, covering the cotton involved in the appeal. When such receipt or certificate is not filed a definite statement indicating why such papers are not produced shall be filed.

§ 101.78 Proof of agent's authority.

In case a complaint is filed under §§ 101.75-101.77 by a person purporting to act in behalf of another person, the Administrator, or the cotton examiner or the board of cotton examiners with whom it was filed, may, if considered necessary, require proof of the authority of such person to file the complaint.

§ 101.79 Determination of appeals; samples.

(a) Appeals taken hereunder shall be determined upon the basis of samples of the cotton involved which have been drawn and submitted in accordance with this section.

(b) The complainant may submit samples of the cotton involved which have been agreed upon by the licensed warehouseman in whose warehouse the cotton is stored and the interested parties other than such warehouseman, or have been drawn by a disinterested person selected for the purpose by the warehouseman and such parties. Such samples shall be drawn in accordance with § 101.72.

(c) If samples which have been submitted pursuant to paragraph (b) of this section be deemed unsatisfactory, the cotton examiner or board of cotton examiners by whom the appeal is heard or the Administrator may require the submission of new samples in accordance with paragraph (b) of this section.

(d) In case samples are not submitted in accordance with paragraph (b) or (c) of this section, the Administrator, the cotton examiner, or board of cotton examiners by whom the appeal is heard may dismiss the appeal as provided in § 101.80, or samples may be drawn from the cotton involved by a cotton examiner or by a disinterested person designated for the purpose by the cotton examiner

or the board of cotton examiners by whom the appeal is heard or by the Administrator, and the complainant shall cause the cotton to be made accessible for the purpose of drawing such samples.

§ 101.80 Dismissal of appeals.

The Administrator or the cotton examiner or board of cotton examiners by whom an appeal is heard may dismiss such appeal upon request of the complainant, or for noncompliance with the regulations in this part, or if it be found that the appeal was not taken in good faith. In case of an appeal filed in the first instance with a cotton examiner, a dismissal upon request of the complainant shall be made only before notice of grade or other class as provided in § 101.81 is issued.

§ 101.81 Cotton appeal certificate.

When an appeal filed with a board of cotton examiners has been determined, it shall immediately issue a cotton appeal certificate. When an appeal has been determined by a cotton examiner he shall issue a notice, a copy of which shall be sent by him to all parties shown by the record of the appeal to have an interest therein. In such notice the grade or other class assigned by him to the cotton involved in the appeal shall be stated, and any such interested party shall have a reasonable time, fixed in such notice, within which he may request of the Administrator a review of the appeal by a board of cotton examiners. In case such request is not filed with such cotton examiner in the time fixed therefor, or in case within such time every such interested party waives in writing a review by a board of cotton examiners, the cotton examiner shall immediately issue a cotton appeal certificate showing the grade or other class assigned to the cotton by him. In case a request under this section for a review of an appeal is filed within the time fixed for the filing of such request, the cotton examiner shall note in his records the time of such filing and shall immediately notify the Administrator, who shall cause the appeal to be reviewed and a cotton appeal certificate issued showing the grade or other class assigned upon such review. Immediately upon the issuance of a cotton appeal certificate under this section, the origi-

nal thereof, together with any receipt covering such cotton filed in the appeal, shall be sent to the licensed warehouseman concerned, and a copy shall be sent to each other person shown by the record of the appeal to be interested therein.

§ 101.82 Expenses paid by complainant.

All expenses for the transmission of communications from the complainant, for telegraph and telephone toll charges on messages addressed to him, and for drawing and submitting samples required by § 101.79, including such traveling expenses, if any, incurred in accordance with the fiscal regulations of the Department as the Administrator may deem proper, shall be borne by the complainant in the appeal in connection with which such expenses were incurred.

§ 101.83 Advance deposit by complainant.

If required by the cotton examiner or board of cotton examiners by whom the appeal is heard, the complainant shall make an advance deposit to cover the expenses payable by him under § 101.82. Such deposit shall be in an amount fixed by the cotton examiner or board of cotton examiners, and shall be in the form of a check, certified if required by the Administrator or a post office or express money order, payable to the order of "Treasurer of the United States." As soon as possible after the determination of an appeal in connection with which any such advance deposit shall have been made, the Administrator shall furnish the Treasurer of the United States with a statement of the expenses, if any, chargeable against such advance deposit. Thereupon the Treasurer of the United States shall return to the person making the advance deposit as much thereof as shall not be required for the payment of such expenses.

§ 101.84 New warehouse receipt.

Upon demand by the lawful holder of a receipt for cotton involved in an appeal under §§ 101.75-101.85, the licensed warehouseman shall surrender to such holder the original cotton appeal certificate issued in such appeal, and, if the grade or other class shown by such certificate be different from that shown by the receipt, shall, upon the return

of the old receipt, issue a new receipt stating the grade or other class shown by such cotton appeal certificate.

§ 101.85 Disposition of samples.

Samples submitted in appeals under this part may be used for the purposes of the Department or disposed of in accordance with the property regulations of the Department, and the proceeds, if any, covered into the Treasury of the United States as miscellaneous receipts, or may, at any time, in the discretion of the Administrator, be returned to the complainant at his expense.

MISCELLANEOUS

§ 101.86 Bonds required.

Every person applying for a license, or licensed, under section 9 of the act, shall, as such, be subject to all portions of these regulations so far as they may relate to warehousemen. In case there is a law of any State providing for a system of warehouses owned, operated, or leased by such State, a person applying for a license under section 9 of the act, to accept the custody of cotton and to store the same in any of said warehouses, may, in lieu of a bond or bonds, complying with §§ 101.11 and 101.12, file with the Secretary a single bond meeting the requirements of the act and regulations in such form, and in such amount not less than \$5,000, as he shall prescribe, to insure the performance by such person, with respect to the acceptance of the custody of cotton and its storage in the warehouses in such system for which licenses are or may be issued, of his obligations arising during the periods of such licenses, and in addition, if desired by the applicant, during the periods of any renewals or extensions thereof. In fixing the amount of such bond, consideration shall be given, among other appropriate factors, to the character of the warehouses involved, their actual or contemplated capacity, the bonding requirements of the State, and its liability with respect to such warehouses. If the Secretary, or his designated representative, shall find the existence of conditions warranting such action, there shall be added to the amount of the bond so fixed, a further amount, fixed by him, to meet such conditions.

PART 102—GRAIN WAREHOUSES

§ 101.87 Publications.		shall be afforded an opportunity to file proposed findings of fact, conclusions of law, and orders, after which the official before whom the hearing is held shall prepare his report including his recommended findings of fact, conclusions of law, and order, which shall be served upon the parties, who may file exceptions thereto within a time specified by such official. After the expiration of such time, such report together with any proposed findings of fact, conclusions of law, and orders, and exceptions filed by the parties shall be transmitted to the Secretary for consideration. Each party shall pay all expenses contracted by him in connection with any hearing under this section.	
§ 101.88 Information of violations.		Every person licensed under the act shall immediately furnish the Service any information which comes to the knowledge of such person tending to show that any provision of the act or the regulations in this part has been violated.	
§ 101.89 Procedure in hearings.		For the purpose of hearings under the act or the regulations in this part, except those relating to appeals or arbitrations, the licensee involved shall be allowed a reasonable time within which affidavits and other proper evidence may be submitted. If requested by the licensee within such time, an oral hearing, of which reasonable notice shall be given, shall be held before, and at a time and place fixed by an official authorized by the Secretary. The testimony of the witnesses at such oral hearing shall be upon oath or affirmation administered by the official before whom the hearing is held, when required by him. Such oral hearing may be adjourned by such official from time to time. After reasonable notice to all parties concerned, the deposition of any witness may be taken at a time and place and before a person designated for the purpose by the official before whom the hearing is held. Every written entry in the records of the Department made by an officer or employee thereof in the course of his official duty, which is relevant to the issue involved in a hearing, shall be admissible as prima facie evidence of the facts stated therein without the production of such officer or employee. Copies of all papers and all the evidence submitted or considered in such hearing shall be made a part of the records of the Department. At the end of the oral hearing, the parties	
§ 101.90 One document and one license to cover several products.		A license may be issued for the storage of two or more agricultural products in a single warehouse. Where such a license is desired, a single application, inspection, bond, record, report or other paper, document or proceeding relating to such warehouse, shall be sufficient unless otherwise directed by the Administrator.	
§ 101.91 Assets and bond; combination warehouses.		Where such license is desired, the amount of the bond, net assets, and inspection and license fees shall be determined by the Administrator in accordance with the regulations applicable to the particular agricultural product which would require the largest bond and of fees if the full capacity of the warehouse was used for its storage.	
§ 101.92 Amendments.		Any amendment to, or revision of this part, unless otherwise stated therein, shall apply in the same manner to persons holding licenses at the time it becomes effective as it applies to persons thereafter licensed under the act.	
Sec. 102.1	Meaning of words.	Sec. 102.43	Removal of specially stored grain.
102.2	Terms defined.	102.44	Grades and weights; bulk grain.
		102.45	Storage of identity-preserved grain.
		102.46	Sacked grain.
		102.47	Warehouses to be kept clean.
		102.48	Delivery of fungible grain.
		102.49	Cleaning of grain.
102.3	Application form.	102.50	Grades; separate in storage.
102.3a	All facilities to be licensed or exempted.	102.51	Stocks to be in balance by grades.
102.4	Scales; bin numbers.	102.52	Out-of-condition and damaged grain.
102.5	Signs of tenancy; posting.	102.53	Reconditioning grain.
102.6	Net assets.	102.54	Notice of condition of grain.
102.7	Grounds for not issuing license.	102.55	Sale of grain at public auction.
102.8	Posting of license.	102.56	Identity-preserved grain; acceptance.
102.9	Warehouse license; suspension; revocation.		
102.10	Return of suspended or revoked license.		
102.11	Lost or destroyed warehouse license.		
102.12	Unlicensed warehousemen must not represent themselves as licensed.		
			FEES
		102.57	License fees.
		102.58	Warehouse inspection fee.
		102.59	Advance deposit.
		102.60	Return of excess deposit.
			INSPECTORS AND WEIGHERS
		102.61	Inspectors' and weighers' applications.
102.13	Bond required; time of filing.	102.62	Examination.
102.14	Amount of bond; additional amounts.	102.63	Posting of license.
102.15	Amendment to license.	102.64	Duties of inspector and weigher.
102.16	New bond required each year.	102.65	Inspection certificate; form.
102.17	Approval of bond.	102.66	Copies of certificate to be accessible.
		102.67	Weight certificate.
		102.68	Certificate; grade and weight.
		102.69	Copies of certificates to be kept.
102.18	Form.	102.70	Inspections.
102.19	Grain must be inspected and weighed.	102.71	Reports.
102.20	Copies of receipts.	102.72	Licenses; suspension or revocation.
102.21	Lost or destroyed receipts; bond.	102.73	Suspended or revoked license; termination of license.
102.22	Printing of receipts.	102.74	Lost or destroyed licenses.
102.23	Partial delivery of grain.	102.75	Unlicensed inspectors and weighers.
102.24	Return of receipts before delivery of grain.		GRAIN GRADING
102.25	Nonnegotiable receipts.	102.76	Grade; statement.
102.26	Omission of grade; no compulsion by warehouseman.	102.77	Official grain standards of the United States.
102.27	Loading out without weighing.	102.78	Standards of grades for other grain.
102.28	Persons authorized to sign receipts.	102.79	Grades based on inspection and sample.
102.29	Receipts; basis for issuance.		GRAIN APPEALS
102.30	Receipts for stored grain.	102.80	Appeal procedure.
102.31	No receipts for screenings.	102.81	Complaint.
102.32	Canceled receipts; auditing.	102.82	Contents of complaint.
		102.83	Proof of agent's authority.
102.33	Duties of warehouseman.	102.84	Certificate of inspection and receipt.
102.34	Insurance; requirements.	102.85	Filing complaint; extension.
102.35	Records; safe keeping.	102.86	Determination of appeals; samples.
102.36	Warehouse charges.	102.87	Representative samples.
102.37	Business hours.	102.88	Appeal; dismissal.
102.38	System of accounts.	102.89	Grade certificates; issuance.
102.39	Reports required.	102.90	Grain grade appeal fees.
		102.91	Advance deposit; fees; how paid.
		102.92	Disposition of samples.
102.40	Care of grain in licensed warehouse.	102.93	Appeal; not to be refused.
102.41	Care of other grain and other commodities.	102.94	Appeal; freedom.
102.42	Excess storage.	102.95	

MISCELLANEOUS

- Sec. 102.96 Bonds required; re State warehouses.
102.97 Publications.
102.98 Information of violations.
102.99 Procedure in hearings.
102.100 One document and one license to cover several products.
102.101 Assets and bond; combination warehouses.
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TERMINAL AND FUTURES CONTRACT MARKETS
102.103 Futures contract markets defined.
102.104 Licenses to weigh grain; futures markets.
102.105 Registrar of warehouse receipts; futures contract market.
102.106 Licenses to State and other employees.
102.107 License to chief sampler or deputy.
102.108 Additional bonding required.
102.109 Examination of warehouses; board of trade interest.
102.110 Registration of public warehouse receipts; protection.
102.111 Terminal markets.

AUTHORITY: The provisions of this Part 102 issued under sec. 28, 29 Stat. 490; 7 U.S.C. 268, except as otherwise noted.

CROSS REFERENCE: For official grain standards of the United States, see Part 26 of this chapter.

DEFINITIONS

§ 102.1 Meaning of words.

Words used in this part in the singular form shall be deemed to import the plural, and vice versa, as the case may demand.

§ 102.2 Terms defined.

For the purposes of this part, unless the context otherwise requires, the following terms shall be construed, respectively, to mean:

- (a) *The act.* The United States Warehouse Act, approved August 11, 1916 (39 Stat. 486; 7 U.S.C. 241-273), as amended.
(b) *Person.* An individual, corporation, partnership, or two or more persons having a joint or common interest.
(c) *Department.* The United States Department of Agriculture.
(d) *Secretary.* The Secretary of Agriculture of the United States or any officer or employee of the Department to whom authority has heretofore been delegated, or to whom authority may hereafter be delegated, to act in his stead.

(e) *Designated representative.* The Administrator.

(f) *Administrator.* The Administrator of the Service or any other officer or employee to whom authority has heretofore lawfully been delegated, or may hereafter lawfully be delegated, to act in his stead.

(g) *Service.* The Agricultural Marketing Service of the Department.

(h) *Regulations.* Rules and regulations made under the act by the Secretary.

(i) *Dockage.* Dockage in grain as defined by the official grain standards of the United States.

(j) *Grain.* All products commonly classed as grain, such as wheat, corn, oats, barley, rye, flaxseed, rough, brown, and milled rice, sunflower seeds, field peas, soybeans, emmer, grain sorghums, and such other products as are ordinarily stored in grain warehouses, subject to the disapproval of the Administrator.

(k) *Nonstorage grain.* Grain received temporarily into a warehouse for conditioning, transferring, assembling for shipment, or lots of grain moving through a warehouse for current merchandising or milling use, against which no receipts are issued and no storage charges assessed: *Provided,* That merchandising or milling stocks held in storage as reserve stocks, or stored for use at an indefinite future date, may not be treated as nonstorage grain.

(l) *Warehouse.* Unless the context otherwise clearly indicates, any building, structure, or other protected inclosure licensed or to be licensed under the act, in which grain is or may be stored for interstate or foreign commerce, or, if located within any place under the exclusive jurisdiction of the United States, in which grain is or may be stored.

(m) *Bin.* A bin, tank, interstice, or other container in a warehouse in which bulk grain may be stored.

(n) *Warehouseman.* Any person lawfully engaged in the business of storing grain, who holds an effective warehouseman's license under the act, or who has applied for such a license.

(o) *License.* A license issued under the act by the Secretary, or his designated representative.

(p) *Warehouseman's bond.* The bond required by the act to be given by a warehouseman.

(q) *Inspector.* A person licensed under the act by the Secretary, or his designated representative, to inspect and grade and/or certificate the grade of grain stored or to be stored in a warehouse licensed under the act.

(r) *Weigher.* A person licensed under the act by the Secretary, or his designated representative, to weigh and/or certificate the weight of grain stored or to be stored in a warehouse licensed under the act.

(s) *Grain Standards Act.* The United States Grain Standards Act, approved August 11, 1916 (39 Stat. 482; 7 U.S.C. 71-87) as amended.

(t) *Official grain standards of the United States.* The standards of quality or condition for grain, fixed and established by the Secretary under the Grain Standards Act.

(u) *Receipt.* A licensed warehouse receipt issued under the act.

WAREHOUSE LICENSES

§ 102.3 Application form.

Applications for licenses and for amendments of licenses under the act shall be made to the Secretary upon prescribed forms furnished by the Service, shall be in English, shall truly state the information therein contained, and shall be signed by the applicant. The applicant shall at any time furnish such additional information as the Secretary, or his designated representative, shall find to be necessary to the consideration of his application.

§ 102.3a All facilities to be licensed or exempted.

All facilities within the same city or town used for the storage of grain by an applicant for a warehouse license must qualify for a license and be licensed under the act if the applicant is to be licensed to operate as a grain warehouseman in such city or town, unless the facilities which are not to be covered by a license are exempted by the Secretary or his designated representative upon a finding that, due to the exercise of adequate controls by some independent agency over the operation of the non-federally licensed facilities, there would be no likelihood of interchange, substitution, or commingling of grain stored in such facilities with grain stored in the

federally licensed facilities. If all such facilities do not qualify for a license or for an exemption under this section, the applicant shall not be licensed under the act as a grain warehouseman in the city or town in which the facilities in question are located. Each applicant for a grain warehouse license must apply for a license covering all facilities operated by him for the storage of grain within the same city or town or for exemption as provided in this section. If a licensed grain warehouseman acquires any additional grain storage facilities within the same city or town in which his licensed warehouse is located, he shall file promptly an application for a license or an exemption of the additional facilities. No grain storage facility acquired by a licensed grain warehouseman, subsequent to the issuance of his license, in the same city or town as his licensed facilities, shall be used for the storage of grain until it qualifies for a license and is licensed or is exempted as provided in this section. If any one of the licensed grain storage facilities operated by a warehouseman in the same city or town becomes ineligible for a license at any time for any reason, it shall not thereafter be used for the storage of grain until the condition making it ineligible is removed or an exemption is granted as provided in this section. The use for the storage of grain by a licensed warehouseman of a facility which is in the same city or town as his licensed facilities and is neither licensed nor exempted, or other violation of the provisions of this section, shall be cause for suspension or revocation of any license issued to the warehouseman for the storage of grain.

§ 102.4 Scales; bin numbers.

(a) Each warehouse must be equipped with suitable scales in good order, and so arranged that all grain, whether for storage or for nonstorage purposes, can be weighed in and out of the warehouse. The scales in any warehouse shall be subject to examination by representatives of the Department and to disapproval by the Administrator. If he disapproves any weighing apparatus, it shall not thereafter be used in ascertaining the weight of grain for the purposes of this act, until such disapproval be withdrawn.

(e) Has in any other manner become non-existent or incompetent or incapacitated to conduct the business of the warehouse;

(f) Has made unreasonable or exorbitant charges for services rendered;

(g) Is operating in the same city or town in which his licensed warehouse facilities are located, any facility for storage of grain which is not covered by a license or an exemption as provided in § 102.3a; or

(h) Has in any other manner violated or failed to comply with any provision of the act or the regulations in this part.

Whenever any of the conditions mentioned in paragraphs (a) through (h) of this section shall come into existence, it shall be the duty of the warehouseman to notify the Administrator immediately of the existing condition. Before a license is revoked or suspended (other than temporarily pending investigation) for any violation of, or failure to comply with, any provision of the act or of the regulations in this part, or upon the ground that unreasonable or exorbitant charges have been made for services rendered, the warehouseman involved shall be furnished by the Secretary, or his designated representative, a written statement, specifying the charges and shall be allowed a reasonable time within which he may answer the same in writing and apply for a hearing, an opportunity for which shall be afforded in accordance with § 102.99.

§ 102.10 Return of suspended or revoked license.

In case a license issued to a warehouseman terminates or is suspended or revoked by the Secretary or his designated representative, such license shall be immediately returned to the Secretary. At the expiration of any period of suspension of such license, unless it be in the meantime revoked, the dates of the beginning and termination of the suspension shall be indorsed thereon, it shall be returned to the warehouseman to whom it was originally issued and it shall be posted as prescribed in § 102.8: *Provided*, That in the discretion of the Secretary, or his designated representative, a new license may be issued without reference to the suspension.

the proper storage of grain; that the warehouseman does not possess a good reputation, or does not have a net worth of at least \$10,000.00, or is incompetent to conduct such warehouse in accordance with the act and the regulations in this part; or that there is any other sufficient reason within the intent of the act for not issuing such license. If all the facilities operated for the storage of grain by the applicant within the same city or town are not to be licensed under the act, the applicant shall not be licensed as a grain warehouseman with respect to any of such facilities, unless an exemption of the facilities which are not to be licensed is granted as provided in § 102.3a.

§ 102.8 Posting of license.

Immediately upon receipt of his license or of any modification or extension thereof under the act, the warehouseman shall post same, and thereafter, except as otherwise provided in the regulations in this part, keep it posted until suspended or terminated, in a conspicuous place in the principal office where receipts issued by such warehouseman are delivered to depositors.

§ 102.9 Warehouse license; suspension; revocation.

Pending investigation, the Secretary, or his designated representative, whenever he deems necessary, may suspend a warehouseman's license temporarily without hearing. Upon written request and a satisfactory statement of reasons therefor, submitted by a warehouseman, the Secretary, or his designated representative, may, without hearing, suspend or revoke the license issued to such warehouseman. The Secretary, or his designated representative, may, after opportunity for hearing has been afforded in the manner prescribed in this section, suspend or revoke a license issued to a warehouseman when such warehouseman—

(a) Does not have a net worth of at least \$10,000.00;

(b) Has parted, in whole or in part, with his control over the licensed warehouse;

(c) Is in process of dissolution or has been dissolved;

(d) Has ceased to operate such licensed warehouse;

the extent of at least 15 cents per bushel for the maximum number of bushels of grain that his warehouse could accommodate when stored in the manner customary to the warehouse as determined by the Administrator: *Provided*, That no person may be licensed as a warehouseman under the regulations in this part unless he has allowable net assets of at least \$10,000: *And provided further*, That any deficiency in net assets required above the \$10,000 minimum may be supplied by an increase in the amount of the warehouseman's bond in accordance with § 102.14(c). In determining total net assets, credit may be given for insurable property such as buildings, machinery, equipment, and merchandise inventory, only to the extent that such property is protected by insurance against loss or damage by fire. Such insurance shall be in the form of lawful policies issued by one or more insurance companies authorized to do such business and subject to service of process in suits brought in the State in which the warehouse is located.

(b) In case a warehouseman is licensed or is applying for licenses to operate two or more warehouses under the regulations in this part, the maximum number of bushels which all such warehouses will accommodate when stored in the manner customary to the warehouses, as determined by the Administrator, shall be considered in determining whether the warehouseman meets the net assets requirements specified in paragraph (a) of this section.

(c) For the purposes of paragraphs (a) and (b) of this section only, capital stock as such shall not be considered a liability.

(d) In case a State agency licensed or applying for a license as provided in Section 9 of the Act has funds of not less than \$500,000 guaranteeing the performance of obligations of the agency as a warehouseman, such funds shall be considered sufficient to meet the net assets requirements of this section.

§ 102.7 Grounds for not issuing license.

A license for the conduct of a warehouse, or any amendment to a license, under the regulations in this part, shall not be issued if it is found by the Secretary, or his designated representative, that the warehouse is not suitable for

(b) Both bulk grain bins and compartments for sacked grain of all warehouses licensed under the act shall be identified by means of clearly discernible numbers securely affixed thereto. The series of numbers to be used shall be approved by the Service. Bulk grain bins shall be numbered so as to be easily identified at the openings on top and also on or near the outlet valves underneath. Compartments shall be numbered in such a manner as to clearly show the space covered by each number.

§ 102.5 Signs of tenancy; posting.

(a) Every warehouseman operating a "field" or "custodian" warehouse shall, during the life of his license, display and maintain appropriate signs on the licensed warehouse, both on the inside and on the exterior walls of the warehouse, and particularly on doors and usual places of entry, in such a manner as will ordinarily be calculated to give the public correct notice of his tenancy of all buildings or parts thereof included in his license.

(b) Such signs shall be of such size and design as to readily attract the attention of the public and shall include the following: (1) the name and license number of the licensee, (2) the name of the warehouse, (3) whether the warehouseman is owner or lessee, and (4) the words "public warehouse."

(c) Such other wording or lettering may appear in the sign or signs not inconsistent with the purpose of the act and the regulations in this part as may be approved by the Administrator.

(d) Immediately upon its expiration or suspension or revocation all reference to the license shall be removed from the warehouse.

(e) No sign indicating control, tenancy, or ownership of a licensed warehouse by any person other than the licensee shall appear on any such warehouse.

§ 102.6 Net assets.

(a) Each warehouseman conducting a warehouse licensed, or for which application for a license has been made, under the regulations in this part, shall have and maintain above all exemptions and liabilities, total net assets liable for the payment of any indebtedness arising from the conduct of the warehouse, to

§ 102.11 Lost or destroyed warehouse license.

Upon satisfactory proof of the loss or destruction of a license issued to a warehouseman, a duplicate thereof, or a new license may be issued under the same number.

§ 102.12 Unlicensed warehousemen must not represent themselves as licensed.

No warehouse or its warehouseman shall be designated as licensed under the act, and no name or description conveying the impression that it or he is so licensed shall be used, either in a receipt or otherwise, unless such warehouseman holds an unsuspended and unrevoked license for the conduct of such warehouse.

WAREHOUSE BONDS

§ 102.13 Bond required; time of filing.

Each warehouseman applying for a warehouse license under the act shall, before such license is granted, file with the Secretary or his designated representative a bond containing the following conditions and such other terms as the Secretary or his designated representative may prescribe in the approved bond forms, with such changes as may be necessary to adapt the forms to the type of legal entity involved:

Now, therefore, if the said license(s) or any amendments thereto be granted and said principal, and its successors and assigns operating said warehouse(s), shall:

Faithfully perform during the period of one year commencing ----- or until the termination of said license(s) in the event of termination prior to the end of the one year period, all obligations of a licensed warehouseman under the terms of the act and regulations thereunder relating to the above-named products; and

Faithfully perform during said one year period and thereafter, whether or not said warehouse(s) remain(s) licensed under the act, such delivery obligations and further obligations as a warehouseman as exist at the beginning of said one year period or are assumed during said period and prior to termination of said license(s) under contracts with the respective depositors of such products in the warehouse(s);

Then this obligation shall be null and void and of no effect, otherwise to remain in full force. For purposes of this bond, the aforesaid obligations under the act and regulations and contracts shall include obliga-

tions under any and all modifications of the act, the regulations, and the contracts that may hereafter be made, notice of which modifications to the surety being hereby waived.

§ 102.14 Amount of bond; additional amounts.

(a) The amount of bond to be furnished for each warehouse under the regulations in this part shall be fixed at a rate of 15 cents per bushel for the first 1,000,000 bushels of licensed capacity; 10 cents per bushel for the next 1,000,000 bushels of licensed capacity; and 5 cents per bushel for all licensed capacity over 2,000,000 bushels: *Provided*, That in any case the amount of bond shall not be less than \$5,000 nor more than \$500,000, except as prescribed in paragraph (c) of this section. The licensed capacity shall be the maximum number of bushels of grain that the warehouse could accommodate as determined under § 102.6(a).

(b) In case a warehouseman is licensed or is applying for licenses to operate two or more warehouses in the same State he may give a single bond meeting the requirements of the Act and the regulations in this part to cover all his warehouses within the State. In such case the warehouses to be covered by the bond shall be deemed to be one warehouse only for purposes of determining the amount of bond required under paragraph (a) of this section.

(c) In case of a deficiency in net assets above the \$10,000 minimum required under § 102.6, there shall be added to the amount of bond determined in accordance with paragraph (a) of this section an amount equal to such deficiency. In any other case in which the Secretary, or his designated representative, finds that conditions exist which warrant requiring additional bond, there shall be added to the amount of bond as determined under the other provisions of this section, a further amount to meet such conditions.

§ 102.15 Amendment to license.

In case an application is made for an amendment to a license and no bond previously filed by the warehouseman under §§ 102.13-102.17 covers obligations arising during the period covered by such amendment, the warehouseman shall, when notice has been given by the Secretary, or his designated representative,

that his application for such amendment will be granted upon compliance by such warehouseman with the act, file with the Secretary, within a time, if any, fixed in such notice, a bond complying with the act. In the discretion of the Secretary, or his designated representative, a properly executed instrument in form approved by him, amending, extending, or continuing in force and effect the obligations of a valid bond previously filed by the warehouseman and otherwise complying with the act and the regulations in this part, may be filed in lieu of a new bond.

§ 102.16 New bond required each year.

A continuous form of license shall not remain in force for more than one year from its effective date, or any subsequent extension thereof, unless each year prior to the date on which the license would expire, the warehouseman files a bond in the required amount with the Secretary and such bond has been approved by him or his designated representative.

§ 102.17 Approval of bond.

No bond, amendment, or continuation thereof shall be accepted for the purposes of the act and the regulations in this part until it has been approved by the Secretary, or his designated representative.

WAREHOUSE RECEIPTS

§ 102.18 Form.

(a) Every receipt, whether negotiable or nonnegotiable, issued for grain stored in a licensed warehouse shall, in addition to complying with the requirements of section 18 of the act, embody within its written or printed terms the following:

(1) The name of the warehouseman and the designation, if any, of the warehouse,

(2) A statement whether the warehouseman is incorporated or unincorporated, and if incorporated, under what laws,

(3) In event the relationship existing between the warehouseman and any depositor is not that of strictly disinterested custodianship, a statement setting forth the actual relationship,

(4) A statement conspicuously placed, whether or not the grain is insured, and, if insured, to what extent, by the ware-

houseman against loss by fire, lightning, tornado, or otherwise,

(5) The net weight, including dockage, if any, of the grain,

(6) In the case of grain the identity of which is to be preserved, its identification or location in accordance with § 102.45.

(7) The words "Not Negotiable," or "Negotiable," according to the nature of the receipt, clearly and conspicuously printed or stamped thereon, and

(8) That the holder of the receipt or the depositor of the grain shall demand the delivery of the grain not later than the expiration of one year from the date of the receipt.

(b) Every receipt, whether negotiable or nonnegotiable, issued for grain stored in a warehouse shall specify a period, not exceeding one year, for which the grain is accepted for storage under the Act and the regulations in this part. Upon demand for issuance of a new receipt, surrender of the old receipt by the lawful holder thereof at or before the expiration of the period specified therein and an offer to satisfy the warehouseman's lien, the warehouseman, upon such lawful terms and conditions as may be granted by him to other depositors of grain in his warehouse, shall, in the absence of some lawful excuse, issue a new receipt for a further specified period, not exceeding one year.

(c) Every negotiable receipt issued shall, in addition to conforming with the requirements of paragraph (a) of this section, embody within its written or printed terms, a form of indorsement which may be used by the depositor, or his authorized agent, for showing the ownership of, and liens, mortgages, or other encumbrances on the grain covered by the receipt.

(d) The grade stated in a receipt shall be stated in accordance with § 102.76 as determined by the inspector who last inspected and graded the grain before the issuance of such receipt, or if an appeal from the determinations of such inspector has been taken either under the Grain Standards Act and regulations thereunder or under §§ 102.81 through 102.95, the grade shall be stated on such receipt in accordance with the grade as finally determined in such appeal. If the final grade thus determined be different from that shown by the receipt issued for such

grain, the warehouseman shall, upon the return of the old receipt, if the same is not already in his possession, issue a new receipt stating such final grade.

(e) If a warehouseman issues a receipt omitting the statement of grade on request of the depositor as permitted by section 18 of the act, such receipt shall have clearly and conspicuously stamped or written in the space provided for the statement of grade the words "Not graded on request of depositor."

(f) If a warehouseman issues a receipt under the act omitting any information not required to be stated, for which a blank space is provided in the form of the receipt, a line shall be drawn through such space to show that such omission has been made purposely by the warehouseman.

§ 102.19 Grain must be inspected and weighed.

(a) Except in case of identity-preserved grain, when the grading is omitted at request of depositor, no receipt shall be issued under the act or the regulations in this part until the grain covered by such receipt has been inspected and graded by a person duly licensed to inspect and grade such grain and to certificate the grade thereof, and been weighed by a person duly licensed to weigh such grain and to certificate the weight thereof. The receipt issued to cover such grain shall show the grade, including percentage of dockage, if any, condition, and weight, in conformity therewith.

(b) When requested by the depositor of grain the identity of which is to be preserved, a receipt omitting statement of grade but not weight may be issued.

(c) All fungible nonstorage grain received into and delivered out of a warehouse must be correctly inspected, graded, and weighed by a licensed inspector and/or weigher.

§ 102.20 Copies of receipts.

At least one actual or skeleton copy of all receipts shall be made, and all copies, except skeleton copies, shall have clearly and conspicuously printed or stamped thereon the words "Copy—Not Negotiable." A copy of each receipt issued shall be retained by the warehouseman for a period of one year after December 31 of the year in which

the corresponding original receipt is canceled.

§ 102.21 Lost or destroyed receipts; bond.

(a) In the case of lost or destroyed receipts, if there be no statute of the United States or law of a State applicable thereto a new receipt upon the same terms, subject to the same conditions, and bearing on its face the number and the date of the receipt in lieu of which it is issued and a plain and conspicuous statement that it is a duplicate receipt issued in lieu of a lost or destroyed receipt, may be issued upon compliance with the conditions set out in paragraph (b) of this section.

(b) Before issuing such new or duplicate receipt the warehouseman shall require the depositor or other person applying therefor to make and file with him (1) an affidavit showing that the applicant is lawfully entitled to the possession of the original receipt, that he has not negotiated or assigned it, how the original receipt was lost or destroyed, and if lost, that diligent effort has been made to find the receipt without success, and (2) a bond in an amount double the value, at the time the bond is given, of the grain represented by the lost or destroyed receipt. Such bond shall be in a form approved for the purpose by the Secretary, or his designated representative, shall be conditioned to indemnify the warehouseman against any loss sustained by reason of the issuance of such receipt, and shall have as surety thereon preferably a surety company which is authorized to do business, and is subject to service of process in a suit on the bond, in the State in which the warehouse is located or at least two individuals who are residents of such State and each of whom owns real property therein having a value, in excess of all exemptions and encumbrances, equal to the amount of the bond.

§ 102.22 Printing of receipts.

Receipts issued by a warehouseman shall be (a) in form prescribed by the Administrator, (b) printed by a printer with whom the United States has a subsisting contract and bond for such printing, and (c) on distinctive paper manufactured by and procured from a manufacturer with whom the United

States has a subsisting contract and bond for the manufacture of such paper.

§ 102.23 Partial delivery of grain.

If a warehouseman delivers a part only of a lot of grain for which he has issued a negotiable receipt under the act, he shall take up and cancel such receipt and issue a new receipt in accordance with the regulations in this part for the undelivered portion of the grain. The new receipt shall show the date of issuance and also indicate the number and date of the receipt first issued.

§ 102.24 Return of receipts before delivery of grain.

Except as permitted by law or by the regulations in this part a warehouseman shall not deliver grain for which he has issued a negotiable receipt until the receipt has been returned to him and canceled, and shall not deliver grain for which he has issued a nonnegotiable receipt until such receipt has been returned to him or he has obtained from the person lawfully entitled to such delivery, or his authorized agent, a written order therefor. Before delivery is made of the last portion of a lot of grain covered by a nonnegotiable receipt, the receipt itself shall be surrendered.

§ 102.25 Nonnegotiable receipts.

Each person to whom a nonnegotiable receipt is issued shall furnish the warehouseman with a statement in writing indicating the person or persons having power to authorize delivery of grain covered by such receipt, together with the bona fide signature of such person or persons. No licensed warehouseman shall honor an order for the release of grain covered by a nonnegotiable receipt until he has first ascertained that the person issuing the order has authority to order such release, and that the signature of the releasing party is genuine.

§ 102.26 Omission of grade; no compulsion by warehouseman.

No warehouseman shall, directly or indirectly by any means whatsoever, compel or attempt to compel the depositor of any grain stored or offered for storage in his warehouse to request the issuance of a receipt omitting the statement of grade.

§ 102.27 Loading out without weighing.

When the lawful holder of one or more receipts covering an entire lot of identity preserved grain or a mass of grain stored in a single bin requests the warehouseman to deliver said lot or mass without reweighing said grain, the warehouseman may make such delivery if there is an accurate record of the weight of such grain when received. Such deliveries shall be made only when the lawful holder of the receipts agrees to assume all shortages and other risks incidental thereto, and after the warehouse receipts covering all of the grain in the container have been surrendered to the warehouseman and canceled. After the receipts covering such grain have been surrendered for cancellation no other grain shall be placed in the bin until the entire lot has been delivered.

§ 102.28 Persons authorized to sign receipts.

Each warehouseman shall file with the Department the name and genuine signature of each person authorized to sign warehouse receipts for the warehouseman, and shall promptly notify the Department of any changes as to persons authorized to sign and shall file the signatures of such persons, and each warehouseman shall be bound by such signatures the same as if he had personally signed the receipt.

§ 102.29 Receipts; basis for issuance.

Before issuing any receipt under the Act each warehouseman shall, unless he personally weighed, inspected, and graded, if graded, a lot of grain, first obtain either a copy of, or the original weight certificate, and inspection certificate, if any, covering said lot of grain. The warehouse records shall clearly identify the certificate(s) used as a basis for issuance of each warehouse receipt, and said weight and grade certificates shall be kept on file as a record in the warehouseman's office; provided that said filing requirements shall be deemed satisfied if copies of the certificates upon which warehouse receipts are based are filed in the office of a U.S. Registrar or in the office of an independent inspection or weighing agency which issued them, and are readily accessible for examination purposes. Such certificates shall be retained

for a period of three years after December 31 of the year in which issued.

§ 102.30 Receipts for stored grain.

Receipts must be issued for all grain stored in a warehouse. Receipts need not be issued against nonstorage grain, but each warehouseman shall keep accurate records of the weights, kinds, and grades of all lots of nonstorage grain received into and delivered from his warehouse. Whenever the purpose for which any lot of nonstorage grain was received into a warehouse is changed so that its approximate delivery period from the warehouse becomes indeterminate, receipts shall be issued to cover such grain. Records required under this section with respect to nonstorage grain shall be retained, as a part of the records of the warehouse, for a period of one year after December 31 of the year in which the lot of nonstorage grain is delivered from the warehouse.

§ 102.31 No receipts for screenings.

No receipt shall be issued for any product or byproduct which would fall under the term "screenings."

§ 102.32 Canceled receipts; auditing.

Each warehouseman, if requested by the Service shall forward his canceled receipts for auditing to such field offices of the Service as may be designated from time to time.

DUTIES OF WAREHOUSEMAN

§ 102.33 Insurance; requirements.

(a) Each warehouseman, when so requested in writing as to any grain by the depositor thereof or lawful holder of the receipt covering such grain, shall, to the extent to which, in the exercise of due diligence, he is able to procure such insurance, keep such grain while in his custody as a warehouseman insured in his own name or arrange for its insurance otherwise to the extent so requested, against loss or damage by fire, lightning, and/or tornado. When insurance is not carried in the warehouseman's name, the receipts shall show that the grain is not insured by the warehouseman. Such insurance shall be covered by lawful policies issued by one or more insurance companies authorized to do such business, and subject to service of process in suits brought in the

State where the warehouse is located. If the warehouseman is unable to procure such insurance to the extent requested, he shall, orally or by telegraph or by telephone immediately notify the person making the request of the fact. Nothing in this section shall be construed to prevent the warehouseman from adopting a rule that he will insure all grain stored in his warehouse.

(b) Each warehouseman shall comply fully with the terms of insurance policies or contracts covering his licensed warehouse and all products stored therein, and shall not commit any acts, nor permit his employees to do anything, which might impair or invalidate such insurance.

(c) Each warehouseman shall keep exposed conspicuously in the place prescribed by § 102.8, and at such other place as the Administrator or his representative may from time to time designate, a notice stating briefly the conditions under which the grain will be insured against loss or damage by fire, lightning, and tornado.

(d) Each warehouseman shall, in accordance with his contracts with insurance and bonding companies for the purpose of meeting the insurance and bonding requirements of the regulations in this part, pay such premiums, permit such reasonable inspections and examinations, and make such reasonable reports as may be provided for in such contracts.

(e) Each warehouseman shall promptly take such steps as may be necessary and proper to collect any moneys which may become due under contracts of insurance entered into by him for the purpose of meeting the requirements of the regulations in this part, and shall, as soon as collected, promptly pay to the persons concerned any portion of such moneys which they may be entitled to receive from him.

(f) If at any time a fire shall occur at or within any warehouse, it shall be the duty of the warehouseman to report immediately by wire to the Administrator the occurrence of such fire and the extent of damage.

§ 102.34 Records; safe keeping.

Each warehouseman shall provide a fireproof safe, vault, or compartment in which he shall keep, when not in actual

use, all records, books, and papers pertaining to the licensed warehouse, including his current receipt book, copies of issued and canceled receipts, except that with the written consent of the Service, upon a showing by such warehouseman that it is not practicable to provide such fireproof safe, vault, or compartment, he may keep such records, books and papers in some other place of safety, approved by the Service. Each canceled receipt shall be retained by warehouseman for a period of six years after December 31 of the year in which the receipt is canceled and for such longer period as may be necessary for the purposes of any litigation which the warehouseman knows to be pending, or as may be required by the Administrator in particular cases to carry out the purposes of the act. Canceled receipts shall be arranged by the warehouseman in numerical order and otherwise in such manner as shall be directed, for purposes of audit, by authorized officers or agents of the Department of Agriculture.

§ 102.35 Warehouse charges.

A warehouseman shall not make any unreasonable or exorbitant charge for services rendered. Before a license to conduct a warehouse is granted under the act the warehouseman shall file with the Department a copy of his rules and a schedule of charges to be made by him if licensed. Before making any change in such rules or schedule of charges he shall file with the Department a statement in writing showing the proposed change and the reasons therefor. Each warehouseman shall keep exposed conspicuously in the place prescribed by § 102.8, and at such other place, accessible to the public, as the Service may from time to time designate, a copy of his current rules and schedule of charges.

§ 102.36 Business hours.

(a) Each warehouse shall be kept open for the purpose of receiving grain for storage and delivering grain out of storage every business day for a period of not less than six hours between the hours of 8 a.m. and 6 p.m. except as provided in paragraph (b) of this section. The warehouseman shall keep conspicuously posted on the door of the public entrance to his office and to his licensed warehouse a notice showing the hours dur-

ing which the warehouse will be kept open, except when such warehouse is kept open continuously from 8 a.m. to 6 p.m.

(b) In case the warehouse is not to be kept open as required by paragraph (a) of this section, the notice posted as prescribed in that paragraph shall state the period during which the warehouse is to be closed and the name of an accessible person, with the address where he is to be found, and the telephone number, if any, who shall be authorized to deliver grain stored in such warehouse, upon lawful demand by the depositor thereof or the holder of the receipt therefor, as the case may be.

§ 102.37 System of accounts.

Each warehouseman shall have and maintain a system of accounts, approved for the purpose by the Service. This shall include a stock record showing for each lot of grain received for storage its net weight including dockage, if any, its grade when its grade is required to be, or is, ascertained, its location, the dates received for and delivered out of storage, the receipts issued and canceled, also a separate record for each depositor of his grain, which shall include a detailed record of all moneys received and disbursed and of all insurance policies taken out and canceled on request of each depositor. The warehouseman shall further keep a general insurance account showing the policy number, issuing company, amount, binding, and expiration dates of all fire, tornado, and other insurance policies taken out by him and in each instance show the property covered by such policies. These records shall also show similar information concerning any non-storage grain handled through the warehouse. Such records shall be retained by the warehouseman for a period of six years after December 31 of the year in which created, and for such longer period as may be necessary for the purposes of any litigation which the warehouseman knows to be pending, or as may be required by the Administrator in particular cases to carry out the purposes of the Act.

§ 102.38 Reports required.

(a) Each warehouseman shall, from time to time, if requested by the Service, make such reports, on forms prescribed

and furnished for the purpose by the Service, concerning the condition, contents, operation, and business of the warehouse.

(b) Each warehouseman shall keep on file, as a part of the records of the warehouse, for a period of three years after December 31 of the year in which submitted, an exact copy of each report submitted by such warehouseman under the regulations in this part.

§ 102.39 Inspections; examination of warehouse.

Each warehouseman shall permit any officer or agent of the Department, authorized by the Secretary, or his designated representative, for the purpose, to enter and inspect or examine on any business day during the usual hours of business, any warehouse for the conduct of which such warehouseman holds a license, the office thereof, the books, records, papers, and accounts relating thereto, and the contents thereof and such warehouseman shall furnish such officer or agent the assistance necessary to enable him to make any inspection or examination under this section.

§ 102.40 Care of grain in licensed warehouses.

Each warehouseman shall at all times, including any period of suspension of his license, exercise such care in regard to grain in his custody as a reasonably careful owner would exercise under the same circumstances and conditions.

§ 102.41 Care of other grain and other commodities.

If, at any time, a warehouseman shall handle or store grain otherwise than as a licensed warehouseman, or shall handle or store any other commodity, he shall so protect the same, and otherwise exercise care with respect to it, as not to endanger the grain in his custody as a warehouseman or impair the insurance thereof or his ability to meet his obligations and perform his duties under the act and the regulations in this part.

§ 102.42 Excess storage.

If at any time a warehouseman shall store grain in his warehouse in excess of the capacity for which it is licensed, such warehouseman shall immediately notify the Service of such excess storage, the reason therefor, and the location thereof.

§ 102.43 Removal of specially stored grain.

Except as may be required by law or the regulations in this part, a warehouseman shall not remove any grain for storage from the licensed warehouse or a part thereof in which it may be specially binned or stored for insurance purposes, and transfer the grain to another bin without first obtaining the receipt, canceling the same and issuing a new receipt for said grain following its transfer.

§ 102.44 Grades and weights; bulk grain.

Each warehouseman shall accept all grain for storage and shall deliver out of storage all bulk grain, other than specially binned grain, in accordance with the grades of such grain as determined by a person duly licensed to inspect and grade such grain and to certificate the grade thereof and in accordance with the weights of such grain as determined by a person duly licensed to weigh such grain and to certificate the weight thereof, under the act, and the regulations in this part; or if an appeal from the determination of an inspector has been taken, either under the Grain Standards Act and regulations thereunder or under §§ 102.81 through 102.95, such grain shall be accepted for and delivered out of storage in accordance with the grades as finally determined in such appeal.

§ 102.45 Storage of identity-preserved grain.

Upon acceptance for storage of bulk grain the identity of which is to be preserved, the warehouseman shall store such grain in a bin or bins, a compartment or compartments, or other container or containers identified by clearly distinguishable identification insignia permanently and securely affixed thereto, subject to such control by the Department as may seem administratively necessary to protect depositors or holders of receipts. If the grain is received in bags or other suitable containers, such bags or containers shall be so marked and so placed in the warehouse that the identity of the grain will not be lost while in storage. The warehouseman's records shall at all times clearly show the location of all identity-preserved grain stored in the warehouse.

§ 102.46 Sacked grain.

Each warehouseman shall keep sacked grain stored in an orderly manner so as to permit easy access to all lots and to facilitate inspecting, sampling, counting, and identification of each lot.

§ 102.47 Warehouses to be kept clean.

Each warehouseman shall keep his warehouse reasonably clean at all times and free from straw, rubbish, or accumulations of materials that will increase the fire hazard or interfere with the handling of grain.

§ 102.48 Delivery of fungible grain.

Except as may be provided by law or the regulations in this part, each warehouseman, (a) upon proper presentation of a receipt for any grain other than identity-stored grain, and which grain has not at the request of the depositor or lawful holder of the receipt covering such grain or otherwise as permitted by law or the regulations in this part, been dried or otherwise conditioned by such warehouseman, and upon payment or tender of all advances and legal charges, shall deliver to such depositor or lawful holder of such receipt grain of the grade and quantity named in such receipt; and (b) upon proper presentation of a receipt for any grain the identity of which was to have been preserved during the storage period, and upon payment or tender of all advances and legal charges, shall deliver to the person lawfully entitled thereto, the identical grain so stored in his warehouse.

§ 102.49 Cleaning of grain.

Each warehouseman whose warehouse is equipped with machinery suitable for the purpose, shall clean all bulk grain, received for storage in such warehouse, on which the inspector at the request of the depositor or lawful holder of the receipt covering such grain has set dockage for cleaning.

§ 102.50 Grades; separate in storage.

A warehouseman may not mix lots of different grades of grain stored or received for storage except when the identity of the grain to be stored is to be preserved or when a depositor surrenders receipts covering two or more lots and requests the warehouseman to deliver the amount of grain represented by the can-

celed receipts in such a manner that they will become one lot. The balance, if any, of grain resulting from this operation, after weighing and inspecting, is to be stored with grain of like grade or its identity preserved.

§ 102.51 Stocks to be in balance by grades.

Warehousemen must keep stocks of grain in storage by grades in balance with the grades of grain represented by outstanding storage obligations for which receipts have been or are to be issued, except when the grain has unavoidably improved or deteriorated through natural causes. In case the grades of stored grain should get out of balance with grades represented by outstanding storage obligations for which receipts have been or are to be issued, the warehouseman shall effect proper adjustments.

§ 102.52 Out-of-condition and damaged grain.

(a) If the condition of any grain offered for storage is such that it probably will affect the condition of grain in the licensed warehouse, the warehouseman shall not receive such grain for storage or store such grain in his licensed warehouse, but, if the warehouse has separate bins or is equipped with proper conditioning apparatus, he may receive such grain for storage in such separate bins or he may condition it and then store it in such manner as will not lower the grade of other grain.

(b) In case the warehouseman or the Department shall find that storage of grain in direct contact with any part of the structure of the warehouse results, or is likely to result, in damage to the grain, the warehouseman shall not store grain in such part of the warehouse except in such manner and by the use of such material as will keep the grain in the same condition as when stored.

§ 102.53 Reconditioning grain.

In case the warehouseman considers that any portion of the grain in his warehouse is out of condition, or becoming so, he shall direct the inspector to examine the grain in question. If the inspector finds such grain to be out of condition or becoming so and he is of the opinion that by re-elevating, screening, blowing, cooling, or drying the grain can be brought

and/or weigher's license, is granted, or original examination or inspection, or re-examination or reinspection applied for by a warehouseman, is made, pursuant to the regulations in this part, the warehouseman and/or inspector or weigher shall deposit with the Service the amount of the fee prescribed. Such deposit shall be made in the form of a check, certified if required by the Service, draft, or post-office or express money order, payable to the order of "Treasurer of the United States."

§ 102.60 Return of excess deposit.

The Treasurer of the United States shall hold in his custody each advance deposit made under § 102.59 until the fee, if any, is assessed and he is furnished by the Service with a statement showing the amount thereof and against whom assessed. Any part of such advance deposit which is not required for the payment of any fee assessed shall be returned to the party depositing same.

INSPECTORS AND WEIGHERS

§ 102.61 Inspectors' and weighers' applications.

(a) Application for licenses to inspect and grade or to weigh grain under section 11 of the act (46 Stat. 1464; 7 U.S.C. 252) shall be made to the Administrator on forms furnished for the purpose by him. Each application shall be in English, shall be signed by the applicant, and shall contain or be accompanied by a statement from the warehouseman for whom the applicant will inspect, grade, or weigh grain under the act, showing whether the applicant is competent and is acceptable to such warehouseman for the purpose.

(b) Each inspectors' application shall contain—

- (1) Evidence that he can correctly grade grain in accordance with the official standards of the United States, or in the absence of such standards in accordance with any standards approved by the Administrator,
- (2) That he has passed his twenty-first birthday, and
- (3) Satisfactory evidence that he will be provided with such means or facilities for inspecting and grading grain as may be deemed necessary, for use in the locality in which the applicant expects to perform services as a licensed inspector.

§ 102.55 Sale of grain at public auction.

If the grain, advertised in accordance with the requirements of § 102.54 has not been removed from storage by the owner thereof, within 10 days from the date of notice of its being out of condition, the warehouseman in whose warehouse such grain is stored may sell the same at public auction at the expense and for the account of the owner after giving 10 days' notice in the manner specified in § 102.54(c).

§ 102.56 Identity-preserved grain; acceptance.

Subject to the provisions of section 13 of the act (39 Stat. 488; 7 U.S.C. 254), a licensed warehouseman may elect not to receive grain for storage the identity of which is to be preserved while in storage.

FEES

§ 102.57 License fees.

There shall be charged and collected a fee of \$20 for each original warehouseman's license, and a fee of \$10 for each amended or reinstated warehouseman's license applied for by a warehouseman, and a fee of \$6 for each license or amendment thereto issued to an inspector and/or weigher, except that no fee shall be charged for issuance of a license to an inspector who holds an unsuspended and unrevoked license under the United States Grain Standards Act and regulations thereunder to inspect and grade any grain and to certificate the grade thereof.

§ 102.58 Warehouse inspection fee.

There shall be charged and collected for each original inspection of a warehouse under the act, when such inspection is made upon application of a warehouseman, a fee at the rate of \$5 for each 10,000 bushels of the grain storage capacity of the warehouse, or fraction thereof, determined in accordance with § 102.6(a), but in no case less than \$20 nor more than \$500, and for each reinspection, applied for by the warehouseman, a fee based on the extent of the reinspection, proportioned to, but not greater than, that prescribed for the original inspection.

§ 102.59 Advance deposit.

Before any warehouseman's license, or amendment thereto, or any inspector's

receipts covering the grain in question mentioned in paragraph (b) (4) and (5) of this section if known to the warehouseman.

(2) To any other person, including the persons mentioned in paragraph (d) of this section, known by the warehouseman to be interested in the grain,

(3) To the grain exchange, board of trade, or chamber of commerce, if any, in the city or town in or nearest to which the warehouse is located, and

(4) To the Administrator.

If the holders of the receipts and the owners of the grain are known to the warehouseman and cannot, in the regular course of the mails, be reached within 12 hours, the warehouseman shall, whether or not requested so to do in accordance with paragraph (d) of this section, also immediately notify such persons by telegraph or telephone at their expense. Public notice shall also be given by posting a copy of such notice in a conspicuous place in the main office of the warehouse where receipts are issued. A copy of such notice shall be kept as a record of the warehouse.

(d) Any person, interested in any grain or the receipt covering such grain stored in a warehouse, may, in writing, notify the warehouseman conducting such warehouse, of the fact and nature of his interest, and such warehouseman shall keep a record of the fact. If such person requests, in writing, that he be notified regarding the condition of any such grain and agrees to pay the cost of any telegraph or telephone toll charge, such warehouseman shall notify such person in accordance with such request.

(e) Nothing contained in this section shall be construed as relieving the warehouseman from properly caring for any grain after notification of its condition in accordance with this section.

(f) Records required to be kept by this section shall be retained, as a part of the records of the warehouse, for a period of six years after December 31 of the year in which created, and for such longer period as may be necessary for the purposes of any litigation which the warehouseman knows to be pending, or as may be required by the Administrator in particular cases to carry out the purposes of the Act.

back into condition or that further deterioration can be prevented, such warehouseman shall give immediate notice of the fact to the persons and in the manner specified in § 102.54. If, within 24 hours after the giving of such notice, the owners of such grain have not otherwise directed as to the disposition of same, such warehouseman, with the approval of the inspector, shall, in his warehouse to the extent to which it is equipped with machinery suitable for the purpose, or may in another warehouse or elevator so equipped to the extent to which his warehouse is not equipped with suitable machinery, subject the grain to any or all of the above-mentioned processes.

§ 102.54 Notice of condition of grain.

(a) If the warehouseman with the approval of the inspector, shall determine that the further deterioration of any grain can not be prevented by reconditioning, or after treating it in accordance with § 102.53, it is still out of condition, the warehouseman shall give immediate notice of the fact, in accordance with paragraphs (b) and (c) of this section.

(b) Such notice shall state—

(1) The warehouse in which the grain is stored,

(2) The quantity, kind, and grade, if determined, of the grain at the time the notice is given,

(3) The actual condition of the grain as nearly as can be ascertained, and the reason, if known, for such condition,

(4) The oldest outstanding receipts covering the amount of grain out of condition, other than sacked or specially binned grain, upon which the grain will be delivered, giving the number and date of each such receipt and the quantity, the kind, and grade of the grain as stated in such receipts, or

(5) The outstanding receipts covering the grain out of condition the identity of which was to have been preserved, giving the number and date of each such receipt and the designation of the bin, container or location of such grain as stated in the receipt therefor, and

(6) That such grain will be delivered upon the return and cancellation of the receipts therefor.

(c) A copy of such notice shall be delivered in person or shall be sent by mail—

(1) To the persons holding the oldest

§ 102.65 Inspection certificate; form.

- (a) Except as provided in paragraph (b) of this section, each inspection certificate issued under the act by an inspector shall be in a form approved for the purpose by the Department, and shall embody the following information within its written or printed terms:
- (1) The caption "United States Warehouse Act, Grain Inspection Certificate".
 - (2) Whether it is an original, a duplicate, or other copy, and that it is not negotiable.
 - (3) The name and location of the warehouse in which the grain is or is to be stored.
 - (4) A statement showing whether the inspection covers grain moving into or out of the warehouse.
 - (5) The date of the certificate.
 - (6) The consecutive number of the certificate.
 - (7) The approximate amount of grain covered by the certificate.
 - (8) The kind of grain covered by the certificate.
 - (9) The grade of the grain, as determined by such licensed inspector, in accordance with § 102.76, and, in the case of grain for which no official grain standards of the United States are in effect, the standard or description in accordance with which such grain is graded.
 - (10) A statement that the certificate is issued by an inspector licensed under the United States Warehouse Act and the regulations thereunder.
 - (11) A statement conspicuously placed to the effect that the certificate is not valid for the purposes of the United States Grain Standards Act, and
 - (12) The signature of the inspector who inspected and graded the grain.
- In addition, the inspection certificate may include any other matter not inconsistent with the act or the regulations in this part, provided the approval of the Service is first secured.
- (b) In lieu of the inspection certificate provided for in the preceding paragraph, each inspector, who holds an unsuspended and unrevoked license under the Grain Standards Act and regulations thereunder to inspect and grade any grain and to certificate the grade thereof for shipment or delivery for shipment in interstate or foreign commerce, shall,

unless otherwise requested as to any such grain by the owner or depositor thereof, issue a certificate of grade covering such grain in accordance with the Grain Standards Act and regulations thereunder. Such grain shall be deemed to be inspected and graded and such certificate of grade shall be deemed to be an inspection certificate for the purposes of the act and the regulations in this part.

§ 102.66 Copies of certificate to be accessible.

Each inspector shall, as soon as possible after grading any grain and not later than the close of business on the next following business day, make accessible to the parties interested in a transaction in which the grain is involved at the place designated in § 102.63 a true copy of the inspection certificate issued by him for such grain, or a record of each lot or parcel of grain inspected and graded by such licensed inspector showing the information contained on such inspection certificate.

§ 102.67 Weight certificate.

Each weight certificate issued under the act by a weigher shall be in a form approved for the purpose by the Service, and shall embody the following information within its written or printed terms:

- (a) The caption "United States Warehouse Act, Grain Weight Certificate".
 - (b) Whether it is an original, a duplicate, or other copy, and that it is not negotiable.
 - (c) The name and location of the warehouse in which the grain is or is to be stored.
 - (d) Whether the grain is weighed into or out of the warehouse.
 - (e) The date of the certificate.
 - (f) The consecutive number of the certificate.
 - (g) The net weight, including dockage, if any, of the grain.
 - (h) A statement that the certificate is issued by a weigher licensed under the United States Warehouse Act and the regulations thereunder, and
 - (i) The signature of the weigher.
- In addition, the weight certificate may include any other matter not inconsistent with the act or the regulations in this part provided the approval of the Service is first secured.

§ 102.68 Certificate; grade and weight.

The grade and weight of any grain, ascertained by an inspector and a weigher, may be stated on a certificate meeting the combined requirements of §§ 102.65, 102.67, if the form of such certificate shall have been approved for the purpose by the Service.

§ 102.69 Copies of certificates to be kept.

Each inspector and each weigher shall keep for a period of 1 year in a place accessible to interested parties a copy of each certificate issued by him under the regulations in this part, and shall file a copy of each such certificate with the warehouse in which the grain covered by the certificates is stored.

§ 102.70 Inspections.

Each inspector and each weigher shall permit any authorized officer or agent of the Department to inspect or examine, on any business day during the usual hours of business, his books, papers, records, and accounts relating to the performance of his duties under the act and this part, and shall, with the consent of the warehouseman concerned, assist any such officer or agent in the inspection or examination mentioned in § 102.39 as far as any such inspection or examination relates to the performance of the duties of such inspector or weigher under the act and the regulations in this part.

§ 102.71 Reports.

Each inspector and each weigher shall, from time to time, if requested by the Service, make reports, on forms approved for the purpose by the Service, bearing upon his activities as such inspector or weigher.

§ 102.72 Licenses; suspension or revocation.

Pending investigation, the Secretary, or his designated representative, may, whenever he deems necessary, suspend the license of an inspector or weigher temporarily without hearing. Upon a written request or a satisfactory statement of reasons therefor, submitted by the inspector or weigher, the Secretary, or his designated representative, may, without hearing, suspend or revoke the license issued to such inspector or

(c) In lieu of compliance with the requirements of paragraph (b) of this section, the license applied for may be granted whenever such applicant furnishes satisfactory evidence that he holds an effective license under the Grain Standards Act and regulations thereunder, to inspect and grade such grain and to certificate the grade thereof.

(d) Applications for licenses to weigh grain shall be on forms furnished for the purpose by the Administrator and shall give such information as will show the applicant's experience in weighing grain.

(e) A single application may be made by any person for a license as both inspector and weigher upon complying with the requirements of this section.

(f) An applicant shall at any time furnish such additional information as the Department shall find to be necessary to the consideration of his application.

§ 102.62 Examination.

Each applicant for license as an inspector or weigher and each inspector or weigher shall, whenever requested by an authorized agent of the Department, submit to an examination or test to show his ability properly to inspect and grade or to weigh grain.

§ 102.63 Posting of license.

Each inspector or weigher shall keep his license conspicuously posted in a place designated for the purpose by the Service.

§ 102.64 Duties of inspector and weigher.

Each inspector and each weigher whose license remains in effect shall, without discrimination, as soon as practicable, and upon reasonable terms, inspect and grade or weigh and certificate the grade or weight of grain, stored or to be stored in a warehouse, for which he holds a license, if such grain be offered to him under such conditions as permit proper inspection and weighing and the determination of the grade or weight thereof. No inspector shall issue a certificate of grade for any grain unless the inspection and grading thereof be based upon a correct and representative sample of the grain.

to the licensee a new license, omitting the names of the warehouses for which licenses have been revoked or suspended. Such new license shall be posted as prescribed in § 102.63.

§ 102.74 Lost or destroyed licenses.

Upon satisfactory proof of the loss or destruction of a license issued to an inspector or weigher, a duplicate thereof may be issued under the same number, in the discretion of the Secretary, or his designated representative.

§ 102.75 Unlicensed inspectors and weighers.

No person shall in any way represent himself to be an inspector or weigher licensed under the act unless he holds an unsuspended and unrevoked license issued under the act.

GRAIN GRADING

§ 102.76 Grade; statement.

Whenever the grade of grain is required to be or is stated for the purpose of the act or the regulations in this part, it shall be stated in accordance with §§ 102.77-102.79.

§ 102.77 Official grain standards of the United States.

The official grain standards of the United States are hereby adopted as the official grain standards for the purposes of the act and the regulations in this part.

§ 102.78 Standards of grades for other grain.

Until grades for any kind of grain are officially promulgated by the Secretary, the grade of grain, for which no official grain standards of the United States are in effect, shall be stated (a) in accordance with the State standards, if any, established in the State in which the warehouse is located, (b) in the absence of any State standards, in accordance with the standards, if any, adopted by the local board of trade, chamber of commerce, or by the grain trade generally in the locality in which the warehouse is located, subject to the approval of the Service, or (c) in the absence of the standards mentioned in (a) and (b) of this section, in accordance with any standards approved for the purpose by the Service.

§ 102.79 Grades based on inspection and sample.

Whenever the grade of grain is required to be or is stated for the purposes of the act or the regulations in this part, it shall be based upon a correct and representative sample of the grain and the inspection and grading thereof shall be made under conditions which permit the determination of its true grade.

GRAIN APPEALS

§ 102.80 Appeal procedure.

In case a question arises as to the true grade of grain stored or to be stored in a licensed warehouse, for which official grain standards of the United States are in effect and for which a grain inspection certificate has been issued in accordance with § 102.64, any interested party may take an appeal for the determination of the grade of such grain as provided in this section. If the grain inspection certificate involved was issued under the Grain Standards Act, the appeal shall be governed by the regulations issued under that act: *Provided*, That a copy of the Federal appeal grade certificate issued in the appeal, together with any receipt covering the grain filed in the appeal, shall be sent to the licensed warehouseman concerned, and a copy of the Federal appeal grade certificate shall be sent to the licensed inspector and to each other person shown by the record of the appeal to be interested therein. When the grain inspection certificate with respect to which the appeal is taken was not issued under the Grain Standards Act, the appeal shall be governed by §§ 102.81 through 102.95.

§ 102.81 Complaint.

In order to take such an appeal a complaint in writing in accordance with § 102.82 shall be filed, in the Office of Federal Grain Supervision in the district in which the inspection appealed from was made, not later than the close of business on the second business day following the date the grading was performed as shown by the record required by § 102.66.

§ 102.82 Contents of complaint.

Such complaint shall be in English and shall state—

(a) The name and post-office address of the complainant,

(b) The names and post-office addresses of all other parties interested in the grain involved, or if no other parties are named, why not,

(c) The name and location of the licensed warehouse in which the grain is or is to be stored,

(d) The identification and the location of the grain at the time of taking the appeal,

(e) If samples have been agreed upon and are submitted in accordance with § 102.86(b) a statement thereof, and

(f) Such other information as may be required by the Office of Federal Grain Supervision in which such complaint is filed or by the Administrator.

Such complaint shall be signed by the complainant and may be signed by any one or more or all of the parties interested in such appeal.

§ 102.83 Proof of agent's authority.

In case a complaint is filed under §§ 102.81 through 102.95 by a person purporting to act in behalf of another person, the grain supervisor in charge of the Office of Federal Grain Supervision in which such complaint is filed, or the Administrator may, if he considers necessary, require proof of the authority of such person to file the complaint.

§ 102.84 Certificate of inspection and receipt.

The complainant shall file or cause to be filed in the Office of Federal Grain Supervision mentioned in § 102.81, with the complaint or before the issuance of the grade memorandum in the appeal, the inspection certificate for the grain involved issued by the inspector from whose inspection the appeal is taken together with the receipt, if any, covering such grain. If such inspection certificate be in the custody or control of the inspector he shall upon request immediately transmit or deliver it to said office.

§ 102.85 Filing complaint; extension.

Upon a showing of the discovery of fraud or other good cause for an extension of time the grain supervisor in charge of the office mentioned in § 102.81 may permit the filing of a complaint or sample after the time prescribed therefor in the regulations in this part, and a statement of such appeal by the official making the same.

weigher. The Secretary, or his designated representative, may, after opportunity for hearing has been afforded in the manner prescribed in this section, suspend or revoke a license issued to an inspector or a weigher when such licensee, (a) has ceased to perform services as such inspector or weigher, or (b) has in any other manner become incompetent or incapacitated to perform the duties of such inspector or weigher. As soon as it shall come to the attention of a warehouseman that either of the conditions mentioned under (a) or (b) of this section exists, it shall be the duty of such warehouseman to notify the Service in writing. Before the license of any inspector or weigher is permanently suspended or revoked pursuant to section 12 of the act, such inspector or weigher shall be furnished by the Secretary, or his designated representative, a written statement specifying the charges and shall be allowed a reasonable time within which he may answer the same in writing and apply for a hearing, an opportunity for which shall be afforded in accordance with § 102.99.

§ 102.73 Suspended or revoked license; termination of license.

(a) In case a license issued to an inspector or a weigher is suspended or revoked by the Secretary, or his designated representative, such license shall be returned to the Secretary. At the expiration of any period of suspension of such license, unless in the meantime it be revoked, the dates of the beginning and termination of the suspension shall be indorsed thereon, it shall be returned to the inspector or weigher to whom it was originally issued and it shall be posted as prescribed in § 102.63.

(b) Any license issued under the act and the regulations in this part to an inspector or weigher shall automatically be suspended as to any warehouse whenever the license of such warehouse shall be suspended and shall automatically terminate as to any warehouse whenever the license of such warehouse shall be revoked. Upon either suspension or termination of any inspector's or weigher's license under this paragraph, such license shall be returned to the Department. In case such license shall apply to other warehouses, the Secretary, or his designated representative, shall issue

such fees and expenses shall be deposited and covered into the Treasury of the United States as miscellaneous receipts.

§ 102.93 Disposition of samples.

Samples of grain submitted in appeals under §§ 102.81 through 102.95, or such portions thereof as have not been used in determining the grade and the containers of such samples may, after the expiration of one month be used for the purposes of the Department or disposed of in accordance with the property regulations of the Department and the provisions of the United States as miscellaneous receipts, if any, covered into the Treasury of the Administrator be returned to the party by whom they were filed or his agent at his expense.

§ 102.94 Appeal; not to be refused.

No rule, regulation, bylaw, or custom of any market, board of trade, chamber of commerce, exchange, inspection department or similar organization, nor any contract, agreement, or understanding, shall be ground for refusing to hear and determine any appeal taken under §§ 102.81 through 102.95.

§ 102.95 Appeal; freedom.

No person, licensed under the act, shall, directly or indirectly by any means whatsoever, deter or prevent or attempt to deter or prevent any party from taking an appeal under §§ 102.81 through 102.95.

MISCELLANEOUS

§ 102.96 Bonds required; re State warehouses.

Every person applying for a license, or licensed under section 9 of the act shall, as such, be subject to all portions of the regulations in this part, so far as they may relate to warehousemen. In case there is a law of any State providing for a system of warehouses owned, operated or leased by such State, a person applying for a license under section 9 of the act, to accept the custody of grain and to store the same in any of said warehouses, may, in lieu of a bond or bonds, complying with §§ 102.13 and 102.14, file with the Secretary, or his designated representative, a single bond meeting the requirements of the act and this part, in such form, and in such amount not less than \$5,000 as he shall prescribe, to in-

§ 102.91 Grain grade appeal fees.

The fees and charges in appeals from grain inspection certificates not issued under the Grain Standards Act shall be the same as those prescribed in the regulations under the Grain Standards Act for appeals from grain inspection certificates issued under that act. Such fees and charges shall be assessed against the appellant.

§ 102.92 Advance deposit; fees; how paid.

(a) If required by the grain supervisor in charge of the Office of Federal Grain Supervision in which the complaint is filed or by the Administrator, the complainant shall make an advance deposit to cover the expenses payable by him under § 102.91. Such deposit shall be in an amount fixed by such grain supervisor or the Administrator and shall be in the form of a check; certified if required by the Administrator, or a post-office or express money order payable to the order of "Treasurer of the United States." Additional sums may be required by the official hearing the appeal when deemed necessary by him as advance deposits. In case an appeal be sustained, the amount of the fee assessed shall be refunded. As soon as possible after the determination of an appeal in connection with which any such advance deposit shall have been made the Administrator shall furnish the Treasurer of the United States with a statement of all fees and expenses chargeable against such advance deposits. Thereupon the Treasurer of the United States shall return to the person making the advance deposit as much thereof as shall not be required for the payment of such expenses.

(b) All fees not covered by advance deposits shall be payable immediately upon service of the original or a copy of the grade certificate of the grain supervisor and shall be paid by check, certified if required by the Administrator, or post-office or express money order, drawn to the order of "Treasurer of the United States," or in cash to the Treasurer of the United States.

(c) In case an appeal is not sustained, all sums assessed as fees and expenses against such advance deposits and all sums collected and received by the Treasurer of the United States in payment of

typical portion thereof, otherwise complying with this section, shall constitute a sample of the entire lot or parcel.

(d) In case any portion of a lot or parcel of grain is sour, musty, excessively wet, heating, hot, fire burnt, infested with live weevil or other insects injurious to stored grain, or otherwise of distinctly low quality, separate samples otherwise complying with this section shall be taken, respectively, from such portion and from the remaining portion. There shall be filed with such samples a statement showing the estimated quantity of each portion of the grain from which each such sample was taken.

(e) In case it shall appear that a lot or parcel of grain has been so loaded or handled as intentionally to conceal evidently inferior grain, a sample of such inferior grain, otherwise complying with this section, shall constitute a sample of the entire lot or parcel.

§ 102.89 Appeal; dismissal.

The grain supervisor in charge of an Office of Federal Grain Supervision in which an appeal is filed may dismiss such appeal without its determination:

(a) Upon request of the complainant, not taken in good faith,

(b) If it is found that the appeal was not taken in good faith,

(c) For noncompliance with the regulations in this part, or

(d) Because sufficient evidence is not available upon which to determine the true grade of the grain.

§ 102.90 Grade certificate; issuance.

The sample or samples of the grain involved in an appeal complying with §§ 102.81 through 102.95 shall be examined as soon as possible, such tests shall be applied as are necessary, and except as provided in § 102.89 a grade certificate shall be issued by the grain supervisor hearing the appeal, showing the grade assigned by him to such grain. Such grade certificate shall supersede the inspection certificate for the grain involved. Immediately upon the issuance of a grade certificate under this section the original thereof, together with any receipt covering such grain filed in the appeal, shall be sent to the licensed warehouseman concerned and a copy shall be sent to the licensed inspector and to each other person shown by the record of the appeal to be interested therein.

§ 102.86 Determination of appeals; samples.

(a) No appeal taken under §§ 102.81 through 102.95 shall be determined except upon the basis of a representative sample or samples of the grain involved.

(b) The complainant may submit representative samples of the grain involved which have been agreed upon by the warehouseman in whose warehouse the grain is or is to be stored and the interested parties, other than such warehouseman, or have been drawn by a disinterested person selected for the purpose by the warehouseman and such parties.

(c) If samples which have been submitted pursuant to paragraph (b) of this section be deemed unsatisfactory, or if such samples be not submitted, a representative sample or samples of the grain involved shall be drawn by a person authorized for the purpose by the Service or the grain supervisor in charge of the Office of Federal Grain Supervision in which the appeal is heard; and the complainant or the warehouseman shall have the grain made accessible and placed under such conditions as to permit the taking of a representative sample.

§ 102.87 Samples required.

Samples of grain involved in an appeal shall be delivered in person or transmitted by express or parcel post to the Office of Federal Grain Supervision in which the appeal is filed.

§ 102.88 Representative samples.

For the purposes of an appeal under §§ 102.81 through 102.95 no sample shall be deemed to be representative unless it comply with the following requirements:

(a) It shall be at least 2 quarts in size, of which at least 1½ pints shall be enclosed in a clean, airtight container and the remainder, if any, in a clean cloth sack.

(b) Samples shall be taken from as many different portions of the lot or parcel, in accordance with the instructions of the Service or the grain supervisor in charge of the office mentioned in § 102.81 as will show an average of the lot or parcel.

(c) The grain taken from the different portions of a lot or parcel shall be thoroughly mixed, and such mixtures, or a

sure the performance by such person, with respect to the acceptance of the custody of grain and its storage in the warehouses in such system for which licenses are or may be issued, of his obligations arising during the periods of such licenses, and in addition, if desired by the applicant, during the periods of any amendments thereto. In fixing the amount of such bond, consideration shall be given, among other appropriate factors, to the character of the warehouses involved, their actual or contemplated capacity, the bonding requirements of the State and its liability with respect to such warehouses. If the Secretary, or his designated representative, shall find the existence of conditions warranting such action, there shall be added to the amount of the bond so fixed, a further amount, fixed by him, to meet such conditions.

§ 102.97 Publications.

Publications under the act and the regulations in this part shall be made in such media as may be deemed proper by the Administrator.

§ 102.98 Information of violations.

Every person licensed under the act shall immediately furnish the Department any information which comes to the knowledge of such person tending to show that any provision of the act or the regulations in this part has been violated.

§ 102.99 Procedure in hearings.

For the purpose of hearings under the act or the regulations in this part, except those relating to appeals or arbitrations, the licensee involved shall be allowed a reasonable time within which affidavits and other proper evidence may be submitted. If requested by the licensee within such time, an oral hearing, of which reasonable notice shall be given, shall be held before, and at a time and place fixed by an official authorized by the Secretary. The testimony of the witnesses at such oral hearing shall be upon oath or affirmation administered by the official before whom the hearing is held, when required by him. Such oral hearing may be adjourned by such official from time to time. After reasonable notice to all parties concerned, the deposition of any witness may be

taken at a time and place and before a person designated for the purpose by the official before whom the hearing is held. Every written entry in the records of the Department made by an officer or employee thereof in the course of his official duty which is relevant to the issue involved in a hearing, shall be admissible as prima facie evidence of the facts stated therein without the production of such officer or employee. Copies of all papers and all the evidence submitted or considered in such hearing shall be made a part of the records of the Department. At the end of the oral hearing, the parties shall be afforded an opportunity to file proposed findings of fact, conclusions of law, and orders, after which the official before whom the hearing is held shall prepare his report including his recommended findings of fact, conclusions of law, and order, which shall be served upon the parties, who may file exceptions thereto within a time specified by such official. After the expiration of such time, such report together with any proposed findings of fact, conclusions of law, and orders, and exceptions filed by the parties shall be transmitted to the Secretary for consideration. Each party shall pay all expenses contracted by him in connection with any hearing under this section.

§ 102.100 One document and one license to cover several products.

A license may be issued for the storage of two or more agricultural products in a single warehouse. Where such a license is desired, a single application, inspection, bond, record, report or other paper, document or proceeding relating to such warehouse, shall be sufficient unless otherwise directed by the Administrator.

§ 102.101 Assets and bond; combination warehouses.

Where such license is desired, the amount of the bond, net assets, and inspection and license fees shall be determined by the Administrator in accordance with the regulations applicable to the particular agricultural product which would require the largest bond and the greatest amount of net assets and of fees if the full capacity of the warehouse was used for its storage.

§ 102.102 Amendments.

Any amendment to this part, unless otherwise stated, shall apply in the same manner to persons holding licenses at the time it becomes effective as it applies to persons thereafter licensed under the act.

TERMINAL AND FUTURES CONTRACT MARKETS

§ 102.103 Futures contract markets defined.

For the purpose of §§ 102.103-102.111 a futures contract market is any grain market designated as a futures contract market under authority of the Commodity Exchange Act (49 Stat. 1491, as amended; 7 U.S.C. 1-17a).

§ 102.104 Licenses to weigh grain; futures markets.

Licenses to weigh grain into, out of, and within licensed warehouses, receipts of which are deliverable in satisfaction of futures contracts may be issued to the weighmaster and his deputies of such contract market.

§ 102.105 Registrar of warehouse receipts; futures contract market.

The Administrator may approve as registrar of warehouse receipts issued for grain in licensed elevators operating in any terminal market or in any futures contract market the official designated by the State in which such market is located, if such an official position has been created by law, or any other individual, provided such individual is not an employee of, or the owner of, any such licensed elevator, or the owner of, or an employee of the owner of, grain deposited in any such licensed elevator.

§ 102.106 Licenses to State and other employees.

Licenses may be issued to employees of the grain inspection department of any State or any other agency to inspect and to certificate the grade of grain moving into, out of, or within the licensed elevators.

§ 102.107 License to chief sampler or deputy.

Licenses may be issued to a chief sampler or his deputies in any market to sample and to inspect grain stored or to

be stored in any licensed warehouse in a specified market for the purpose of determining the storability of the grain, subject to the act and the regulations thereunder. Should a difference of opinion exist between a licensed warehouseman, the licensed sampler or any party having an interest in the grain, an appeal may be filed within 24 hours with the Administrator who shall appoint three disinterested persons to serve as an appeals committee and the findings of this committee shall be final and binding on all parties.

§ 102.108 Additional bonding required.

In addition to the financial responsibility and the bonding requirements of §§ 102.6, 102.13-102.17, such additional bond shall be required for the protection of the public as will make the bonded responsibility of each licensed warehouseman equal to the maximum amount of bond required of nonlicensed warehousemen by the exchange, board of trade, or other agency within said market in which the licensed warehouseman is operating.

§ 102.109 Examination of warehouses; board of trade interest.

Annually or more frequently if desired, a duly authorized committee of any exchange or board of trade that has been designated as a contract market may enter any warehouse operating under the regulations in this part, when accompanied by U.S. warehouse examiners, to observe the official examination of the warehouse; or such committee may participate in the making of such examination, under the supervision and direction of the U.S. warehouse examiner in charge. The committee shall be afforded full knowledge of the quantities, kinds, grades, and condition of all grain in the warehouse. The committee may also with the warehouse examiners have access to the warehouseman's records of receipts, fire insurance, weights and grades. In lieu of an examination by any committee of the exchange or board of trade the Department will furnish if desired to the secretary of the exchange or board of trade a summarized statement of its findings of conditions at each licensed warehouse operating within the market.

HARVESTED ACREAGE, ACREAGE ALLOTMENTS, AND NORMAL YIELDS FOR OLD FARMS

Sec. 723.55 Determination of tobacco harvested acreage for old farms.

723.56 Determination of preliminary acreage allotments for old farms.

723.57 Old farm tobacco acreage allotment.

723.58 Adjustment of acreage allotments for old farms, correction of errors in old farm allotments, and allotments for overlooked old farms.

723.59 Reallocation and release and reapportionment of allotments determined for farms acquired by an agency having the right of eminent domain.

723.60 Farms divided or combined.

723.61 Determination of normal yields for old farms.

ACREAGE ALLOTMENTS AND NORMAL YIELDS FOR NEW FARMS

723.62 Determination of acreage allotments for new farms.

723.63 Determination of normal yields for new farms.

MISCELLANEOUS

723.64 Approval of determinations made under §§ 723.51 through 723.65 and notices of farm acreage allotment.

723.65 Application for review.

723.66 Lease and transfer of tobacco acreage allotment.

AUTHORITY: The provisions of this subpart issued under secs. 301, 313, 316, 363, 375, 377, 378, 52 Stat. 38, as amended, 47, as amended, 63, as amended, 66, as amended, 70 Stat. 206, as amended, 72 Stat. 995, as amended, 75 Stat. 469, as amended; secs. 106, 112, 70 Stat. 191, 195, as amended; sec. 101, 76 Stat. 606; 7 U.S.C. 1301, 1313, 1314b, 1363, 1375, 1377, 1378, 1824, 1836, 16 U.S.C. 590p.

GENERAL

§ 723.51 Basis and purpose.

(a) The regulations contained in §§ 723.51 through 723.66 are issued pursuant to the Agricultural Adjustment Act of 1938, as amended, and govern the establishment of 1965 farm acreage allotments and normal yields for cigar-filler (type 41) tobacco. The purpose of the regulations in §§ 723.51 through 723.66 is to provide the procedure for allocating, on an acreage basis, the State marketing quota for cigar-filler (type 41) tobacco for the 1965-66 marketing year among farms and for determining normal yields. Prior to preparing the regulations in §§ 723.51 through 723.66, public notice (29 F.R. 14123) was given in accordance

remove the grain or make other satisfactory disposition of same within the prescribed time it shall be held for his account and any loss in grade sustained shall likewise be for his account.

(c) Nothing in this section shall be construed as prohibiting the warehouseman from fulfilling contracts from other stocks under his control, subject to the U.S. Warehouse Act and regulations thereunder.

§ 102.111 Terminal markets.

Sections 102.103-102.111 apply only to warehousemen operating in such markets as may have been heretofore or may be hereafter designated as futures contract markets, and §§ 102.103-102.107 apply also to warehousemen operating in such markets as the Department may view as terminal markets, and the appointment heretofore or hereafter of a registrar of warehouse receipts, as provided in § 102.105 is conclusive that the Department views such market as a terminal market for purposes of the Warehouse Act. All other regulations issued under the act and applicable to grain warehousemen shall apply to warehousemen operating in such terminal or futures contract markets except as such regulations may conflict with §§ 102.103-102.111.

[F.R. Doc. 64-11945; Filed, Nov. 23, 1964; 8:45 a.m.]

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

SUBCHAPTER B—FARM MARKETING QUOTAS AND ACREAGE ALLOTMENTS

PART 723—CIGAR-FILLER (TYPE 41) TOBACCO

Subpart—Cigar-Filler (Type 41) Tobacco Allotment Regulations, 1965-66 Marketing Year

GENERAL

Sec. 723.51 Basis and purpose.

723.52 Definitions.

723.53 Extent of determinations, computations and rule for rounding fractions.

723.54 Instructions and forms.

condition of the grain and the necessity for its being loaded out. When this information reaches the president of the contract market he shall appoint a committee consisting of five disinterested handlers of cash grain, and notify the Administrator of the appointment of said committee giving the name, address, and business of each member. Each member of said committee shall be subject to disapproval by the Administrator. If no exception is taken to the committee membership during the same business day by the Administrator, the committee shall meet at once, and after taking into consideration various factors that establish the value of the grade of grain called for by the receipts held by such owner or owners, shall determine the fair value of the grain on the basis of the market quotations for grain of the grade called for by the receipts on the day of the finding of the appeals committee that the grain should be loaded out, which price shall be paid to the owner or holder of each such receipt by the licensed warehouseman. If the price offered is not satisfactory to any such owner or holder, a committee appointed by the president of such contract market at the request of such owner or holder shall procure other offers for such grain and such offers shall be immediately reported to such owner or holder or to his agent. If the owner refuses to accept any such offers he shall have the 2 following business days to order and furnish facilities for loading such grain out of store and during this period the warehouseman shall be obliged to deliver the grain covered by the warehouse receipts, but not more than 3 days shall elapse after notification by the registrar to the holder of the receipts before satisfactory disposition shall have been made of the grain either by sale or by ordering out and furnishing facilities to load same, provided the amount of such grain does not exceed 100,000 bushels in any one elevator. If the amount of grain in question exceeds 100,000 bushels, the owner or owners of the warehouse receipts shall be allowed 48 hours of grace over and above the aforementioned 3 days for each 100,000 bushels or fraction thereof in excess of the first 100,000 bushels.

(b) In the event that the holder of the warehouse receipt or his agent fails to

§ 102.110 Registration of public warehouse receipts; protection.

When a contract market designates any agency for the registration of public warehouse receipts and such agency is approved as provided for in § 102.105, all warehouse receipts shall be registered with the registrar and any change in ownership of a warehouse receipt shall be reported to the registrar by the owner thereof, giving his name and address to the registrar. All registered receipts shall be entitled to the following protection:

(a) (1) Whenever any licensed warehouseman considers that any grain stored in his warehouse is out of condition, or becoming so, and should be loaded out in order to protect the interests of the parties concerned, such warehouseman shall notify the registrar and the Administrator, giving the location, approximate quantity, grades, and condition of such grain, and the specific reason which makes loading out necessary. The registrar shall immediately notify the chief sampler, if there be one, otherwise the chief inspector, of the contract market who shall at once proceed to the warehouse in which the grain is stored and examine it, in conjunction with the licensed warehouseman. If the chief sampler, or chief inspector, agrees with the warehouseman that the grain should be loaded out, he shall so notify the registrar and the Administrator. If the chief sampler does not agree with the warehouseman, the latter shall have the right to appeal to the Administrator who shall appoint an appeals committee as provided in § 102.107. If, on such appeal, the warehouseman is sustained, the registrar shall be notified and such warehouse receipts as are selected as provided in this section shall no longer be regular for delivery in satisfaction of futures contracts made under the rules and regulations of such contract market.

(2) The registrar shall thereupon select the oldest registered warehouse receipt for grain of the grade involved and such additional next oldest registered warehouse receipts in the order of their issuance as may be necessary to equal the total quantity of the grain involved, unless such grain has been stored identity preserved, and shall notify such holder or holders or their agents and the president of the contract market of the

with the Administrative Procedure Act (5 U.S.C. 1001-1011). The data, views, and recommendations pertaining to the regulations in §§ 723.51 through 723.66 which were submitted have been duly considered within the limits permitted by the Agricultural Adjustment Act of 1938, as amended.

(b) In view of the fact that the determination of tobacco history acreages and 1965 preliminary acreage allotments is required to be undertaken immediately in order to timely establish farm acreage allotments and such work cannot be done until the regulations of this part become effective, it is hereby found and determined that compliance with the 30-day effective date provision of the Administrative Procedure Act is impractical and contrary to the public interest. Therefore, the regulations of this part shall become effective upon the date of publication in the FEDERAL REGISTER.

§ 723.52 Definitions.

As used in this subpart and in all instructions, forms, and documents in connection therewith, the words and phrases defined in this section shall have the meanings herein assigned to them unless the context or subject matter otherwise requires. References contained herein to other parts of this chapter or title shall be construed as references to such parts and any amendments now in effect or later issued.

(a) The provisions of Parts 718 and 719 of this chapter, including definitions, are hereby incorporated in the regulations of this part unless the context or subject matter or the provisions of the regulations of this part otherwise require.

(b) "Base period" means the five calendar years immediately preceding the year for which farm acreage allotments are currently being established.

(c) "Current year" means the calendar year for which acreage allotments are being established, or tobacco harvested acreage and normal yields are being determined.

(d) "New farm" means a farm for which a tobacco allotment is established in the current year and for which there is no tobacco harvested acreage in the base period.

(e) "Old farm" means a farm for which there was tobacco harvested acreage in one or more years of the base period.

(f) "Tobacco" means cigar-filler tobacco, type 41, that type of cigar-leaf tobacco commonly known as Pennsylvania Seedleaf, Pennsylvania Broadleaf, Pennsylvania filler type, or Lancaster and York County filler type, and produced principally in Lancaster County, Pennsylvania, and the adjoining counties, as classified in Service and Regulatory Announcement No. 118 (Part 30 of this title) of the Bureau of Agricultural Economics of the United States Department of Agriculture. Tobacco which has the same characteristics and corresponding qualities, colors, and lengths shall be treated as one type, regardless of any factors of historical or geographical nature which cannot be determined by examination of the to-

bacco. The term "tobacco" shall include all leaves harvested, including trash.

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

Farm acreage allotments shall be determined in hundredths and any allotment of less than 0.01 acre shall be increased to 0.01 acre. Computations shall be carried to two decimal places beyond the number of decimal places required, and digits of 50 or less beyond the required number of decimal places shall be dropped; if 51 or more, the last required decimal place shall be increased by 1. For example, 2.5536 equals 2.55; 2.5550 equals 2.55; 2.5551 equals 2.56; 2.5582 equals 2.56; and 0.0001 equals 0.01.

§ 723.54 Instructions and forms.

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

HARVESTED ACREAGE, ACREAGE ALLOTMENTS AND NORMAL YIELDS FOR OLD FARMS

§ 723.55 Determination of tobacco harvested acreage for old farms.

(a) The county committee shall determine from the best available data the acreage of tobacco harvested on each old tobacco farm for each of the five years 1960-64. Data for making such determinations shall be taken from county office records, producers' records, producers' reports, estimates of other persons having knowledge of tobacco produced on the farm, and any other information available.

(b) The tobacco harvested acreage shall include the acreage regarded as planted to tobacco under the conservation reserve program, cropland conversion program, and the 1963 land use adjustment program, as follows: For farms under contract or agreement during 1960, 1961, 1963, and 1964, the tobacco harvested acreage shall be the larger of (1) the planted acreage, or (2) the average acreage devoted to tobacco during the soil bank base period or conserving base period, as applicable (Parts 750 and 751 of this chapter). For farms under a conservation reserve contract during 1962, the tobacco acreage to be regarded as devoted to tobacco during the 1962 crop shall be that acreage determined in accordance with Part 719 of this chapter, using the 1962 allotment as a basis for the determination of credits.

(c) The 1962 tobacco harvested acreage shall be the same as the 1962 allotment if as much as 75 percent of the 1962 allotment was planted, or considered planted under paragraph (b) of this section. If less than 75 percent of the 1962 allotment was planted, or considered planted, the 1962 tobacco harvested acreage shall be the acreage planted.

The tobacco harvested acreage for 1962 shall be zero for a farm for which no 1962 allotment was determined.

(d) In determining the tobacco harvested acreage for 1960, 1961, 1963, and 1964, the county committee shall make due allowance for drought, flood, hail, and other abnormal weather conditions and plant bed and other diseases, after application of the provisions of paragraph (b) of this section.

§ 723.56 Determination of preliminary acreage allotments for old farms.

(a) The preliminary allotment for an old farm shall be the larger of the following:

(1) The average acreage of tobacco harvested on the farm during the base period (1960-64), or

(2) The average acreage of tobacco harvested on the farm in the three preceding years (1962-64).

(b) Notwithstanding the foregoing provisions of this section, no 1965 farm tobacco preliminary allotment (or 1965 farm tobacco acreage allotment) shall be determined for any land which the county committee determines has become devoted to commercial or residential development or other non-agricultural purposes, was not and could not have been acquired under the right of eminent domain by the person or agency that did acquire it, and is retired from agricultural production: *Provided*, That this paragraph shall not preclude the determination of a preliminary acreage allotment (or allotment) for (1) an old farm returned to agricultural production if the allotment for the retired land was not allocated to other land in the farm of which the retired land was a part, or (2) a farm for which an acreage allotment may be determined under the provisions of § 723.59: *And, provided further*, That the provisions of this paragraph shall not preclude the allocation of the allotment for the retired land to other land contained in the farm of which the retired land was a part pursuant to Part 719 of this chapter.

§ 723.57 Old farm tobacco acreage allotment.

The preliminary allotments calculated for all old farms in the State pursuant to § 723.56 shall be adjusted uniformly so that the total of such allotments plus the acreage available pursuant to § 723.58 shall not exceed the State acreage allotment: *Provided*, That if the acreage allotment determined for any farm (except farms operated, controlled, or directed by a person who also operates, controls, or directs another farm on which tobacco is produced) is less than that acreage which, with the normal yield for the farm, would produce 2,400 pounds of tobacco, then such acreage allotment shall be increased to the smaller of (a) 120 percent thereof, or (b) that acreage which, with the normal yield for the farm, would produce 2,400 pounds of tobacco.

§ 723.58 Adjustment of acreage allotments for old farms, correction of errors in old farm allotments, and allotments for overlooked old farms.

Notwithstanding the limitations contained in § 723.57, the individual current

year's farm acreage allotment established for an old farm may be increased if the county committee justifies such increase to the satisfaction of a representative of the State committee as being necessary to establish an allotment for such farm which is fair and equitable in relation to the allotments for other old farms in the county, on the basis of the past acreage of tobacco, making due allowances for drought, flood, hail, other abnormal weather conditions, plant bed and other diseases; land, labor and equipment available for the production of tobacco; crop rotation practices; and the soil and other physical factors affecting the production of tobacco. The acreage available in the State for increasing old farm allotments as above described under this section, correction of errors in old farm allotments, and providing acreage allotments for overlooked old farms, shall not exceed two percent of the State acreage allotment for the current year. The allotment for a farm under a conservation reserve contract, cropland conversion or land use agreement, shall be given the same consideration as the allotments for other similar farms under this section.

§ 723.59 Reallocation and release and reapportionment of allotments determined for farms acquired by an agency having the right of eminent domain.

(a) The determination of allotments for farms acquired by an agency having the right of eminent domain, the transfer of such allotment to a pool, and reallocation from the pool shall be administered as provided in Part 719 of this chapter. The normal yield for each farm to which a reallocation is made as provided in this paragraph shall be determined as provided in § 723.61. For a farm for which the 1962 allotment was placed in a pool, the 1962 allotment remaining in the pool shall be the 1965 preliminary allotment. If no 1962 allotment was or may be computed for the farm which was acquired as described in this section, and tobacco was planted thereon in 1963 or 1964, the 1965 preliminary allotment shall be determined in accordance with § 723.56.

(b) The displaced owner of a farm may, not later than May 1 of the current year, release in writing to the county committee for the year 1965 all or part of the acreage for the farm in a pool under Part 719 of this chapter for reapportionment for 1965 by the county committee to other farms in the county having allotments for the same kind of tobacco. The county committee may reapportion, not later than June 1 of the current year, the released acreage or any part thereof to other farms in the county on the basis of the past acreage of the same kind of tobacco, land, labor, equipment available for the production of such kind of tobacco, crop rotation practices, and soil and other physical facilities affecting the production of such kind of tobacco. The allotment acreage released shall, for tobacco acreage history and future allotment purposes, be considered to have remained in the pool as though it had not been released therefrom. The

acreage reapportioned to a farm under this paragraph shall automatically be reduced, where applicable, so as not to exceed the acreage by which the 1965 final tobacco acreage on the farm, determined pursuant to Part 718 of this chapter, exceeds the 1965 allotment for the farm prior to being increased by reapportionment of acreage under this paragraph.

§ 723.60 Farms divided or combined.

Allotments for farms reconstituted for 1965 shall be determined in accordance with Part 719 of this chapter.

§ 723.61 Determination of normal yields for old farms.

The normal yield for any old farm shall be that yield which the county committee determines is normal for the farm taking into consideration (a) the yields obtained on the farm during the period, not less than the base period, for which data are available; (b) the soil and other physical factors affecting the production of tobacco on the farm; and (c) the yields obtained on other farms in the locality which are similar with respect to such factors.

ACREAGE ALLOTMENTS AND NORMAL YIELDS FOR NEW FARMS

§ 723.62 Determination of acreage allotments for new farms.

(a) The acreage allotment, other than an allotment made under § 723.59(a), for a new farm shall be that acreage which the county committee, with approval of the State committee, determines is fair and reasonable for the farm taking into consideration the past tobacco experience of the farm operator, the land, labor and equipment available for the production of tobacco; crop rotation practices; and the soil and other physical factors affecting the production of tobacco: *Provided*, That the acreage allotment so determined shall not exceed 50 percent of the average of the acreage allotments established for two or more but not more than five old tobacco farms which are similar with respect to land, labor, and equipment available for the production of tobacco, crop rotation practices, and the soil and other physical factors affecting the production of tobacco: *And, provided further*, That if the acreage planted to tobacco on a new tobacco farm is less than 75 percent of the tobacco acreage allotment otherwise established for the farm pursuant to this section, such allotment shall be automatically reduced to the planted tobacco acreage on the farm.

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

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

(2) The farm covered by the application shall be the only farm in the United

States owned or operated by the farm operator for which a tobacco acreage allotment for any kind of tobacco is established for the current crop year.

(3) The farm shall not have an allotment for the current year for any kind of tobacco, other than the allotment requested in the application.

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

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

(6) The operator will obtain, during the current year, more than 50 percent of his income from the production of agricultural commodities or products from the farm for which the new farm allotment application is filed. In making this computation of income from the farm, no value will be allowed for the estimated return from the production of the requested allotment. However, in addition to the value of agricultural products sold from the farm, credit will be allowed for the estimated value of home gardens, livestock and livestock products, poultry, or other agricultural products produced for home consumption or other use on the farm. Where the farm operator is a partnership, each partner must obtain, during the current year, more than 50 percent of his income from agricultural commodities or products from the farm; where the farm operator is a corporation, it must have no major corporate purpose other than operation and ownership where applicable, of such farm, and the officers and general manager of the corporation must obtain more than 50 percent of their income, including dividends and salary, from the corporation.

(7) The farm operator shall have had experience in producing, harvesting, and marketing the kind of tobacco requested in the application either as a sharecropper, tenant, or farm operator, during at least two of the five years immediately preceding the year for which the new farm allotment is requested. The production of tobacco in 1962 of the kind requested in the application on a farm for which no 1962 farm acreage allotment for such kind of tobacco was established, shall not be deemed as experience in growing tobacco for this purpose.

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

(9) A written application is filed by the farm operator at the office of the

county committee on or before March 10 of the current year.

(c) The acreage allotments established as provided in this section for each kind of tobacco shall be subject to such downward adjustment as is necessary to bring such allotments in line with the total acreage available for allotment to all new farms. One percent of the national marketing quota for the current year shall, when converted to an acreage allotment by the use of the national average yield, be available for establishing allotments for new farms. The national average yield shall be the average of the State yield used in converting the State marketing quota into State acreage allotments.

(d) Any new farm allotment approved under §§ 723.51 through 723.65 which was determined by the county committee on the basis of incorrect information knowingly furnished the county committee by the applicant for the new farm allotment shall be cancelled by the county committee as of the date established.

§ 723.63 Determination of normal yields for new farms.

The normal yield for a new farm shall be that yield per acre which the county committee determines is normal for the farm as compared with yields for other farms in the locality on which the soil and other physical factors affecting the production of tobacco are similar.

MISCELLANEOUS

§ 723.64 Approval of determinations made under §§ 723.51 through 723.65 and notices of farm acreage allotment.

(a) All farm acreage allotments and yields shall be determined by the county committee of the county in which the farm is located and shall be reviewed by a representative of the State committee. The State committee may revise or require revision of any determination made under §§ 723.51 through 723.65. All acreage allotments and yields shall be approved by a representative of the State committee, and no official notice of acreage allotment shall be mailed to a farm operator until such allotment has been so approved, except that revised acreage allotment notices without such prior approval may be mailed in cases resulting from reconstitutions that do not involve the use of additional acreage.

(b) An official notice of the farm acreage allotment and marketing quota shall be mailed to the operator of each farm shown by the records of the county committee to be entitled to an allotment. The notice to the operator of the farm shall constitute notice to all persons who as operator, landlord, tenant, or sharecropper are interested in the farm for which the allotment is established. All such notices shall bear the actual or facsimile signature of a member of the county committee. The facsimile signature may be affixed by a county committeeman or an employee of the county office. Insofar as practical, all allotment notices shall be mailed in time to be received prior to the date of any tobacco marketing quota

referendum. A copy of such notice containing thereon the date of mailing, shall be maintained for not less than 30 days in a conspicuous place in the county office and shall thereafter be kept available for public inspection in the office of the county committee. A copy of such notice certified as true and correct shall be furnished without charge to any person interested in the farm in respect to which the allotment is established.

(c) If the records of the county committee indicate that the allotment established for any farm may be changed because of (1) removal of the farm from agricultural production, (2) division of the farm, or (3) combination of the farm, the mailing of the notice of such allotment may be delayed: *Provided*, That the notice of allotment for any farm shall be mailed no later than May 1 of the current year.

(d) If the county committee determines with the approval of the State executive director that (1) the official written notice of the farm acreage allotment issued for any farm erroneously stated the acreage allotment to be larger than the correct allotment, and (2) the error was not so gross as to place the operator on notice thereof, and that the operator, relying upon such notice and acting in good faith, planted an acreage of tobacco in excess of the correct farm acreage allotment, the acreage allotment shown on the erroneous notice shall be deemed to be the tobacco acreage allotment for the farm for all purposes in connection with the tobacco marketing quota program for the current year: *Provided*, That for future allotment purposes, the 1965 allotment shall be considered fully planted if the acreage planted is as much as 75 percent of the smaller of the acreage shown on the correct notice or the acreage shown on the erroneous notice.

§ 723.65 Application for review.

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

§ 723.66 Lease and transfer of tobacco acreage allotment.

(a) For the 1965 crop year, notwithstanding the provisions of §§ 723.51 through 723.65, but subject to the limitations provided in this section, the owner and operator (acting together if different persons) of any farm for which an old farm tobacco acreage allotment is established for type 41 tobacco for the 1965 crop year under §§ 723.51 through 723.65, may lease and transfer all or any part of such allotment to any other owner or operator of a farm in the same county with a current year's allotment (old or new farm), for the same kind of tobacco for use on such farm. Such lease and transfer of allotment acreage shall

be recognized and considered valid by the county committee subject to the conditions set forth in this section.

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

(c) The lease and transfer of any allotment or any part thereof shall not be effective until a copy of such lease is filed with and determined by the county committee to be in compliance with the provisions of this section. Such lease and transfer shall not be effective unless a copy of the lease is filed with the county committee not later than May 1 of the current year.

(d) The county committee shall determine a normal yield per acre, in accordance with the provisions of § 723.61 in the case of old farms and, in the case of new farms, § 723.63 for each farm from which, and for each farm to which, a tobacco acreage allotment or any part thereof is leased. If the normal yield determined by the county committee for the farm to which the allotment acreage is transferred does not exceed the normal yield determined by the county committee for the farm from which the allotment acreage is transferred by more than ten percent, the lease and transfer shall be approved acre for acre. If the normal yield determined by the county committee for the farm to which the allotment acreage is transferred exceeds the normal yield for the farm from which the allotment acreage is transferred by more than ten percent, the county committee shall make a downward adjustment in the amount of the allotment acreage transferred by multiplying the normal yield established for the farm from which the allotment acreage is transferred by the acreage being transferred and dividing the result by the normal yield established for the farm to which the allotment acreage is transferred.

(e) The amount of allotment acreage which is leased from a farm (prior to any reduction made under this section) shall be considered for the purpose of determining future allotments (and tobacco history acreage) to have been planted to tobacco on such farm. The amount of allotment acreage which is leased and transferred to a farm shall not be taken into account in establishing allotments for subsequent years for such farm.

(f) No one farm may receive by lease and transfer more than five acres of allotment acreage (prior to any adjustment under paragraph (d) of this section for normal yields): *Provided*, That the total acreage allotted to any farm after such transfer (the sum of its own allotment and the acreage leased and transferred to it prior to any adjustment in normal yields) shall not exceed 50 percent of the acreage of cropland in the farm.

(g) A new farm allotment shall not be leased or transferred.

(h) Tobacco allotment acreage shall not be leased and transferred to or from any farm under a conservation reserve contract or cropland conversion program agreement in excess of the total number

of acres which could be devoted to non-conserving or soil bank base crops under the terms of such contract or agreement, less, in the case of a farm to which a tobacco allotment acreage is leased and transferred, the tobacco allotment acreage for such farm without regard to the lease and transfer. For possible effects of a lease and transfer of tobacco allotment acreage on such conservation reserve contract or cropland conversion program agreement, see the regulations issued with respect to the conservation reserve program (Part 750 of this chapter) and the cropland conversion program (Part 751 of this chapter).

(i) The tobacco allotment acreage in a pool (see § 723.59(a)), including allotment acreage which has been released to the county committee and reapportioned under the provisions of § 723.59(b), shall not be eligible for lease and transfer.

(j) Any leased allotment acreage shall not be subleased.

(k) A revised notice showing the allotment acreage after lease and transfer shall be issued by the county committee to each of the operators of all farms from which or to which tobacco allotment acreage is leased under this section.

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

(m) Except with respect to the erroneous allotment notice provisions in § 723.64 and the provisions for review in § 723.65, the term "tobacco acreage allotment" as used in §§ 723.51 through 723.65 shall mean the allotment without regard to the application of the provisions of this section.

(n) If the allotment for a farm for the current year is reduced to zero, no tobacco allotment acreage for such kind of tobacco may be leased to such farm for the current year.

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

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

(q) An agreement for leasing tobacco allotment acreage may be dissolved at the request of all parties to the leasing by so notifying the county committee in writing not later than May 1 of the current year. In such a case, an official notice of the farm acreage allotment and marketing quota, disregarding lease and transfer, shall be issued by the county committee to each of the operators involved in the leasing agreement. If the request to dissolve the lease is made after the above-specified date(s), the acreage allotments resulting from the lease and transfer shall remain in effect.

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

Effective date: Date of publication in the FEDERAL REGISTER.

Signed at Washington, D.C., on November 18, 1964.

H. D. GODFREY,
Administrator, Agricultural Sta-
bilization and Conservation
Service.

[F.R. Doc. 64-12012; Filed, Nov. 23, 1964;
8:50 a.m.]

Chapter XIV—Commodity Credit Corporation, Department of Agriculture.

PART 1464—TOBACCO

Subpart—Tobacco Loan Program

SCHEDULE OF ADVANCE RATES FOR CERTAIN TYPES OF TOBACCO, 1964 CROP

Set forth below is a schedule of advance rates, by grades, for the 1964 crop of types 21, 22, 23, 31, 35, 36, 37, 42-44, 51, 52 53, 54, and 55 tobacco, under the tobacco loan program published August 7, 1963, as amended (28 F.R. 8019, 11822, 29 F.R. 10497).

Sec.	
1464.1631	1964 Crop—Virginia Fire-cured Tobacco, Type 21.
1464.1632	1964 Crop—Kentucky-Tennessee Fire-cured Tobacco, Types 22 and 23.

Sec.	
1464.1633	1964 Crop—Burley Tobacco, Type 31.
1464.1634	1964 Crop—Dark Air-cured Tobacco, Types 35 and 36.
1464.1635	1964 Crop—Virginia Sun-cured Tobacco, Type 37.
1464.1636	1964 Crop—Ohio Filler Tobacco, Types 42-44.
1464.1637	1964 Crop—Connecticut Valley Broadleaf Tobacco, Type 51.
1464.1638	1964 Crop—Connecticut Valley Havana Seed Tobacco, Type 52.
1464.1639	1964 Crop—New York and Pennsylvania Havana Seed Tobacco, Type 53, and Southern Wisconsin Tobacco, Type 54.
1464.1640	1964 Crop—Northern Wisconsin Tobacco, Type 55.

AUTHORITY: §§ 1464.1631 to 1464.1640 issued under sec. 4, 62 Stat. 1070, as amended; 15 U.S.C. 714b. Interpret or apply sec. 5, 62 Stat. 1072, secs. 101, 106, 401, 403, 63 Stat. 1051, as amended, 1054; 74 Stat. 6; 15 U.S.C. 714c, 7 U.S.C. 1441, 1445, 1421, 1423; sec. 125, 70 Stat. 198, 7 U.S.C. 1813.

§ 1464.1631 1964 Crop—Virginia Fire-cured Tobacco, Type 21, Advance Schedule.¹

[Dollars per hundred pounds, farm sales weight]

Grade	Length 46	Length 45	Length 44	Length 43
A1F	62.12	62.12		
A2F	56.12	57.12		
A1D	61.12	61.12		
A2D	56.12	57.12		
B1F	59.12	59.12	49.12	
B2F	55.12	55.12	49.12	38.12
B3F	47.12	49.12	45.12	36.12
B4F	39.12	43.12	41.12	32.12
B5F	35.12	36.12	35.12	
B1D	59.12	59.12		
B2D	55.12	55.12	49.12	38.12
B3D	47.12	49.12	45.12	36.12
B4D	38.12	41.12	39.12	32.12
B5D	35.12	36.12	35.12	36.12
B3M	38.12	39.12	38.12	34.12
B4M	37.12	38.12	37.12	28.12
B5M	33.12	34.12	33.12	26.12
B3G	38.12	39.12	38.12	34.12
B4G	37.12	38.12	37.12	28.12
B5G	33.12	34.12	33.12	
C1L	64.12	64.12		
C2L	59.12	59.12	53.12	
C3L	51.12	51.12	47.12	
C4L	42.12	43.12	42.12	
C5L	37.12	38.12	37.12	
C1F	64.12	64.12		
C2F	59.12	59.12	53.12	
C3F	51.12	51.12	47.12	
C4F	42.12	44.12	43.12	
C5F	37.12	39.12	38.12	
C3D	37.12	38.12	37.12	
C4D	33.12	34.12	33.12	
C5D	27.12	28.12	27.12	
C3M	38.12	40.12	39.12	
C4M	36.12	37.12	36.12	
C5M	32.12	34.12	33.12	
C3G	32.12	33.12	32.12	
C4G	29.12	30.12	29.12	
C5G	26.12	27.12	26.12	

Grade		Grade		Grade	
X1L	43.12	X1D	41.12	X5M 45	26.12
X2L	40.12	X2D	38.12	X3G	34.12
X3L	37.12	X3D	36.12	X3G 45	33.12
X4L	36.12	X4D	33.12	X4G	31.12
X5L	31.12	X5D	28.12	X4G 45	29.12
X1F	44.12	X3M	34.12	X5G	26.12
X2F	41.12	X3M 45	33.12	X5G 45	24.12
X3F	39.12	X4M	33.12	N1L	21.12
X4F	36.12	X4M 45	31.12	N1D	21.12
X5F	31.12	X5M	29.12	N1G	21.12
				N2	15.12

¹The Cooperative Associations through which price support is made available for Virginia fire-cured, type 21, Burley, type 31, and Virginia sun-cured, type 37, are authorized to deduct from the amount paid to growers 12 cents per hundred pounds to apply against overhead costs. Only the original

§ 1464.1632 1964 Crop—Kentucky-Tennessee Fire-cured Tobacco, Types 22 and 23, Advance Schedule.¹

[Dollars per hundred pounds, farm sales weight]

Grade	Length 46	Length 45	Length 44	Length 43
A1F	64	64		
A2F	60	60		
A3F	51	51		
A1D	64	64		
A2D	60	60		
A3D	51	51		
B1F	53	55	51	
B2F	50	52	49	
B3F	45	47	45	39
B4F	41	43	41	34
B5F	36	37	35	29
B3VF	43	45	42	34
B4VF	40	41	39	31
B5VF	34	35	33	25
B1D	53	55	51	
B2D	50	52	49	
B3D	48	50	48	41
B4D	42	44	42	35
B5D	35	36	33	27
B3M	43	45	42	36
B4M	38	40	37	29
B5M	29	31	27	21
B3G	44	46	44	35
B4G	39	41	38	29
B5G	32	33	29	23
C1L	54	55	52	
C2L	50	51	49	
C3L	48	49	46	40
C4L	45	46	44	38
C5L	40	41	40	33
C1F	54	55	52	
C2F	50	51	49	
C3F	45	47	45	39
C4F	43	44	42	36
C5F	39	40	39	32
C3VF	44	45	43	37
C4VF	40	41	39	34
C5VF	37	38	36	28
C1D	51	51	48	
C2D	43	45	42	
C3D	39	41	39	34
C4D	35	36	33	29
C5D	31	32	30	26
C3M	42	44	41	36
C4M	38	39	37	33
C5M	35	36	32	26
C3G	39	40	37	33
C4G	36	37	32	29
C5G	29	30	27	25

Grade		Grade		Grade	
X1L	46	X3VF	39	X5M	27
X2L	43	X4VF	35	X3G	33
X3L	41	X5VF	29	X4G	26
X4L	39	X1D	42	X5G	23
X5L	35	X2D	40	N1L	25
X1F	45	X3D	36	N1D	22
X2F	43	X4D	32	N1G	21
X3F	41	X5D	26	N2	15
X4F	37	X3M	37		
X5F	34	X4M	33		

producer is eligible to receive advances. Tobacco graded "U" (unsound), "DAM" (damaged), or "No-G" (no grade), N-K, botched, nested, off-type, or decayed will not be accepted. Tobacco of types 22, 23, 35, and 36 graded "W" (doubtful keeping order) will be accepted at advance rates 20 percent below the advance rates otherwise applicable. Tobacco of types 21, 31, and 37, graded "W" (doubtful keeping order) will not be accepted. Type 35 grades marked with the special factor "BL" shall have an advance rate 20 percent below the advance rate otherwise applicable without such special factor. Types 35 and 36 grades marked with the special factor "BH" shall have an advance rate 20 percent below the advance rate otherwise applicable without such special factor. Type 21, 22, and 23 grades of 47 length and types 35 and 36 grades of 47 length, except grades A1F, A1R, A2F, and A2R, shall have an advance rate 5 percent below the advance rate otherwise applicable for 46 length of each grade. The advance rates for grades A1F, A1R, A2F, and A2R of types 35 and 36 in 47 length shall be the same as those for such grades in 46 length.

No. 229—8

§ 1464.1633 1964 Crop—Burley Tobacco, Type 31, Advance Schedule.¹

[Dollars per hundred pounds, farm sales weight]

Grade	Advance rate	Grade	Advance rate	Grade	Advance rate
B1F	71.12	M5F	49.12	C5V	64.12
B2F	69.12	M3R	45.12	C3K	58.12
B3F	67.12	M4R	40.12	C4K	60.12
B4F	65.12	M5R	35.12	C5K	58.12
B5F	60.12	T3F	59.12	C3R	52.12
B3VF	61.12	T4F	54.12	C4R	64.12
B4VF	57.12	T5F	50.12	C5R	62.12
B5VF	51.12	T4VF	47.12	C3M	57.12
B3K	56.12	T5VF	43.12	C4M	63.12
B4K	51.12	T3FR	55.12	C5M	60.12
B5K	41.12	T4FR	50.12	C4G	55.12
B1FR	64.12	T5FR	45.12	C5G	47.12
B2FR	62.12	T3R	45.12	X1L	41.12
B3FR	59.12	T4R	42.12	X2L	74.12
B4FR	56.12	T5R	37.12	X3L	73.12
B5FR	52.12	T4VR	37.12	X4L	72.12
B1R	57.12	T5VR	32.12	X5L	69.12
B2R	55.12	T4D	35.12	X1F	64.12
B3R	52.12	T5D	32.12	X2F	74.12
B4R	49.12	T4K	32.12	X3F	73.12
B5R	46.12	T5K	29.12	X4F	72.12
B3VR	46.12	T4GF	39.12	X5F	69.12
B4VR	44.12	T5GF	34.12	X3R	64.12
B5VR	40.12	T4GR	32.12	X4R	62.12
B4D	39.12	T5GR	29.12	X5R	58.12
B5D	34.12	C1L	74.12	X4M	51.12
B3M	57.12	C2L	74.12	X5M	58.12
B4M	52.12	C3L	73.12	X4G	47.12
B5M	42.12	C4L	72.12	X5G	46.12
B3GF	49.12	C5L	67.12	N1L	39.12
B4GF	46.12	C1F	71.12	N1F	51.12
B5GF	41.12	C2F	74.12	N1R	43.12
B3GR	38.12	C3F	73.12	N1G	29.12
B4GR	35.12	C4F	72.12	N2L	26.12
B5GR	32.12	C5F	71.12	N2R	40.12
M3F	57.12	C3V	67.12	N2G	23.12
M4F	52.12	C4V	67.12		22.12

§ 1464.1634 1964 Crop—Dark Air-cured Tobacco, Types 35 and 36, Advance Schedule.¹

[Dollars per hundred pounds, farm sales weight]

Grade	Length 46	Length 45	Length 44
A1F	52	52	
A2F	48	48	45
A3F	43	44	42
A1R	52	52	
A2R	48	48	45
A3R	43	44	42
B1F	48	49	47
B2F	45	46	45
B3F	43	44	43
B4F	41	42	41
B5F	37	38	37
B3VF	41	42	41
B4VF	40	41	40
B5VF	37	38	37
B1R	48	49	47
B2R	45	46	45
B3R	42	43	42
B4R	40	41	40
B5R	37	38	37
B1D	48	49	47
B2D	45	46	45
B3D	42	43	42
B4D	41	42	41
B5D	36	37	36
B3M	41	42	41
B4M	38	39	38
B5M	33	34	33
B3G	40	41	40
B4G	38	39	38
B5G	32	33	32
C1L	46	47	46
C2L	45	46	45
C3L	44	45	44
C4L	41	42	41
C5L	34	35	34
C1F	46	47	46
C2F	44	45	44
C3F	43	44	43
C4F	40	41	40
C5F	33	34	33
C3VF	40	41	40
C4VF	38	39	38
C5VF	32	33	32
C1R	44	45	44
C2R	42	43	42
C3R	41	42	41
C4R	37	38	37
C5R	30	31	30
C3M	40	41	40
C4M	36	37	36
C5M	30	31	30
C4G	37	38	37
C5G	29	30	29

Grade		Grade		Grade	
T3F	38	X2L	41	X5R	31
T4F	34	X3L	40	X3D	38
T5F	26	X4L	37	X4D	33
T3R	38	X5L	35	X5D	26
T4R	34	X1F	43	X3M	35
T5R	26	X2F	41	X4M	32
T3D	38	X3F	39	X5M	27
T4D	34	X4F	38	X3G	35
T5D	26	X5F	34	X4G	29
T3M	37	X3FV	35	X5G	24
T4M	32	X4FV	34	N1L	25
T5M	25	X5FV	30	N1R	23
T3G	37	X1R	43	N1G	21
T4G	32	X2R	40	N2L	16
T5G	25	X3R	38	N2R	15
X1L	43	X4R	34	N2G	15

§ 1464.1635 1964 Crop—Virginia Sun-cured Tobacco, Type 37, Advance Schedule.¹

[Dollars per hundred pounds, farm sales weight]

Grade	Length 45	Length 44	Grade	Length 45	Length 44
A1F	62.12	55.12	B3G	43.12	42.12
A2F	58.12	52.12	B4G	41.12	40.12
A3F	55.12	52.12	B5G	37.12	36.12
A1R	62.12	58.12	C1L	60.12	53.12
A2R	59.12	56.12	C2L	54.12	50.12
A3R	56.12	53.12	C3L	51.12	47.12
B1F	61.12	54.12	C4L	44.12	42.12
B2F	59.12	55.12	C5L	39.12	38.12
B3F	51.12	49.12	C1F	60.12	53.12
B4F	46.12	44.12	C2F	54.12	50.12
B5F	41.12	40.12	C3F	50.12	46.12
B1R	61.12	54.12	C4F	43.12	42.12
B2R	58.12	55.12	C5F	39.12	38.12
B3R	53.12	50.12	C1R	57.12	51.12
B4R	46.12	44.12	C2R	51.12	47.12
B5R	41.12	40.12	C3R	45.12	43.12
B1D	59.12	54.12	C4R	40.12	39.12
B2D	58.12	54.12	C5R	36.12	35.12
B3D	51.12	48.12	C1M	40.12	39.12
B4D	44.12	43.12	C4M	37.12	36.12
B5D	40.12	39.12	C5M	35.12	33.12
B3M	43.12	42.12	C4G	34.12	33.12
B4M	41.12	40.12	C5G	29.12	28.12
B5M	37.12	36.12			

Grade		Grade		Grade	
T3F	42.12	X1L	44.12	X3D	36.12
T4F	40.12	X2L	42.12	X4D	34.12
T5F	34.12	X3L	39.12	X5D	28.12
T3R	42.12	X4L	37.12	X3M	37.12
T4R	40.12	X5L	32.12	X4M	35.12
T5R	34.12	X1F	44.12	X5M	32.12
T3D	40.12	X2F	42.12	X3G	35.12
T4D	38.12	X3F	39.12	X4G	33.12
T5D	32.12	X4F	37.12	X5G	29.12
T3M	39.12	X5F	32.12	N1L	21.12
T4M	37.12	X1R	44.12	N1R	21.12
T5M	31.12	X2R	41.12	N1G	21.12
T3G	39.12	X3R	37.12	N2L	15.12
T4G	37.11	X4R	36.12	N2R	15.12
T5G	31.12	X5R	29.12	N2G	15.12

§ 1464.1636 1964 Crop—Ohio Filler Tobacco, Types 42-44, Advance Schedule.²

[Dollars per hundred pounds, farm sales weight]

Grade	Advance rate
Crop run (stripped together):	
X1	29
X2	27
X3	24
X4	20
Nondescript:	
N	12

²The cooperative association through which price support is made available is authorized to deduct from the amount paid the grower fifty cents per hundred pounds to apply against receiving and overhead costs, plus a fee of \$5.00 for each lot of tobacco received for sample grading purposes. Only the original producer is eligible to receive advances. No advance is authorized for tobacco graded "No-G" (no grade), "W" (doubtful keeping order), or "U" (unsound).

§ 1464.1637 1964 Crop—Connecticut Valley Broadleaf Tobacco, Type 51, Advance Schedule.³

UNSORTED

[Dollars per hundred pounds, farm sales weight]

Grade	Advance rate
Binders:	
B1.....	49
B2.....	47
B3.....	43
B4.....	38
B5.....	35
Nonbinder:	
X1.....	30

§ 1464.1638 1964 Crop—Connecticut Valley Havana seed Tobacco, Type 52, Advance Schedule.³

UNSORTED

[Dollars per hundred pounds, farm sales weight]

Grade	Advance rate
Binders:	
B1.....	48
B2.....	45
B3.....	42
B4.....	37
B5.....	35
Nonbinder:	
X1.....	30

§ 1464.1639 1964 Crop—New York and Pennsylvania Havana Seed Tobacco, Type 53, and Southern Wisconsin Tobacco, Type 54, Advance Schedule.⁴

[Dollars per hundred pounds, farm sales weight]

Grade	Advance rate
Binders:	
B1.....	33
B2.....	32
B3.....	30
Strippers:	
C1.....	28
C2.....	27
C3.....	26
Crop-run:	
X1.....	33
X2.....	29
X3.....	24
Farm fillers:	
Y1.....	24
Y2.....	22
Y3.....	20
Non-descript:	
N1.....	18
N2.....	16

³ The cooperative association through which price support is made available is authorized to deduct from the amount paid the grower \$1.00 per hundred pounds to apply against receiving and overhead costs. Only the original producer is eligible to receive advances. No advance is authorized for tobacco graded "N1" (first quality non-descript), "N2" (second quality non-descript), "S" (scrap), or "No-G" (no grade).

⁴ The cooperative association through which price support is made available is authorized to deduct from the amount paid the grower \$1.00 per hundred pounds on tobacco of the B grade group and fifty cents per hundred pounds on tobacco of all other grade groups to apply against receiving and overhead costs, plus a fee of \$5.00 for each lot of tobacco received for sample grading purposes. Only the original producer is eligible to receive advances. No advance is authorized for tobacco graded "No-G" (no grade), or "S" (scrap).

§ 1464.1640 1964 Crop—Northern Wisconsin Tobacco, Type 55, Advance Schedule.⁴

[Dollars per hundred pounds, farm sales weight]

Grade	Advance rate
Binders:	
B1.....	43
B2.....	39
B3.....	37
Strippers:	
C1.....	35.5
C2.....	32.5
C3.....	28.5
Crop-run:	
X1.....	32
X2.....	29
X3.....	25
Farm fillers:	
Y1.....	26
Y2.....	24
Y3.....	22
Non-descript:	
N1.....	19
N2.....	16

(Sec. 4, 62 Stat. 1070, as amended; 15 U.S.C. 714b. Interpret or apply sec. 5, 62 Stat. 1072, secs. 101, 106, 401, 403, 63 Stat. 1051, as amended, 1054; 74 Stat. 6; 15 U.S.C. 714c, 7 U.S.C. 1441, 1445, 1421, 1423; sec. 125, 70 Stat. 198, 7 U.S.C. 1813)

Effective date: Date of filing with Office of Federal Register.

Signed at Washington, D.C., on November 16, 1964.

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

[F.R. Doc. 64-11831; Filed, Nov. 23, 1964;
8:45 a.m.]

Title 5—ADMINISTRATIVE PERSONNEL

Chapter I—Civil Service Commission

PART 550—PAY ADMINISTRATION (GENERAL)

Subpart E—Compensation From More Than One Civilian Office

A new subpart is added to Part 550 under authority of section 301(b) of the Dual Compensation Act of 1964 (P.L. 88-448), which provides for exceptions from the limitation in section 301(a) of that Act against receiving salary from more than one civilian office. Effective December 1, 1964, Subpart E is added to Part 550 as set out below.

Sec.	
550.501	Scope.
550.502	Definitions.
550.503	Exceptions in emergencies.
550.504	General exceptions.
550.505	Specific exceptions.
550.506	Prior approval.
550.507	Report to the Commission.

AUTHORITY: The provisions of this Subpart E issued under sec. 301(b), Pub. Law 88-448; 78 Stat. 488.

§ 550.501 Scope.

(a) *Applicability.* (1) This subpart and section 301 of the Dual Compensation Act apply in determining an employee's entitlement to receive compensation from more than one civilian office.

(2) This subpart and section 301(a) of the Dual Compensation Act apply only to an employee holding more than one civilian office when the aggregate number of hours worked during a week exceeds forty.

(b) *Coverage.* This subpart and section 301(a) of the Dual Compensation Act apply to each department and agency (including each corporation owned or controlled by the Government of the United States and including nonappropriated fund instrumentalities under the jurisdiction of the armed forces) in the legislative (except as provided in section 301(c) of the Act), judicial, and executive branches of the Government of the United States and to the municipal government of the District of Columbia.

§ 550.502 Definitions.

In this subpart:

(a) "Act" or "Dual Compensation Act" means the Act of August 19, 1964 (Public Law 88-448; 78 Stat. 484).

(b) "Civilian office" has the meaning given that term by section 101(3) of the Act.

(c) "Compensation" means salary paid for services in a civilian office but excludes fees paid on other than a time basis.

(d) "Employee" means a person holding a civilian office.

(e) "Week" means the period of seven calendar days from Sunday through Saturday.

§ 550.503 Exceptions in emergencies.

Section 301(a) of the Act does not apply to compensation from a civilian office for services performed under emergency conditions relating to health, safety, protection of life or property, or national emergency.

§ 550.504 General exceptions.

When the head of a department, agency, or the municipal government of the District of Columbia, or person to whom he has delegated the authority, determines that personal services otherwise cannot be readily obtained, section 301(a) of the Act does not apply to:

(a) Compensation for part-time or intermittent employment in positions for which the Commission has established special minimum salary rates under section 504 of the Federal Salary Reform Act of 1962, as amended (76 Stat. 842; 5 U.S.C. 1173); or

(b) Compensation for part-time or intermittent employment as a foreign language instructor, translator, interpreter, or in any other capacity which requires a knowledge and use of one or more foreign languages in the position to which appointed.

§ 550.505 Specific exceptions.

When the head of the department or agency concerned, or of the municipal government of the District of Columbia, or person to whom he has delegated the authority, determines that personal services otherwise cannot be readily obtained, section 301(a) of the Act does not apply to:

(a) Compensation for part-time or intermittent employment as an instructor

in an adult-education program provided by the Department of the Air Force for its military members and their dependents in overseas areas;

(b) Compensation for part-time or intermittent employment as a relief engineer for the relief of a ship's engineering officer assigned to the Military Sea Transportation Service when his ship is in port on a weekend; or

(c) Compensation for part-time or intermittent employment by the Department of Corrections in the municipal government of the District of Columbia of a teacher who is regularly employed in the public schools of the District of Columbia.

§ 550.506 Prior approval.

When it is difficult for a department, agency, or the municipal government of the District of Columbia to obtain employees because of section 301(a) of the Act, it may request the Commission to approve an exception from that section either on an individual basis or for a general employment situation. In submitting its request for an exception, the department, agency, or the municipal government of the District of Columbia must establish to the satisfaction of the Commission that personal services cannot otherwise be readily obtained.

§ 550.507 Report to the Commission.

The Commission may require a department, agency, or the municipal government of the District of Columbia to submit a periodic report on its use of the exceptions from section 301(a) of the Act.

UNITED STATES CIVIL SERVICE COMMISSION,

[SEAL] MARY V. WENZEL,

Executive Assistant to the Commissioners.

[F.R. Doc. 64-11912; Filed, Nov. 23, 1964; 8:45 a.m.]

Title 25—INDIANS

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

SUBCHAPTER F—ENROLLMENT

PART 43c—PREPARATION OF A ROLL TO SERVE AS THE BASIS FOR THE DISTRIBUTION OF THE JUDGMENT FUNDS AWARDED THE NEHALEM AND TILLAMOOK BANDS OF THE TILLAMOOK INDIANS

Applications, Appeals and Preparation of Roll

The Act of August 30, 1964 (78 Stat. 639), directs the Secretary of the Interior to prepare a roll to serve as the basis for distributing the money awarded the Nehalem and Tillamook Bands of the Tillamook Indians by the Indian Claims Commission in Docket No. 240, together with the interest accrued thereon. The purpose of the regulations in the new Part 43c is to govern the preparation of this roll, and the new part is set forth below.

In that the Act of August 30, 1964, supra, clearly establishes the require-

ments for eligibility for inclusion on the anticipated roll and the form of the distribution, the procedure for general notice of proposed rule making is deemed unnecessary. These regulations will become effective upon the date of publication in the FEDERAL REGISTER.

STEWART L. UDALL,
Secretary of the Interior.

NOVEMBER 18, 1964.

Part 43c, Chapter I, Title 25 of the Code of Federal Regulations reads as follows:

Sec.

- 43c.1 Definitions.
- 43c.2 Purpose.
- 43c.3 Qualifications for enrollment.
- 43c.4 Application forms.
- 43c.5 Filing of applications.
- 43c.6 Burden of proof.
- 43c.7 Review of applications by tribal committee.
- 43c.8 Action by the Director.
- 43c.9 Appeals.
- 43c.10 Decision of the Secretary.
- 43c.11 Preparation of roll.
- 43c.12 Certification and approval of roll.
- 43c.13 Special instructions.

AUTHORITY: The provisions of this Part 43c issued under the Act of August 30, 1964 (78 Stat. 639).

§ 43c.1 Definitions.

As used in this Part 43c.

(a) "Secretary" means the Secretary of the Interior or his authorized representative.

(b) "Commissioner" means the Commissioner of Indian Affairs.

(c) "Director" means the Area Director, Portland Area Office, Bureau of Indian Affairs, Box 3785, Portland, Oregon, or his authorized representative.

(d) "Staff Officer" means the enrollment officer or other person authorized to prepare the roll.

(e) "Descendants" means those persons who have issued from an enrollee and includes such enrollee's children, grandchildren, etc. It does not include collateral relatives such as aunts, uncles, cousins, etc.

(f) "Living" means born on or prior to and living on August 30, 1964.

(g) "Sponsor" means a person who has filed an application for enrollment on behalf of another person.

(h) "Basic Roll" means either the January 28, 1898 census roll of the Naalem (Nehalem) Band of Tillamook Indians or the annuity payment roll of the Tillamook Band of Tillamook Indians prepared in 1914 under the provisions of the Act of August 24, 1912 (37 Stat. L., 519-535).

§ 43c.2 Purpose.

The regulations in this part are to govern the compilation of a roll of persons who meet the enrollment requirements specified in section I of the Act of August 30, 1964 (78 Stat. 639), to serve as the basis for the distribution of the judgment funds paid to the Naalem (Nehalem) Band of Tillamook and the Tillamook Band of Tillamook Indians in Indian Claims Commission Docket No. 240, together with the interest accrued thereon.

§ 43c.3 Qualifications for enrollment.

Each person of Tillamook Indian ancestry whose name appears on either the census roll of the Naalem (Nehalem) Band of Tillamook Indians dated January 28, 1898, or on the annuity payment roll of the Tillamook Band of Tillamook Indians prepared in 1914 under the provisions of the Act of August 24, 1912 (37 Stat. L., 519-535), who was living on August 30, 1964, and all descendants born prior to and living on August 30, 1964, of persons whose names appear on either of the above specified rolls, regardless of whether the original enrollees are living or deceased, shall be eligible for inclusion on the roll prepared pursuant to this Part 43c.

§ 43c.4 Application forms.

(a) Application forms will be furnished by the Director or other designated persons upon written or verbal request. Each person furnishing application forms shall keep a record of the names of the individuals to whom applications are given, as well as the number of forms and the date furnished.

(b) Among other information each application shall contain:

(1) The deadline for filing the application with the Director or other designated persons.

(2) Certification as to whether application is for a natural child or an adopted child.

(3) If the application is filed by a sponsor, the name, address, and relationship of sponsor to the applicant.

(c) Instructions for completing and filing application forms shall be furnished with each form.

§ 43c.5 Filing of applications.

Any adult person who desires to be enrolled and believes he meets the requirements for enrollment specified in this Part 43c must file or have filed in his behalf a completed application form with the Director on or before March 1, 1965. Written application forms for minors, mentally incompetent persons or other persons in need of assistance, members of the Armed Services or other services of the United States Government and/or any eligible members of their immediate families stationed in Alaska or Hawaii or elsewhere outside the Continental United States, or a person who died after August 30, 1964, may be filed by the parent, recognized guardian, next friend, next of kin, spouse, executor or administrator of estate, the Director, or other person on or before March 1, 1965.¹

§ 43c.6 Burden of proof.

The burden of proof rests upon the applicant to establish his eligibility for enrollment. Documentary evidence such as birth certificates, death certificates, baptismal records, copies of probate finding, or affidavits, may be used to support claim for enrollment. Records of the Bureau of Indian Affairs may be used to establish eligibility.

¹ Criminal penalties are provided by statute for knowingly filing false information in such statements. 18 U.S.C. 1001.

§ 43c.7 Review of applications by tribal authorities.

If practicable the Secretary shall consult with tribal authorities, who shall consult with tribal authorities, who shall have three months from the deadline for filing applications to examine the applications for the purpose of recommending to the Director approval or rejection of the applications. A recommendation for the rejection of any application shall be supported by a memorandum setting forth the reasons for the adverse recommendation.

§ 43c.8 Action by the Director.

(a) The Director shall consider each application and, when applicable, the tribal recommendation thereon. When the tribe recommends that an application be rejected and the Director disagrees with the recommendation, the application together with the file pertaining to the case shall be transmitted with the Director's recommendation to the Commissioner for presentation to the Secretary for final decision. When there is no disagreement, and upon determination as to the eligibility of an applicant, the Director shall notify the applicant in writing of his decision. If such determination is favorable, the name of the applicant shall be placed on the roll. If the decision is adverse the applicant or sponsor shall be notified of such decision by certified mail, to be received by addressee only, return receipt requested, together with a full explanation of the reasons therefor and of his right to appeal to the Secretary. (Registered mail must be used for notices of rejection sent outside the United States.) If an individual files applications on behalf of more than one person, one notice of eligibility or rejection may be addressed to the person who filed the application. However, said notice must list the name of such person involved.

(b) To avoid hardship or gross injustice, the Director may waive technical deficiencies in applications or other submissions.

§ 43c.9 Appeals.

Appeals must be in writing, addressed and mailed to the Director, and received by him within 30 days from the receipt of rejection notice. The appellant may submit with his appeal any supporting evidence not previously furnished. When upon review of the evidence, the Director is satisfied that the right to enrollment has been established, the appellant shall be so notified and the appropriate name entered on the roll. If the Director determines the applicant ineligible he shall forward the appeal, together with the complete record and his recommendations thereon, to the Commissioner for transmittal to the Secretary.

§ 43c.10 Decision of the Secretary on appeals.

The decision of the Secretary on an appeal shall be final and conclusive and written notice of the decision shall be

given the applicant or sponsor. When so directed by the Secretary, the Commissioner shall cause to be entered on the roll the name of any person whose appeal has been sustained.

§ 43c.11 Preparation of roll.

The staff officer shall prepare a minimum of five copies of the roll of those persons determined to be eligible for enrollment. The roll shall contain for each person a roll number, name, address, sex, date of birth, and, in the remarks column, when applicable, the basic roll number, date of basic roll, name and relationship of the ancestor on the basic roll through whom eligibility was established.

§ 43c.12 Certification and approval of roll.

A certificate shall be attached to the roll by the staff officer certifying that to the best of his knowledge and belief the roll contains only the names of those persons who were determined to meet the requirements for enrollment. The Commissioner shall approve the roll.

§ 43c.13 Special instructions.

To facilitate the work of the Director, the Commissioner may issue special instructions not inconsistent with the regulations in this part.

[F.R. Doc. 64-11963; Filed, Nov. 23, 1964; 8:46 a.m.]

Title 26—INTERNAL REVENUE

Chapter I—Internal Revenue Service, Department of the Treasury

SUBCHAPTER A—INCOME TAX

[T.D. 6773]

PART 1—INCOME TAX; TAXABLE YEARS BEGINNING AFTER DECEMBER 31, 1953

Interest on Loans Incurred To Purchase Certain Insurance and Annuity Contracts

On July 28, 1964, notice of proposed rule making with respect to the amendments of the Income Tax Regulations (26 CFR Part 1) under section 264 of the Internal Revenue Code of 1954 (relating to certain amounts paid in connection with insurance contracts) to conform the regulations to changes made by section 215 of the Revenue Act of 1964 (Pub. Law 88-272, 78 Stat. 55), was published in the FEDERAL REGISTER (29 F.R. 10470). After consideration of all such relevant matter as was presented by interested persons regarding the rules proposed, the amendments of the regulations as proposed are hereby adopted subject to the changes set forth below. The amendments shall apply with respect to taxable years beginning after December 31, 1963, but only with respect to contracts purchased after August 6, 1963.

Paragraphs (b), (c) (1) (i), (d) (1) (i) and (ii), and example (2) of paragraph (d) (iv) of § 1.264-4, as set forth in the

notice of proposed rule making, have been revised.

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

Approved: November 18, 1964.

STANLEY S. SURREY,
Assistant Secretary of the
Treasury.

In order to conform the Income Tax Regulations (26 CFR Part 1) under section 264 of the Internal Revenue Code of 1954 to section 215 of the Revenue Act of 1964 (78 Stat. 55), such regulations are amended as follows:

PARAGRAPH 1. Section 1.264 is amended by adding a new paragraph (3) to subsection (a) of section 264, by revising so much of such subsection (a) as follows paragraph (3), by adding a subsection (c) to section 264, and by adding a historical note. These added and amended provisions read as follows:

§ 1.264 Statutory provisions; certain amounts paid in connection with insurance contracts.

SEC. 264. *Certain amounts paid in connection with insurance contracts—*(a) *General rule.* * * *

(3) Except as provided in subsection (c), any amount paid or accrued on indebtedness incurred or continued to purchase or carry a life insurance, endowment, or annuity contract (other than a single premium contract or a contract treated as a single premium contract) pursuant to a plan of purchase which contemplates the systematic direct or indirect borrowing of part or all of the increases in the cash value of such contract (either from the insurer or otherwise).

Paragraph (2) shall apply in respect of annuity contracts only as to contracts purchased after March 1, 1954. Paragraph (3) shall apply only in respect of contracts purchased after August 6, 1963.

(c) *Exceptions.* Subsection (a) (3) shall not apply to any amount paid or accrued by a person during a taxable year on indebtedness incurred or continued as part of a plan referred to in subsection (a) (3)—

(1) If no part of 4 of the annual premiums due during the 7-year period (beginning with the date the first premium on the contract to which such plan relates was paid) is paid under such plan by means of indebtedness,

(2) If the total of the amounts paid or accrued by such person during such taxable year for which (without regard to this paragraph) no deduction would be allowable by reason of subsection (a) (3) does not exceed \$100,

(3) If such amount was paid or accrued on indebtedness incurred because of an unforeseen substantial loss of income or unforeseen substantial increase in his financial obligations, or

(4) If such indebtedness was incurred in connection with his trade or business.

For purposes of applying paragraph (1), if there is a substantial increase in the premiums on a contract, a new 7-year period described in such paragraph with respect to such contract shall commence on the date the first such increased premium is paid.

[Sec. 264 as amended by sec. 215, Rev. Act 1964 (78 Stat. 55)]

PAR. 2. There is inserted immediately after § 1.264-3 the following new section:

§ 1.264-4 Other life insurance, endowment, or annuity contracts.

(a) *General rule.* Except as otherwise provided in paragraphs (d) and (e) of this section, no deduction shall be allowed under section 163 or any other provision of chapter 1 of the Code for any amount (determined under paragraph (b) of this section) paid or accrued during the taxable year on indebtedness incurred or continued to purchase or continue in effect a life insurance, endowment, or annuity contract (other than a single premium contract or a contract treated as a single premium contract) if such indebtedness is incurred pursuant to a plan of purchase which contemplates the systematic direct or indirect borrowing of part or all of the increases in the cash value of such contract (either from the insurer or otherwise). For the purposes of the preceding sentence, the term "of purchase" includes the payment of part or all of the premiums on a contract, and not merely payment of the premium due upon initial issuance of the contract. The rule of this paragraph applies whether or not the taxpayer is the insured, payee, or annuitant under the contract. The rule of this paragraph does not apply to contracts purchased by the taxpayer on or before August 6, 1963, even though there is a substantial increase in premiums after such date. The rule of this paragraph does not apply to any amount paid or accrued on indebtedness incurred or continued to purchase or carry a single premium life insurance, endowment, or annuity contract (including a contract treated as a single premium contract); the treatment of such amounts is governed by § 1.264-2.

(b) *Determination of amount not allowed.* The amount not allowed as a deduction under paragraph (a) of this section is determined with reference to the entire amount of borrowing to purchase or carry the contract, and is not limited with reference to the amount of borrowing of increases in the cash value. The rule of this paragraph may be illustrated by the following example:

Example. A, a calendar year taxpayer using the cash receipts and disbursements method of accounting, on January 1, 1964, purchases from a life insurance company a policy in the amount of \$100,000 with an annual gross premium of \$2,200. For the first policy year, A pays the annual premium by means other than by borrowing. For the second, third, fourth, and fifth policy years, A continues the policy in effect by incurring indebtedness pursuant to a plan referred to in paragraph (a) of this section. The years and amounts applicable to the policy are as follows:

Years	Cumulative cash value of contract	Total loan outstanding	Interest paid at 4.8 percent
1964	\$370	0	0
1965	2,175	\$2,200	\$105.60
1966	4,000	4,400	211.20
1967	5,865	6,600	316.80
1968	7,745	8,800	422.40

On these facts (assuming that none of the exceptions contained in paragraph (d) of this section are applicable), no deduction is allowed for the interest paid during the year

1968. Moreover, the interest deduction will be disallowed for the taxable years 1965 through 1967 if such taxable years are not closed by reason of the statute of limitations or other rule of law.

(c) *Special rules.* For purposes of this section—

(1) *Determination of existence of a plan which contemplates systematic borrowing—(i) In general.* The determination of whether indebtedness is incurred or continued pursuant to a plan referred to in paragraph (a) of this section shall be made on the basis of all the facts and circumstances in each case. Unless the taxpayer shows otherwise, in the case of borrowing in connection with premiums for more than three years, the existence of a plan referred to in paragraph (a) of this section will be presumed. The mere fact that a taxpayer does not borrow to pay a premium in a particular year does not in and of itself preclude the existence of a plan referred to in paragraph (a) of this section. A plan referred to in paragraph (a) of this section need not exist at the time the contract is entered into, but may come into existence at any time during the 7-year period following the taxpayer's purchase of the contract or following a substantial increase (referred to in paragraph (d)(1) of this section) in premiums on the contract.

(ii) *Premium attributable to more than one year.* For purposes of subdivision (i) of this subparagraph, if the stated annual premiums due on a contract vary in amount, borrowing in connection with any premium, the amount of which exceeds the amount of any other premium, on such contract may be considered borrowing to pay premiums for more than one year. The preceding sentence shall not apply where the borrowing is in connection with a substantially increased premium within the meaning of paragraph (d)(1) of this section.

(2) *Direct or indirect.* A plan referred to in paragraph (a) of this section may contemplate direct or indirect borrowing of increases in cash value of the contract directly or indirectly to pay premiums and many contemplate borrowing either from an insurance carrier, from a bank, or from any other person. Thus, for example, if a taxpayer borrows \$100,000 from a bank and uses the funds to purchase securities, later borrows \$100,000 from a second bank and uses the funds to repay the first bank, later sells the securities and uses the funds as a part of a plan referred to in paragraph (a) of this section to pay premiums on a contract of cash value life insurance, the deduction for interest paid in continuing the loan from the second bank shall not be allowed (assuming that none of the exceptions contained in paragraph (d) of this section are applicable). Moreover, a plan referred to in paragraph (a) of this section need not involve a pledge of the contract, but may contemplate unsecured borrowing or the use of other property.

(d) *Exceptions.* No deduction shall be denied under paragraph (a) of this section with respect to any amount paid or accrued during a taxable year on indebtedness incurred or continued as part

of a plan referred to in paragraph (a) of this section if any of the following exceptions apply.

(1) *The 7-year exception—(i) In general.* No part of 4 of the annual premiums due during the 7-year period (beginning with the date the first premium on the contract to which such plan relates was paid) is paid under such plan by means of indebtedness. For purposes of this exception, in the event of a substantial increase in any annual premium on a contract, a new 7-year period begins on the date such increased premium is paid. If premiums on a contract are payable other than on an annual basis (for example, monthly), the annual premium is the aggregate of premiums due for the year. See paragraph (c)(1)(ii) of this section for cases where one premium on a contract paid by means of indebtedness may be considered as more than one annual premium.

(ii) *Application of borrowings.* For purposes of subdivision (i) of this subparagraph, if during a 7-year period referred to in such subdivision the taxpayer, directly or indirectly, borrows with respect to more than one annual premium on a contract, such borrowing shall be considered first attributable to the premium for the current policy year (within the meaning of subdivision (iii) of this subparagraph) and then attributable to premiums for prior policy years beginning with the most recent prior policy year (but not including any prior policy year to the extent that such taxpayer has indebtedness outstanding with respect to the premium for such prior policy year). If such borrowing exceeds the premiums paid for the current policy year and for prior policy years and the taxpayer has, with respect to the current policy year, deposited premiums in advance of the due date of such premiums, such excess borrowing shall be considered indebtedness incurred to carry the contract which is attributable to the premiums deposited for succeeding policy years beginning with the premium for the next succeeding policy year. The preceding sentence shall not apply to a single premium contract referred to in § 1.264-2.

(iii) *Current policy year.* For purposes of subdivision (ii) of this subparagraph, the term "current policy year" refers to the policy year which begins with or within the taxable year of the taxpayer.

(iv) *Illustrations.* The provisions of subdivision (ii) of this subparagraph may be illustrated by the following examples:

Example (1). A, a calendar year taxpayer using the cash receipts and disbursements method of accounting, on January 1, 1964, purchases from a life insurance company a policy in the amount of \$100,000 with an annual gross premium of \$2,200. For the first four policy years, A initially pays the annual premium by means other than borrowing. On January 1, 1968, pursuant to a plan referred to in paragraph (a) of this section, A borrows \$10,000 with respect to the policy. Such borrowing is considered first attributable to paying the premium for the year 1968 and then attributable to paying the premiums for the years 1967, 1966, 1965, and 1964 (in part). No deduction is allowed for the interest paid by A on the \$10,000 indebtedness during the year 1968.

Example (2). The facts are the same as in example (1), except that on January 1, 1964, A pays the first annual premium and deposits an amount equal to the second and third annual premiums, all such amounts initially being paid or deposited by means other than borrowing. On January 1, 1965, A deposits an amount equal to the fourth, fifth, and sixth annual premiums, and borrows \$4,400 pursuant to a plan referred to in paragraph (a) of this section. Such borrowing is considered attributable to the premiums paid for the policy years 1965 and 1964. On January 1, 1966, A deposits an amount equal to the seventh, eighth, and ninth annual premiums, and borrows \$6,600 pursuant to such plan. Such borrowing is considered attributable to the premium paid for the policy year 1966 and deposited for the policy years 1967 and 1968. No deduction is allowed for interest paid by A on the \$11,000 indebtedness during 1966. Moreover, the interest deduction will be disallowed for the taxable year 1965. However, if this contract is treated as a single premium contract under § 1.264-2 (by reason of deposit with the insurer of an amount for payment of a substantial number of future premiums), the deduction for interest on indebtedness incurred or continued to purchase or carry the contract would be denied without reference to this section.

(2) *The \$100 exception.* The total amount paid or accrued during the taxable year by the taxpayer who has entered one or more plans referred to in paragraph (a) of this section for which (without regard to this subparagraph) no deduction would be allowable under paragraph (a) of this section does not exceed \$100. Where the amount so paid or accrued during the taxable year exceeds \$100, the entire amount shall be subject to the general rule of paragraph (a) of this section.

(3) *The unforeseen events exception.* The amount is paid or accrued by the taxpayer on indebtedness incurred because of an unforeseen substantial loss of such taxpayer's income or an unforeseen substantial increase in such taxpayer's financial obligations. A loss of income or increase in financial obligations is not unforeseen, within the meaning of this subparagraph, if at the time of the purchase of the contract such event was or could have been foreseen. College education expenses are foreseeable; however, if college expenses substantially increase, then to the extent that such increases are unforeseen, this exception will apply. This exception applies only if the plan referred to in paragraph (a) of this section arises because of the unforeseen event. Thus, for example, if a taxpayer or his family incur substantial unexpected medical expenses or the taxpayer is laid off from his job, and for that reason systematically borrows against the cash value of a previously purchased contract, the deduction for the interest paid on the loan will not be denied, whether or not the loan is used to pay a premium on the contract.

(4) *The trade or business exception.* The indebtedness is incurred by the taxpayer in connection with his trade or business. To be within this exception, the indebtedness must be incurred to finance business obligations rather than to finance cash value life insurance. Thus, if a taxpayer pledges a life insurance, endowment, or annuity contract as

part of the collateral for a loan to finance the expansion of inventory or capital improvements for his business, no part of the deduction for interest on such loan will be denied under paragraph (a) of this section. Borrowing by a business taxpayer to finance business life insurance such as under so-called keyman, split dollar, or stock retirement plans is not considered to be incurred in connection with the taxpayer's trade or business within the meaning of this subparagraph. The determination of whether the indebtedness is incurred in connection with the taxpayer's trade or business, within the meaning of this exception, rather than to finance cash value life insurance shall be made on the basis of all the facts and circumstances. The provisions of this subparagraph may be illustrated by the following examples:

Example (1). Corporation M each year borrows substantial sums to carry on its business. Corporation M agrees to provide a retirement plan for its employees and purchases level premium life insurance to fund its obligation under the plan. The mere fact that M Corporation purchases a cash value life insurance policy will not cause its deduction for interest paid on its normal indebtedness to be denied even though the policy is later used as part of the collateral for its normal indebtedness.

Example (2). Corporation R has \$200,000 of bonds outstanding and purchases cash value life insurance policies on several of its key employees. Such purchase by R Corporation will not, of itself, cause its deduction for interest on its bonded indebtedness to be denied. If, however, the premiums on the life insurance policies are \$10,000 each year, the cash value increases by \$8,000 each year, and R Corporation increases its indebtedness by \$10,000 each year, its deduction for interest on such indebtedness will not be allowed under the rule of paragraph (a) of this section. On the other hand, the absence of such a directly parallel increase will not of itself establish that the deduction for interest is allowable.

(e) *Applicability of section.* The rules of this section apply with respect to taxable years beginning after December 31, 1963, but only with respect to contracts purchased after August 6, 1963. With respect to contracts entered into on or before August 6, 1963, but purchased or acquired whether from the insurer, insured, or any other person (other than by gift, bequest, or inheritance, or in a transaction to which section 381(a) of the Code applies) after such date, the rules of this section apply after such purchase or acquisition.

(Sec. 7805, Internal Revenue Code of 1954 (68A Stat. 917; 26 U.S.C. 7805))

[F.R. Doc. 64-11987; Filed, Nov. 23, 1964; 8:48 a.m.]

[T.D. 6772]

PART 1—INCOME TAX; TAXABLE YEARS BEGINNING AFTER DECEMBER 31, 1953

Timing of Deductions in Certain Cases Where Asserted Liabilities Are Contested

On July 21, 1964, notice of proposed rule making with respect to the amendment of the Income Tax Regulations (26 CFR Part 1) under section 461 of the

Internal Revenue Code of 1954, relating to general rule for taxable year of deduction, to conform the regulations to changes made by section 223 of the Revenue Act of 1964 (78 Stat. 76) was published in the FEDERAL REGISTER (29 F.R. 9798). After consideration of all such relevant matter as was presented by interested persons regarding the rules proposed, the amendment of the regulations as proposed is hereby adopted, subject to the changes set forth below:

Section 1.461-2, as set forth in paragraph 3 of the appendix to the notice of proposed rule making, is changed by revising paragraph (c) (1), by revising example (2) of paragraph (c) (2), by adding a sentence at the end of the example contained in paragraph (g) (6), and by adding a sentence at the end of the example contained in paragraph (h) (3).

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

Approved: November 17, 1964.

STANLEY S. SURREY,
Assistant Secretary of the
Treasury.

In order to conform the Income Tax Regulations (26 CFR Part 1) under section 461 of the Internal Revenue Code of 1954 to section 223 of the Revenue Act of 1964 (78 Stat. 76), such regulations are amended as follows:

PARAGRAPH 1. Section 1.461 is amended by adding new subsections (e) and (f) to section 461 and by revising the historical note. These added and revised provisions read as follows:

§ 1.461 Statutory provisions; general rule for taxable year of deduction.

SEC. 461. General rule for taxable year of deduction. * * *

(e) *Dividends or interest paid on certain deposits or withdrawable accounts.*—Except as provided in regulations prescribed by the Secretary or his delegate, amounts paid to, or credited to the accounts of, depositors or holders of accounts as dividends or interest on their deposits or withdrawable accounts (if such amounts paid or credited are withdrawable on demand subject only to customary notice to withdraw) by a mutual savings bank not having capital stock represented by shares, a domestic building and loan association, or a cooperative bank shall not be allowed as a deduction for the taxable year to the extent such amounts are paid or credited for periods representing more than 12 months. Any such amount not allowed as a deduction as the result of the application of the preceding sentence shall be allowed as a deduction for such other taxable year as the Secretary or his delegate determines to be consistent with the preceding sentence.

(f) *Contested liabilities.* If—
(1) The taxpayer contests an asserted liability,

(2) The taxpayer transfers money or other property to provide for the satisfaction of the asserted liability,

(3) The contest with respect to the asserted liability exists after the time of the transfer, and

(4) But for the fact that the asserted liability is contested, a deduction would be allowed for the taxable year of the transfer (or for an earlier taxable year),

then the deduction shall be allowed for the taxable year of the transfer. This subsection shall not apply in respect of the deduction

for income, war profits, and excess profits taxes imposed by the authority of any foreign country or possession of the United States.

[Sec. 461 as amended by sec. 6, Act of Sept. 14, 1960 (Pub. Law 86-781, 74 Stat. 1020); sec. 3(a), Act of Oct. 24, 1962 (Pub. Law 87-876, 76 Stat. 1199); sec. 223(a)(1), Rev. Act 1964 (78 Stat. 76)]

PAR. 2. Section 1.461-1 is amended by revising subparagraph (2) of paragraph (a) and subparagraph (1) of paragraph (c), and by adding a new example (5) to subparagraph (6) of paragraph (c). These amended and added provisions read as follows:

§ 1.461-1 General rule for taxable year of deduction.

(a) *General rule.* * * *

(2) *Taxpayer using an accrual method.* Under an accrual method of accounting, an expense is deductible for the taxable year in which all the events have occurred which determine the fact of the liability and the amount thereof can be determined with reasonable accuracy. However, any expenditure which results in the creation of an asset having a useful life which extends substantially beyond the close of the taxable year may not be deductible, or may be deductible only in part, for the taxable year in which incurred. While no accrual shall be made in any case in which all of the events have not occurred which fix the liability, the fact that the exact amount of the liability which has been incurred cannot be determined will not prevent the accrual within the taxable year of such part thereof as can be computed with reasonable accuracy. For example, A renders services to B during the taxable year for which A claims \$10,000. B admits the liability to A for \$5,000 but contests the remainder. B may accrue only \$5,000 as an expense for the taxable year in which the services were rendered. In the case of certain contested liabilities in respect of which a taxpayer transfers money or other property to provide for the satisfaction of the contested liability, see § 1.461-2. Where a deduction is properly accrued on the basis of a computation made with reasonable accuracy and the exact amount is subsequently determined in a later taxable year, the difference, if any, between such amounts shall be taken into account for the later taxable year in which such determination is made.

(c) *Accrual of real property taxes.*—
(1) *In general.* If the accrual of real property taxes is proper in connection with one of the methods of accounting described in section 446(c), any taxpayer using such a method of accounting may elect to accrue any real property tax, which is related to a definite period of time, ratably over that period in the manner described in this paragraph. For example, assume that such an election is made by a calendar-year taxpayer whose real property taxes, applicable to the period from July 1, 1955, to June 30, 1956, amount to \$1,200. Under section 461(c), \$600 of such taxes accrue in the calendar year 1955, and the balance accrues in 1956. For special rule in the case of certain contested real property

taxes in respect of which the taxpayer transfers money or other property to provide for the satisfaction of the contested tax, see § 1.461-2. For general rules relating to deductions for taxes, see section 164 and the regulations thereunder.

(6) *Examples.* The provisions of this paragraph are illustrated by the following examples:

Example (5). The facts are the same as in example (4) except that in June 1955, when the taxpayer pays his \$1,600 real property taxes for 1955, he pays \$400 of such amount under protest. Deductions for taxes for the taxable years ending March 31, 1955, and March 31, 1956, are computed as follows:

Fiscal year ending March 31, 1955	
April through December 1954 ($\frac{1}{2}$ of \$1,200)	\$900
January through March 1955 ($\frac{1}{2}$ of \$1,200, that is, \$1,600 minus \$400 (the contested portion which is not properly accruable))	300
Taxes accrued ratably in fiscal year ending March 31, 1955	1,200
Tax relating to period January through March 1954, paid in June 1954, and not deductible in prior taxable years ($\frac{1}{2}$ of \$1,200)	300
Deduction for fiscal year ending March 31, 1955	1,500
Fiscal year ending March 31, 1956	
April through December 1955 ($\frac{1}{2}$ of \$1,200)	\$900
January through March 1956 ($\frac{1}{2}$ of \$1,800)	450
Taxes accrued ratably in fiscal year ending March 31, 1956	1,350
Contested portion of tax relating to period January through December 1955, paid in June 1955, and deductible, under section 461(f), for taxpayer's fiscal year ending March 31, 1956	400
Deduction for fiscal year ending March 31, 1956	1,750

PAR. 3. There is inserted immediately after § 1.461-1 a new § 1.461-2 to read as follows:

§ 1.461-2 Timing of deductions in certain cases where asserted liabilities are contested.

(a) *General rule.*—(1) *Taxable year of deduction.* If—

(i) The taxpayer contests an asserted liability,

(ii) The taxpayer transfers money or other property to provide for the satisfaction of the asserted liability,

(iii) The contest with respect to the asserted liability exists after the time of the transfer, and

(iv) But for the fact that the asserted liability is contested, a deduction would be allowed for the taxable year of the transfer (or, in the case of an accrual method taxpayer, for an earlier taxable year for which such amount would be accruable),

then the deduction with respect to the contested amount shall be allowed for the taxable year of the transfer.

(2) *Exception.* Subparagraph (1) of this paragraph shall not apply in respect

of the deduction for income, war profits, and excess profits taxes imposed by the authority of any foreign country or possession of the United States, including a tax paid in lieu of a tax on income, war profits, or excess profits otherwise generally imposed by any foreign country or by any possession of the United States.

(3) *Refunds includible in gross income.* If any portion of the contested amount which is deducted under subparagraph (1) of this paragraph for the taxable year of transfer is refunded when the contest is settled, such portion is includible in gross income except as provided in § 1.111-1, relating to recovery of certain items previously deducted or credited. Such refunded amount is includible in gross income for the taxable year of receipt, or for an earlier taxable year if properly accruable for such earlier year.

(4) *Examples.* The provisions of this paragraph are illustrated by the following examples:

Example (1). X Corporation, which uses an accrual method of accounting, in 1964 contests \$20 of a \$100 asserted real property tax liability but pays the entire \$100 to the taxing authority. In 1968, the contest is settled and X receives a refund of \$5. X deducts \$100 for the taxable year 1964, and includes \$5 in gross income for the taxable year 1968 (assuming § 1.111-1 does not apply to such amount). If in 1964 X pays only \$80 to the taxing authority, X deducts only \$80 for 1964. The result would be the same if X Corporation used the cash method of accounting.

Example (2). Y Corporation makes its return on the basis of a calendar year and uses an accrual method of accounting. Y's real property taxes are assessed and become a lien on December 1, but are not payable until March 1 of the following year. On December 10, 1964, Y contests \$20 of the \$100 asserted real property tax which was assessed and became a lien on December 1, 1964. On March 1, 1965, Y pays the entire \$100 to the taxing authority. In 1968, the contest is settled and Y receives a refund of \$5. Y deducts \$80 for the taxable year 1964, deducts \$20 for the taxable year 1965, and includes \$5 in gross income for the taxable year 1968 (assuming § 1.111-1 does not apply to such amount).

(b) *Contest of asserted liability.*—(1) *Asserted liability.* For purposes of paragraph (a) (1) of this section, the term "asserted liability" means an item with respect to which, but for the existence of any contest in respect of such item, a deduction would be allowable under an accrual method of accounting. For example, a notice of a local real estate tax assessment and a bill received for services may represent asserted liabilities.

(2) *Definition of the term "contest".* Any contest which would prevent accrual of a liability under section 461(a) shall be considered to be a contest in determining whether the taxpayer satisfies paragraph (a) (1) (i) of this section. A contest arises when there is a bona fide dispute as to the proper evaluation of the law or the facts necessary to determine the existence or correctness of the amount of an asserted liability. It is not necessary to institute suit in a court of law in order to contest an asserted liability. An affirmative act denying the validity or accuracy, or

both, of an asserted liability to the person who is asserting such liability, such as including a written protest with payment of the asserted liability, is sufficient to commence a contest. Thus, lodging a protest in accordance with local law is sufficient to contest an asserted liability for taxes. It is not necessary that the affirmative act denying the validity or accuracy, or both, of an asserted liability be in writing if, upon examination of all the facts and circumstances, it can be established to the satisfaction of the Commissioner that a liability has been asserted and contested.

(3) *Example.* The provisions of this paragraph are illustrated by the following example:

Example: O Corporation makes its return on the basis of a calendar year and uses an accrual method of accounting. O receives a large shipment of typewriter ribbons from S Company on January 30, 1964, which O pays for in full on February 10, 1964. Subsequent to their receipt, several of the ribbons prove defective because of inferior materials used by the manufacturer. On August 9, 1964, O orally notifies S and demands refund of the full purchase price of the ribbons. After negotiations prove futile and a written demand is rejected by S, O institutes an action for the full purchase price. For purposes of paragraph (a) (1) (i) of this section, S has asserted a liability against O which O contests on August 9, 1964. O deducts the contested amount for 1964.

(c) *Transfer to provide for the satisfaction of an asserted liability—(1) In general.* A taxpayer may provide for the satisfaction of an asserted liability by transferring money or other property beyond his control (i) to the person who is asserting the liability, (ii) to an escrowee or trustee pursuant to a written agreement (among the escrowee or trustee, the taxpayer, and the person who is asserting the liability) that the money or other property be delivered in accordance with the settlement of the contest, or (iii) to an escrowee or trustee pursuant to an order of the United States, any State or political subdivision thereof, or any agency or instrumentality of the foregoing, or a court that the money or other property be delivered in accordance with the settlement of the contest. A taxpayer may also provide for the satisfaction of an asserted liability by transferring money or other property beyond his control to a court with jurisdiction over the contest. Purchasing a bond to guarantee payment of the asserted liability, an entry on the taxpayer's books of account, and a transfer to an account which is within the control of the taxpayer are not transfers to provide for the satisfaction of an asserted liability. In order for money or other property to be beyond the control of a taxpayer, the taxpayer must relinquish all authority over such money or other property.

(2) *Examples.* The provisions of this paragraph are illustrated by the following examples:

Example (1). M Corporation contests a \$5,000 liability asserted against it by L Company for services rendered. To provide for the contingency that it might have to pay the liability, M establishes a separate bank

account in its own name. M then transfers \$5,000 from its general account to such separate account. Such transfer does not qualify as a transfer to provide for the satisfaction of an asserted liability because M has not transferred the money beyond its control.

Example (2). M Corporation contests a \$5,000 liability asserted against it by L Company for services rendered. To provide for the contingency that it might have to pay the liability, M transfers \$5,000 to an irrevocable trust pursuant to a written agreement among the trustee, M (the taxpayer), and L (the person who is asserting the liability) that the money shall be held until the contest is settled and then disbursed in accordance with the settlement. Such transfer qualifies as a transfer to provide for the satisfaction of an asserted liability.

(d) *Contest exists after transfer.* In order for a contest with respect to an asserted liability to exist after the time of transfer, such contest must be pursued subsequent to such time. Thus, the contest must have been neither settled nor abandoned at the time of the transfer. A contest may be settled by a decision, judgment, decree, or other order of any court of competent jurisdiction which has become final, or by written or oral agreement between the parties. For example, Z Corporation, which uses an accrual method of accounting, in 1964 contests a \$100 asserted liability. In 1967 the contested liability is settled as being \$80 which Z accrues and deducts for such year. In 1968 Z pays the \$80. Section 461(f) does not apply to Z with respect to the transfer because a contest did not exist after the time of such transfer.

(e) *Deduction otherwise allowed—(1) In general.* The existence of the contest with respect to an asserted liability must prevent (without regard to section 461(f)) and be the only factor preventing a deduction for the taxable year of the transfer (or, in the case of an accrual method taxpayer, for an earlier taxable year for which such amount would be accruable) to provide for the satisfaction of such liability. Nothing in section 461(f) or this section shall be construed to give rise to a deduction since section 461(f) and this section relate only to the timing of deductions which are otherwise allowable under the Code.

(2) *Example.* The provisions of this paragraph are illustrated by the following example:

Example. A, an individual, makes a gift of certain property to B, an individual. A pays the entire amount of gift tax assessed against him but contests his liability for such tax. Section 275(a)(3) provides that gift taxes are not deductible. A does not satisfy the requirement of paragraph (a) (1)(iv) of this section since a deduction would not be allowed for the taxable year of the transfer even if A did not contest his liability for such tax.

(f) *Effective date.* Paragraphs (a) through (e) of this section apply to transfers of money or other property made in taxable years beginning after December 31, 1953, and ending after August 16, 1954.

(g) *Election as to transfers in taxable years beginning before January 1, 1964—(1) Statutory provisions.* Section 223(c) of the Revenue Act of 1964 (78 Stat. 76) provides as follows:

SEC. 223. *Timing of deductions in certain cases where asserted liabilities are contested.*

(c) *Election as to transfers in taxable years beginning before January 1, 1964.* (1) The amendments made by subsection (a) shall not apply to any transfer of money or other property described in subsection (a) made in a taxable year beginning before January 1, 1964, if the taxpayer elects, in the manner provided by regulations prescribed by the Secretary of the Treasury or his delegate, to have this paragraph apply. Such an election—

(A) Must be made within one year after the date of the enactment of this Act,

(B) May not be revoked after the expiration of such one-year period, and

(C) Shall apply to all transfers described in the first sentence of this paragraph (other than transfers described in paragraph (2)).

In the case of any transfer to which this paragraph applies, the deduction shall be allowed only for the taxable year in which the contest with respect to such transfer is settled.

(2) Paragraph (1) shall not apply to any transfer if the assessment of any deficiency which would result from the application of the election in respect of such transfer is, on the date of the election under paragraph (1), prevented by the operation of any law or rule of law.

(3) If the taxpayer makes an election under paragraph (1), and if, on the date of such election, the assessment of any deficiency which results from the application of the election in respect of any transfer is not prevented by the operation of any law or rule of law, the period within which assessment of such deficiency may be made shall not expire earlier than 2 years after the date of the enactment of this Act.

(2) *In general.* Except as provided in subparagraph (3) of this paragraph, section 461(f) of the Internal Revenue Code of 1954 and the last two sentences of section 43 of the Internal Revenue Code of 1939, as added by section 223(a) of the Revenue Act of 1964, shall not apply to any transfers of money or other property described in either such section which are made in taxable years beginning before January 1, 1964, if the taxpayer makes a valid election, in the manner and within the time provided in subparagraph (4) of this paragraph, to have this paragraph apply to such transfers. In the case of any transfer to which this paragraph applies, the deduction with respect to the contested amount shall be allowed only for the taxable year in which the contest with respect to such transfer is settled.

(3) *Transfers covered.* A valid election under this paragraph shall apply to all transfers of money or other property described in section 461(f) of the 1954 Code or the last two sentences of section 43 of the 1939 Code made in taxable years beginning before January 1, 1964, except that such election shall not apply to any such transfer if the assessment of any deficiency which would result from the application of such election in respect of such transfer is, on the date such election is made, prevented by the operation of any law or rule of law.

(4) *Time and manner of making election.* (i) The taxpayer shall make the election referred to in subparagraph (2) of this paragraph by filing a statement, containing the information required by subdivision (ii) of this subparagraph, with the district director with whom he

files his income tax return for the taxable year in which the election is made. The election must be made on or before February 26, 1965, and shall be irrevocable after such date. A copy of the statement of election shall be attached to the taxpayer's income tax return or claim for refund for the taxable year in which the contest is settled; except that if, before the time the election is made, the taxpayer filed an income tax return or a claim for refund for the taxable year in which the contest was settled, and if, after the time the election is made, such taxpayer does not file an amended income tax return or claim for refund for such year, then such taxpayer shall provide a copy of the statement of election to the district director with whom he filed his income tax return or claim for refund for the taxable year in which the contest was settled. In addition, the taxpayer shall provide copies of the statement of election to the district directors with whom he filed his income tax returns for the taxable years of the transfers with respect to which the election is made no later than 30 days after making such election.

(ii) The statement referred to in subdivision (i) of this subparagraph shall contain the following information:

(a) The name, address, and taxpayer account number of the taxpayer;

(b) A statement that the taxpayer elects, under section 223(c) of the Revenue Act of 1964, not to have the amendments made by section 223(a) of such Act apply to any transfers described in section 461(f) of the Internal Revenue Code of 1954 or the last two sentences of section 43 of the Internal Revenue Code of 1939 made by him in taxable years beginning before January 1, 1964;

(c) The amount and date of each transfer described in such sections made in a taxable year beginning before January 1, 1964, to which the election under this paragraph applies; and

(d) The district director with whom the taxpayer's return was filed for each taxable year affected by the election under this paragraph.

(5) *Period of assessment extended.* If the taxpayer makes a valid election under this paragraph, and if, on the date of such election, the assessment of any deficiency which results from the application of the election in respect of any transfer is not prevented by the operation of any law or any rule of law, the period within which assessment of such deficiency may be made shall not expire before February 26, 1966, and such election shall be considered as a consent to such extension.

(6) *Example.* The provisions of this paragraph are illustrated by the following example:

Example. Z Corporation makes its return on the basis of a calendar year and uses an accrual method of accounting. Z contests \$20 of the \$100 real property tax liability asserted against it for each of the years 1958 through 1963 but pays the entire \$100 in each such year. Z does not contest any other asserted liabilities in the years 1958 through 1963. Z deducts \$100 for each of the years 1958 through 1963 and for each of such years files its income tax return on March 15 of the following year. On October 1, 1964, Z

makes a valid election under this paragraph. The contests with respect to the real property taxes for each of the years 1958 through 1963 are settled in 1967. Assuming that the assessment of any deficiencies which would result from the application of such election to the transfers in the taxable years 1958, 1959, and 1960 are, on October 1, 1964, prevented by the operation of section 6501, the election under this paragraph does not apply to the transfers made in such years. Since the assessment of any deficiencies which would result from the application of such election to the transfers in the taxable years 1961, 1962, and 1963 are not, on October 1, 1964, prevented by the operation of section 6501, the election under this paragraph does apply to the transfers made in such years. Thus, Z deducts \$60 (that is, \$20 of the 1961 transfer, \$20 of the 1962 transfer, and \$20 of the 1963 transfer) for the taxable year 1967 and files amended returns for taxable years 1961, 1962, and 1963, deducting only \$80 rather than \$100 in each such year. The period within which the assessment of any deficiencies may be made which result from the application of such election to the transfers in the taxable years 1961, 1962, and 1963 shall not expire before February 26, 1966. The result would be the same if Z Corporation used the cash method of accounting.

(h) *Certain other transfers in taxable years beginning before January 1, 1964—*

(1) *Statutory provisions.* Section 223 (d) of the Revenue Act of 1964 (78 Stat. 77) provides as follows:

SEC. 223. *Timing of deductions in certain cases where asserted liabilities are contested.*

(d) *Certain other transfers in taxable years beginning before January 1, 1964.* The amendments made by subsection (a) shall not apply to any transfer of money or other property described in subsection (a) made in a taxable year beginning before January 1, 1964, if—

(1) No deduction has been allowed in respect of such transfer for any taxable year before the taxable year in which the contest with respect to such transfer is settled, and

(2) Refund or credit of any overpayment which would result from the application of such amendments to such transfer is prevented by the operation of any law or rule of law.

In the case of any transfer to which this subsection applies, the deduction shall be allowed for the taxable year in which the contest with respect to such transfer is settled.

(2) *Deduction allowed in year contest is settled.* Section 461(f) of the Internal Revenue Code of 1954 and the last two sentences of section 43 of the Internal Revenue Code of 1939, as added by section 223(a) of the Revenue Act of 1964, shall not apply to any transfer of money or other property described in either such section which is made in a taxable year beginning before January 1, 1964, if—

(i) No deduction has been allowed in respect of such transfer for any taxable year before the taxable year in which the contest with respect to such transfer is settled, and

(ii) Refund or credit of any overpayment which would result from the application of section 461(f) of the Internal Revenue Code of 1954 or the last two sentences of section 43 of the Internal Revenue Code of 1939 to such transfer is prevented by the operation of any law or rule of law.

In the case of any transfer to which this subparagraph applies, the deduction with respect to the contested amount shall be allowed only for the taxable year in which the contest with respect to such transfer is settled. Thus, if, at any time when a refund or credit of any overpayment, which would result from the application of paragraph (a) (1) of this section to a transfer of money or other property described in such paragraph (a) (1) made in a taxable year beginning before January 1, 1964, is prevented by the operation of any law or rule of law, no deduction has been allowed in respect of such transfer for any taxable year before the taxable year in which the contest with respect to such transfer is settled, then a deduction shall be allowed to the taxpayer for the taxable year in which such contest is settled.

(3) *Example.* The provisions of this paragraph are illustrated by the following example:

Example. R Corporation makes its return on the basis of a calendar year and uses an accrual method of accounting. In 1962, R contests \$20 of a \$100 asserted real property tax liability but pays the entire \$100 to the taxing authority. R deducts \$80 for the taxable year 1962. R files its income tax return for 1962 on March 15, 1963. In 1967, the contested tax is settled as being \$100. Assuming that R did not deduct such contested \$20 for any taxable year prior to 1967, and that a refund or credit of any overpayment which would result from the application of paragraph (a) (1) of this section to the transfer of such \$20 in 1962 is prevented by the operation of section 6501, paragraph (a) (1) of this section does not apply to the transfer of such \$20 in 1962, and R deducts such \$20 for the taxable year 1967. The result would be the same if R Corporation used the cash method of accounting.

PAR. 4. The provisions of paragraphs (a) through (e) of § 1.461-2 of the Income Tax Regulations, covering taxable years beginning after December 31, 1953, and ending after August 16, 1954, as set forth in paragraph 3 of this Treasury decision, are hereby made applicable to the taxable years covered by section 43 of the Internal Revenue Code of 1939.

(Sec. 7805, Internal Revenue Code of 1954 (68A Stat. 917; 26 U.S.C. 7805))

[F.R. Doc. 64-11986; Filed, Nov. 23, 1964; 8:48 a.m.]

Title 28—JUDICIAL ADMINISTRATION

Chapter I—Department of Justice

PART 0—ORGANIZATION OF THE DEPARTMENT OF JUSTICE

Subpart W—Authority To Compromise and Close Civil Claims

Appendix—Redelegations of Authority To Compromise and Close Civil Claims

The following redelegation is added to the appendix to Subpart W of Part 0, Chapter I, Title 28 of the Code of Federal Regulations:

TAX DIVISION
[Memo No. 391]

REDELEGATION OF AUTHORITY TO RELEASE
RIGHTS OF REDEMPTION IN CERTAIN CASES

By virtue of the authority vested in me by Part 0 of Title 28 of the Code of Federal Regulations, particularly §§ 0.70, 0.160, 0.162, 0.164, 0.166, and 0.171, it is hereby ordered as follows:

The United States Attorney for each district in which is located real property, which is subject to a right of redemption of the United States in respect of Federal tax liens, arising under Section 2410(c) of Title 28 of the United States Code, or under State law when the United States has been joined as a party to a suit, is authorized to release the right of redemption, subject to the following limitations and conditions—

(1) This redelegation of authority relates only to real property on which is located only one single-family residence, and to all other real property having a fair market value not exceeding \$10,000. That limitation as to value or use shall not apply in those cases in which the release is requested by the Veterans Administration or any other Federal agency.

(2) The consideration paid for the release must be equal to the value of the right of redemption, or fifty dollars (\$50), whichever is greater. However, no consideration shall be required for releases issued to the Veterans Administration or any other Federal agency.

(3) The following-described documents must be placed in the United States Attorney's file in each case in which a release is issued—

(A) The favorable recommendation of the appropriate Regional Counsel of the Internal Revenue Service.

(B) Appraisals by two disinterested and well-qualified persons. In those cases in which the applicant is a Federal agency, the appraisal of that agency may be substituted for the two appraisals generally required.

(C) Such other information and documents as the Tax Division may prescribe.

The provisions of this Memorandum shall be effective on the date of publication of this Memorandum in the FEDERAL REGISTER.

LOUIS F. OBERDORFER,
Assistant Attorney General.

Approved: October 7, 1964.

NICHOLAS DEB. KATZENBACH,
Acting Attorney General.

[F.R. Doc. 64-12072; Filed, Nov. 23, 1964;
9:57 a.m.]

Title 29—LABOR

Chapter V—Wage and Hour Division, Department of Labor

SUBCHAPTER A—REGULATIONS

PART 613—STRAW, HAIR, AND RELATED PRODUCTS INDUSTRY IN PUERTO RICO

Wage Rates

Pursuant to section 5 of the Fair Labor Standards Act of 1938, as amended (29

U.S.C. 205), and by means of Administrative Order No. 583 (29 F.R. 12501), the Secretary of Labor appointed and convened Industry Committee No. 66-B. Administrative Order No. 583 referred to Industry Committee No. 66-B the question of the minimum wage rate or rates to be paid under section 6(c) of the Act to employees in the straw, hair, and related products industry in Puerto Rico and gave due notice of the hearing of the Committee, as provided in 29 CFR 511.2.

Subsequent to an investigation and a hearing conducted pursuant to the notice, the Committee filed with the Administrator a report containing its findings of fact and recommendations with respect to the matters referred to it.

Accordingly, as authorized and required by section 8 of the Fair Labor Standards Act of 1938 (29 U.S.C. 208), Reorganization Plan No. 6 of 1950 (3 CFR 1949-53 Comp., p. 1004), and General Order No. 45-A of the Secretary of Labor (15 F.R. 3290), the recommendations of Industry Committee No. 66-B are hereinafter published in these amendments to 29 CFR 613.2.

Effective December 10, 1964, § 613.2(a) (2) (i) and (3) (i), and (b) (1) are amended to read as follows:

§ 613.2 Wage rates.

* * * * *

(a) *Previously covered classification.*

* * *

(2) *Artists' brush and native handicraft products classification.* (i) The minimum wage for this classification is 74 cents an hour.

* * * * *

(3) *Hair and bristles processing and other straw, hair, and related products classification.* (i) The minimum wage for this classification is 75 cents an hour.

* * * * *

(b) *New coverage classification.* (1) The minimum wage for this classification is 80 cents an hour between December 10, 1964 and September 2, 1965 and 90 cents an hour thereafter.

* * * * *

(Sec. 8, 52 Stat. 1064 as amended; 29 U.S.C. 208)

Signed at Washington, D.C., this 10th day of November 1964.

CLARENCE T. LUNDQUIST,
Administrator.

[F.R. Doc. 64-11998; Filed, Nov. 23, 1964;
8:49 a.m.]

PART 687—HOSIERY INDUSTRY IN PUERTO RICO

PART 699—TEXTILE AND TEXTILE PRODUCTS INDUSTRY IN PUERTO RICO

Miscellaneous Amendments

Pursuant to section 5 of the Fair Labor Standards Act of 1938 (29 U.S.C. 205), and by means of Administrative Order No. 583 (29 CFR 12501), the Secretary of Labor appointed and convened Industry Committee No. 66-A. Administrative Order No. 583 referred to Industry Committee No. 66-A the question of the

minimum wage rate or rates to be paid under section 6(c) of the Act to employees in the textile, hosiery, and textile products industry in Puerto Rico, as defined in that order, and gave due notice of the hearing of the Committee, as provided in 29 CFR 511.2.

Subsequent to an investigation and a hearing conducted pursuant to the notice, the Committee filed with the Administrator a report containing its findings of fact and recommendations with respect to the matters referred to it.

Accordingly, as authorized and required by section 8 of the Fair Labor Standards Act of 1938 (29 U.S.C. 208), Reorganization Plan No. 6 of 1950 (3 CFR 1949-53 Comp., p. 1004), and General Order No. 45-A of the Secretary of Labor (15 F.R. 3290), the recommendations of Industry Committee No. 66-A are hereinafter published in these amendments to 29 CFR Parts 687 and 699.

1. Effective December 10, 1964, § 687.2 is amended to read as follows:

§ 687.2 Wage rates.

The hosiery industry in Puerto Rico is divided into three classifications. Wages at rates not less than those prescribed in this section shall be paid under section 6(c) of the Fair Labor Standards Act of 1938 by every employer to each of his employees in each of the classifications in the hosiery industry in Puerto Rico who in any workweek is engaged in commerce or in the production of goods for commerce or is employed in an enterprise engaged in commerce or the production of goods for commerce as those terms are defined in section 3 of the Act.

(a) *Previously covered classifications.* The classifications in this paragraph (a) apply to all activities in the industry to whom section 6 of the Act applies without reference to the Fair Labor Standards Amendments of 1961.

(1) *Women's hosiery classification.*

(i) The minimum wage for this classification is 86.5 cents an hour.

(ii) This classification is defined as the manufacture and processing of women's hosiery, both seamless and full-fashioned, including among other processes knitting, seaming, looping, dyeing, clocking and all phases of finishing.

(2) *All other hosiery classification.* (i) The minimum wage for this classification is 84 cents an hour.

(ii) This classification is defined as the manufacture of all other hosiery, including men's and children's hosiery and women's socks, and involving such processes as knitting, seaming, looping, dyeing, clocking and all phases of finishing.

(b) *New coverage classification.* (1) The minimum wage for this classification is 87 cents an hour between December 10, 1964, and September 2, 1965, and 95 cents an hour thereafter.

(2) This classification applies to all activities of employees in the industry to whom section 6 of the Act applies only by reason of the Fair Labor Standards Amendments of 1961.

(Sec. 8, 52 Stat. 1064 as amended; 29 U.S.C. 208)

2. Effective December 10, 1964 §§ 699.1, 699.2(a) (2) (i), (3) (i), (4) (i), (5) (i),

(6) (i), (7) (i), and (b) (1) (i), (2) (i), (3) (i) are amended to read as follows:

§ 699.1 Definitions.

The textile, hosiery, and textile products industry in Puerto Rico is defined as follows: The preparation of textile fibers, including the ginning and compressing of cotton; the manufacture of batting, wadding, and filling; the manufacture, including dyeing and finishing of yarn, thread, cordage, twine, felt, woven and knitted fabrics, and lace-machine products from cotton, jute, sisal, coir, maguey, silk, rayon, nylon, wool or other vegetable, animal, or synthetic fiber, or from mixtures of these fibers; and the manufacture of blankets, textile bags, mattresses, quilts, pillows, hairnets, oilcloth and artificial leather containing a textile or paper base, woven carpets and rugs, and hooked or punched rugs and carpeting. *Provided, however,* That the industry shall not include the chemical manufacturing of synthetic fiber and such related processing of yarn as is conducted in establishments manufacturing synthetic fiber.

§ 699.2 Wage rates.

(a) *Previously covered classifications.*

(2) *Bag cleaning and repairing classification.* (i) The minimum wage for this classification is 85 cents an hour.

(3) *Multiple-needle power-driven machine operations on hooked rugs classifications.* (i) The minimum wage for this classification is \$1.02 an hour.

(4) *Other operations on hooked rugs classification.* (i) The minimum wage for this classification is 78 cents an hour.

(5) *Yarn classification.* (i) The minimum wage for this classification is 95 cents an hour.

(6) *Broad woven fabrics classification.* (i) The minimum wage for this classification is 95 cents an hour.

(7) *General classification.* (i) The minimum wage for this classification is 92.5 cents an hour.

(b) *New coverage classifications.*

(1) *Mattresses and bedsprings craft masters and supervisors new coverage classification.* (i) The minimum wage for this classification is \$1.15 an hour between December 10, 1964, and September 2, 1965 and \$1.25 an hour thereafter.

(2) *Mattresses and bedsprings skilled workers new coverage classification.* (i) The minimum wage for this classification is \$1.15 an hour between December 10, 1964 and September 2, 1965 and \$1.25 an hour thereafter.

(3) *General textile and textile products new coverage classification.* (i) The minimum wage for this classification is

95 cents an hour between December 10, 1964 and September 2, 1965 and \$1.05 an hour thereafter.

(Sec. 8, 52 Stat. 1064 as amended; 29 U.S.C. 208)

Signed at Washington, D.C., this 18th day of November 1964.

CLARENCE T. LUNDQUIST,
Administrator.

[F.R. Doc. 64-11997; Filed, Nov. 23, 1964; 8:49 a.m.]

Title 33—NAVIGATION AND NAVIGABLE WATERS

Chapter II—Corps of Engineers, Department of the Army

PART 202—ANCHORAGE REGULATIONS

PART 203—BRIDGE REGULATIONS

San Juan Harbor, P.R. and Dorseys Creek, Md.

1. Pursuant to the provisions of section 7 of the River and Harbor Act of March 4, 1915 (38 Stat. 1053; 33 U.S.C. 471), § 202.240 governing anchorage grounds in San Juan Harbor, P.R., is hereby amended changing the titles of subparagraphs (a) (1)–(a) (3), inclusive, redesignating the boundaries of the areas in subparagraphs (a) (2) and (a) (3) and revising the regulations, effective 30 days after publication in the FEDERAL REGISTER, as follows:

§ 202.240 San Juan Harbor, P.R.

(a) *The anchorage grounds*—(1) *Yacht, schooner, and small craft Anchorage D.* That part of San Antonio Channel eastward of longitude 66°05'45".

(2) *Temporary Anchorage E (general).* Beginning at a point which bears 214°24', 948 yards from Isla Grande Light; thence along a line 75°47', 498 yards; thence along a line 134°49', 721 yards; thence along a line 224°49' to the northerly channel limit of Graving Dock Channel; thence along the northerly channel limit of Graving Dock Channel, 307 yards; and thence to the point of beginning.

(3) *Restricted Anchorage F.* Beginning at a point which bears 212°30', 1,337.5 yards from Isla Grande Light; thence along a line 29°00', 550 yards; thence along a line 330°00' to the westerly channel limit of Anegado Channel; and thence along the westerly channel limit of Anegado Channel to the point of beginning.

(b) *The regulations.* (1) The anchorage described in paragraph (a) (1) of this section shall be reserved for the anchorage of yachts, schooners, and small craft.

(2) Vessels awaiting customs or quarantine shall use the anchorage described in paragraph (a) (2) of this section. No vessel shall remain in this anchorage more than 24 hours without a permit from the U.S. Coast Guard Captain of the Port.

(3) Restricted Anchorage F shall serve both as an additional general anchorage area in cases where the temporary anchorage is full, and as an explosives anchorage for vessels loading or unloading explosives in quantities no greater than forty (40) tons, Commercial Class "A" Explosives, when so authorized by the United States Coast Guard Captain of the Port. No vessel shall enter or anchor therein without first obtaining a permit from the United States Coast Guard Captain of the Port.

[Regs., Oct. 29, 1964, 1507-32 (San Juan Harbor, P.R.)—ENG CW-ON] (Sec. 7, 38 Stat. 1053; 33 U.S.C. 471)

2. Pursuant to the provisions of section 5 of the River and Harbor Act of August 18, 1894 (28 Stat. 362; 33 U.S.C. 499) § 203.245 is hereby amended with respect to paragraph (f) revoking subparagraph (7) and revising subparagraph (8) to include the United States Naval Academy highway and railroad bridges and the Maryland State Roads Commission bridge across Dorseys Creek, Maryland, effective 30 days after publication in the FEDERAL REGISTER, as follows:

§ 203.245 Navigable waters discharging into the Atlantic Ocean south of and including Chesapeake Bay and into the Gulf of Mexico, except the Mississippi River and its tributaries and outlets; bridges where constant attendance of drawtenders is not required.

(f) *Waterways discharging into Chesapeake Bay.*

(7) [Revoked]

(8) Dorseys Creek, Md.; United States Naval Academy highway and railroad bridges; Maryland State Roads Commission bridge and Baltimore and Annapolis Railroad Company bridge at Annapolis. The draws need not be opened for the passage of vessels, and paragraphs (b) to (e), inclusive, of this section shall not apply to these bridges.

[Regs., Nov. 4, 1964, 1507-32 (Dorseys Creek, Md.)—ENG CW-ON] (Sec. 5, 28 Stat. 362; 33 U.S.C. 499)

J. C. LAMBERT,
Major General, U.S. Army,
The Adjutant General.

[F.R. Doc. 64-11965; Filed, Nov. 23, 1964; 8:46 a.m.]

Title 46—SHIPPING

Chapter II—Maritime Administration, Department of Commerce

SUBCHAPTER C—REGULATIONS AFFECTING SUBSIDIZED VESSELS AND OPERATORS

[General Order 12, Rev., Supp. 3, Amdt. 2]

PART 281—INFORMATION, POLICY AND PROCEDURES UNDER OPER- ATING-DIFFERENTIAL SUBSIDY AGREEMENTS

Sailing Schedules, Routes, etc.

Section 281.1(a) is hereby revised to read as follows:

§ 281.1 Information and procedure required under the operating-differential subsidy agreement.

(a) *Sailing schedules, routes, etc.* (1) One copy of tentative sailing schedules is required to be submitted not later than 15 days prior to the commencement of the month in which the proposed sailings are to be made. Such schedules shall show separately for each vessel: (i) Voyage number, whether owned or chartered, and whether subsidy is requested; (ii) the subsidized service in which the proposed sailing is to be made; (iii) the date on which the vessel is expected to sail outbound from the last United States port, and the names of other scheduled United States and foreign ports of call; and (iv) explanation of any proposed variations from the service described in the applicable contract.

(2) (i) If substantial changes are made in any sailing schedule subsequent to the submission of the tentative sailing schedules the Maritime Administration shall be notified of such changes not later than the 10th day of month following the month in which the sailing is made. A substantial change, for the purpose herein, includes the addition or cancellation of a voyage or voyages in a subsidized service, substitution of a vessel or vessels, and a change in the range of ports to be served on a particular voyage.

(ii) Notwithstanding the requirements of subdivision (i) of this subparagraph, prior approval of the Maritime Administration must be obtained before the occurrence of all proposed changes which would result in the operator failing to meet minimum requirements with respect to sailings or port coverage, and for changes for which such prior approval is required by applicable contracts.

(3) A "Final Report" in five copies shall be submitted not later than 15 days after the end of the month in which the voyage is terminated and shall show: (i) The time and ports at which the voyage commenced and terminated; (ii) the arrival and sailing dates of the vessel at and from each United States and foreign port, including ports of call for bunkering and/or mail only; (iii) explanation of any delay in excess of 2 days at a United States or foreign port; (iv) appropriate notation of official authorization for any deviations from the service described in the applicable contract.

(4) The procedures outlined in subparagraphs (1), (2) and (3) of this paragraph shall be effective on the first of the month following publication in the FEDERAL REGISTER.

(5) The sailing schedules specified in this paragraph shall be sent to the Division of Trade Routes, Office of Government Aid, Maritime Administration, Washington, D.C., 20235.

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

(Sec. 204, 49 Stat. 1987, as amended, 46 U.S.C. 1114)

Dated: November 17, 1964.

By order of the Acting Deputy Maritime Administrator.

JAMES S. DAWSON, Jr.,
Secretary.

[F.R. Doc. 64-11971; Filed, Nov. 23, 1964; 8:47 a.m.]

Title 47—TELECOMMUNICATION

[FCC 64-1065]

Chapter I—Federal Communications Commission

PART 0—COMMISSION ORGANIZATION

Assignment of Emergency Preparedness Functions of the Commission

At a session of the Federal Communications Commission held at its offices in Washington, D.C., on the 18th day of November 1964;

The Commission having under consideration the provisions of Executive Orders 10312, 10346 as amended, 11007, 11092, and 11179; and the Presidential Memorandum of August 21, 1963, establishing the National Communications System; and

It appearing, that a more effective discharge of the Commission's emergency preparedness responsibilities will result from reassignment of these duties as provided herein; and

It further appearing, that certain changes should be made in Part 0 to define more clearly the organizational assignment of these responsibilities; and

It further appearing, that authority for the issuance of the rules herein is contained in sections 4(i) and 5(d) of the Communications Act of 1934, as amended; and

It further appearing, that the rules adopted herein are procedural in nature and pertain to internal organization and delegations of authority, and hence are not subject to the prior notice and effective date provisions of the Administrative Procedure Act;

It is ordered, Effective November 28, 1964, that Part 0 of the rules and regulations is amended as set forth below.

(Sec. 4, 48 Stat. 1066, as amended, 47 U.S.C. 154)

Released: November 19, 1964.

FEDERAL COMMUNICATIONS
COMMISSION,

[SEAL] BEN F. WAPLE,
Secretary.

1. Section 0.111 is amended by adding a new paragraph (g) to read as follows:

§ 0.111 Functions of the Bureau.

(g) Subject to the policy guidance of the Defense Commissioner, and in consultation with the Executive Director, and the Chief, Office of Emergency Communications.

(1) Prepares detailed plans for and coordinates the development of the FCC owned, leased, and operated communi-

cations systems designated as assets of the National Communications System;

(2) Selects and prepares detailed plans for the physical facilities designated as FCC Emergency Relocation facilities, including plans for the utilization of such facilities on a day-to-day basis;

(3) Prepares detailed operational plans, procedures, and arrangements for certain classified activities with other Government Agencies, as related to the FCC owned, leased and operated communications systems;

(4) Prepares the detailed emergency operational staffing plans and procedures for performing certain classified functions of the Field Engineering Bureau under national emergency conditions, including selection, assignment, emergency notification, transportation, and specialized training of personnel and Special Task Forces (FEB) personnel; and

(5) Investigates violations of pertinent law and regulations in an emergency involving occupancy of the radio spectrum, and develops procedures designated to initiate, recommend, or otherwise bring about appropriate enforcement action required in the interest of national security.

2. Section 0.113 is amended to read as follows:

§ 0.113 Office of Bureau Chief.

The Office of the Bureau Chief plans, directs, and coordinates the functions of the Bureau. It includes a Deputy Chief; an Assistant Chief; an administrative branch, which performs the administrative functions of the Bureau and is responsible for planning, coordinating and administering the Bureau's employee technical supervisory training programs; a Special Assistant to the Chief of the Bureau responsible for directing the detailed planning and development of the FCC owned, leased and operated communications systems designated as assets of the National Communications System; and an Attorney Advisor, who advises the Chief of the Bureau and the divisions of the Bureau on legal questions relative to such matters as applications for commercial operator licenses, interference problems, investigations, and other activities of the Bureau.

3. Section 0.183 is amended to read as follows:

§ 0.183 Office of Emergency Communications.

(a) The Chief of the Office of Emergency Communications plans, directs and coordinates the functions of the Office. The Office of Emergency Communications under the supervision and direction of the Executive Director and in collaboration with, and with the concurrence of the responsible Bureau Heads and Staff Officers, develops, prepares, and recommends to the Defense Commissioner national emergency plans and develops preparedness programs covering (See Executive Orders 10312, 10346, as amended, 11007, 11092, and 11179):

(1) Provision of service by common carriers, broadcasting facilities, and the safety and special radio services under national emergency conditions;

(2) Assignment of radio frequencies to Commission licensees under national emergency conditions;

(3) Preparation of data with respect to facilities operated by the non-government communications industry for use by the National Resources Evaluation Center;

(4) Control of radio stations in an emergency, except those belonging to, or operated by, any department or agency of the United States Government;

(5) Investigations of violations of pertinent law and regulations in an emergency, and development of procedures designated to initiate, recommend, or otherwise bring about the appropriate enforcement actions required in the interest of national security;

(6) Provision of financial, credit, or other assistance to common carriers and Commission licensees who might need such assistance in various conditions of mobilization, particularly those resulting from attack;

(7) Stimulation of the development by Common Carriers and by licensees, of standby plans for the conservation and salvage of supplies and equipment and the rehabilitation, restoration, or replacement of essential communication facilities after an attack;

(8) Preparation, as claimant agency for the non-government communications industry, to claim materials, manpower, equipment, supplies and services needed in support of the common carriers, and Commission licensees from the appropriate resource agencies, and work with such agencies in developing programs to insure availability of such resources in an emergency;

(9) Provision of advice and guidance to achieve such industry protection as is necessary to maintain the integrity of the facilities and services provided by common carriers and radio station licensees, and promote a national program to stimulate disaster preparedness and damage control, including, but not limited to, organizing and training facility employees, personnel shelter, evacuation and relocation plans, records protection, continuity of management, security, emergency repair and recovery of facilities, deconcentration and dispersal of facilities, and mutual aid associations for emergency;

(10) Development and maintenance of a capability to assess the effects of attack on communication facilities and services subject to Commission regulation, which are essential in a national emergency, and provide data to the Department of Defense; and

(11) Fostering or conducting research in areas directly concerned with the Commission's emergency preparedness responsibilities;

(b) The Office of Emergency Communications, in collaboration with, and with the concurrence of, Bureau Heads and Staff Officers, prepares plans for the continuity of Government functions of the Commission in the event of a national emergency (except for certain designated functions of the Field Engineering Bureau, as set forth in § 0.111) as prescribed by Executive Order 10346, as

amended, including plans for emergency mobilization of the Commission's personnel; positioning, maintenance, and protection of supplies, material and essential records; and selection, training, transportation and emergency assignment, notification and funding arrangements for the Commission's Executive Reserve Unit of the National Defense Executive Reserve Program under the provisions of Executive Order 11179 (except for certain designated functions of the Field Engineering Bureau as set forth in § 0.111).

(c) The Office of Emergency Communications provides the Executive Secretariat for the National Industry Advisory Committee, its sub-committees at the Regional, State and Local level, and special working groups as may be formed for specific purposes by the Defense Commissioner.

(d) The Office of Emergency Communications is composed of the Office of the Chief, including the NIAC Secretariat and the FCC Mobilization Planning Officer, the Emergency Communication Systems Division, and the Emergency Communications Resources Plans Division, with functions as set forth in paragraphs (e), (f), and (g) of this section.

(e) Emergency Communication Systems Division: The Emergency Communication Systems Division develops and recommends plans and procedures for the following:

(1) *Broadcasting service.* Construction, activation, deactivation of broadcasting facilities and services, the continuation or suspension of broadcasting services and facilities, and issuance of appropriate authorizations for such facilities, services, and personnel in an emergency.

(2) *Safety and special radio services.* Authorization, operation, and use of specified safety and special radio services, facilities, and personnel in the national interest in an emergency.

(3) *Electromagnetic radiation.* Control of radio stations in an emergency, except for those belonging to, or operated by, any department or agency of the United States Government.

(4) *Facilities protection.* Provide advice and guidance to achieve such industry protection as is necessary to maintain the integrity of the facilities and station licensees and promote a national program to stimulate disaster preparedness and damage control. The guidance shall include, but not be limited to, organizing and training facility employees, personnel shelter, evacuation and relocation plans, records protection, continuity of management, security, emergency repair and recovery of facilities, deconcentration and dispersal of facilities, and mutual aid associations for emergency.

(5) *Research.* Foster or conduct research in areas directly concerned with the Commission's emergency preparedness responsibilities.

(f) Emergency Communication Resources Plans Division: (1) The Emergency Communication Resources Plans Division develops and recommends plans and procedures for the following:

(i) *Common carrier service.* (a) Extension, discontinuance, or reduction of

common carrier facilities or services, and issuance of appropriate authorizations for such facilities, services, and personnel in an emergency; and control of all rates, charges, practices, classifications, and regulations for service to Government and non-Government users during an emergency, in consonance with national economic stabilization policies.

(b) Development and administration of priority systems for public correspondence and for the use and resumption of leased inter-city private line service in an emergency.

(c) Use of common carrier facilities and services to overseas points to meet vital needs in an emergency.

(ii) *Safety and special radio services.* Authorization operation, and use of specified safety and special radio services, facilities, and personnel in the national interest in an emergency.

(iii) *Radio frequency assignment.* Assignment of radio frequencies to, and their use by, Commission licensees in an emergency.

(iv) *Resource data.* Provision of assistance and data with respect to facilities operated by Commission licensees for national resource evaluation purposes of the Office of Emergency Planning.

(v) *Financial aid.* Provision of financial, credit, or other assistance to common carriers and Commission licensees who might need such assistance in various conditions of mobilization, particularly those resulting from attack.

(vi) *Conservation, salvage, and rehabilitation.* Stimulation of the development, by common carriers and by licensees, of standby plans for the conservation and salvage of supplies and equipment and the rehabilitation, restoration, or replacement of essential communication facilities after an attack.

(vii) *Claimancy.* Preparation, as claimant agency for the non-government communications industry, to claim materials, manpower, equipment, supplies, and services needed in support of the common carriers and Commission licensees from the appropriate resource agencies, and insure availability of such resources in an emergency.

(viii) *Damage assessment.* Maintain a capability to assess the effects of attack on communication facilities and services subject to Commission regulation which are essential in a national emergency, and provide data to the Department of Defense.

(2) The Emergency Communication Resources Plans Division coordinates and directs the activities of the Commission's Damage Assessment Unit, and coordinates the activities of the Commission's Resource Data Officer assigned to the National Resources Evaluation Center.

(3) The Emergency Communication Resources Plans Division conducts the review of plans developed by the State Task Groups and the Commission's representatives to the Regional Preparedness Committees of the Office of Emergency Planning.

(g) FCC Mobilization Planning Officer: (1) The FCC Mobilization Planning Officer, pursuant to the provisions of Executive Order 10346, as amended, and

in consultation with the Bureau Heads and Staff Officers of the Commission, has responsibility for the preparation of plans for recommendation to the Defense Commissioner for maintenance of the Commission's essential functions at the seat of Government, and elsewhere, during a national emergency (except for certain designated functions of the Field Engineering Bureau as set forth in § 0.111) including the following specific functions:

(i) Prepares detailed plans for the emergency mobilization, assignment and utilization of present Commission personnel and augmentation staff, including emergency notification, transportation, and continuity of funding arrangements.

(ii) Makes detailed advance arrangements for selection, positioning, maintenance, and protection of supplies and materials required by emergency relocation personnel for the execution of the plans for continuity of the Commission's essential functions in the event of a national emergency.

(iii) Prepares recommendations for the selection, positioning, maintenance, and protection of essential records for the performance of essential functions of the Commission in the event of a national emergency.

(iv) Prepares plans for the selection, training, emergency assignment, emergency notification, transportation, and emergency funding arrangements for personnel in the Commission's Executive Reserve Unit of the National Defense Executive Reserve Program under the provisions of Executive Order 11179.

(v) Selects and prepares detailed plans for training, emergency assignment, emergency notification, and transportation of the Emergency Task Forces assigned to the Special Facilities Division of the Office of Emergency Planning and to the Commission's Principal Emergency Relocation Facility.

(vi) In cooperation with the Chief, Emergency Communication Systems Division, and the Chief, Communication Resources Plans Division, makes detailed plans for appropriate investigation, enforcement and carrying out by Emergency Task Forces of all approved emergency preparedness plans (except for certain functions of the Field Engineering Bureau) under the provisions of Executive Orders 11092 and 10312.

(vii) Prepares plans for and conducts tests and exercises (except for certain activities of the Field Engineering Bureau as set forth in § 0.111) to determine the state of operational readiness of the Commission and its emergency facilities to execute its essential emergency functions and emergency mobilization plans in the event of a national emergency; and performs such other duties related to the Commission's continuity of Government activities and responsibilities as directed.

(viii) Prepares data and information with respect to continuity of the essential functions of the Commission in a national emergency (except for the Field Engineering Bureau as set forth in § 0.111), for use by the Defense Coordinator and Alternate Defense Coordinator at

Interagency Emergency Planning Committee meetings, as directed, and prepares initial drafts of documents to implement any required actions as a result of such meetings.

(h) Executive Secretariat of the National Industry Advisory Committee: The Executive Secretary of the National Industry Advisory Committee provides secretariat service to the National Industry Advisory Committee, and its subcommittees at the Regional, State and Local level and special working groups as may be formed for specific purposes by the Defense Commissioner, in accordance with the provisions of Executive Order 11007, as follows:

(1) Preparation of appointments to Committees or Working Groups as directed by the Defense Commissioner and maintenance of membership rosters, records and files of all committees and requests for appropriate security clearance for selected members.

(2) Preparation, certification, and appropriate distribution of agendas and associated material for meetings of all committees.

(3) Arrangements for preparation of appropriate minutes of meetings, and distribution thereof.

(4) Preparation of Interagency coordination of National Industry Advisory Committee recommendations as directed.

(5) Coordinates preparation of the required agenda items for consideration by the Commission to effect implementation of National Industry Advisory Committee recommendations.

[F.R. Doc. 64-11999; Filed, Nov. 23, 1964; 8:49 a.m.]

[FCC 64-1063]

PART 0—COMMISSION ORGANIZATION

PART 1—PRACTICE AND PROCEDURE

PART 13—COMMERCIAL RADIO OPERATORS

Change in Procedure for Applying for Restricted Radiotelephone Operator Permit

At a session of the Federal Communications Commission, held at its offices in Washington, D.C., on the 18th day of November, 1964;

The Commission having under consideration a change in the regular procedure for filing and processing applications for restricted radiotelephone operator permits and issuance of such permits; and

It appearing, that the Commission can act more efficiently on such applications if they are adapted for electronic processing and are filed in Gettysburg, Pennsylvania rather than in several field offices; and

It further appearing, that electronic data processing equipment presently available can be utilized for maintaining and retrieving data in connection with said applications; and

It further appearing, that field offices should continue to honor requests for a permit where applications are filed in person by the applicant or his agent, and

where the applicant makes a satisfactory showing of immediate need for a permit for safety purposes; and

It further appearing, that alien aircraft pilots applying for such permits should continue to submit their applications to the Federal Communications Commission in Washington, D.C.; and

It further appearing, that the rule amendments ordered herein are editorial and procedural in nature and not substantive and therefore that the prior notice and effective date provisions of the Administrative Procedures Act are not applicable.

It is ordered, Effective January 1, 1965, pursuant to sections 4(i) and 303(r) of the Communications Act of 1934, as amended, that Parts 0, 1, and 13 of the rules and regulations are amended as shown below.

(Sec. 4, 48 Stat. 1066, as amended; 47 U.S.C. 154. Interprets or applies sec. 303, 48 Stat. 1082, as amended; 47 U.S.C. 303.)

Released: November 19, 1964.

FEDERAL COMMUNICATIONS
COMMISSION,

[SEAL] BEN F. WAPLE,
Secretary.

1. Section 0.443(b) is amended, and paragraph (c) is added to read, as follows:

§ 0.443 Applications for amateur station and operator license and/or commercial operator license.

(b) Application for commercial operator license of a class for which examination is required, for a verification card (FCC Form 758-F) or for a verification of operator license (FCC Form 759) shall be filed with an engineering field office listed in § 0.121 (a) or (b) at which the applicant desires his application to be considered and acted upon, except that application for replacement or duplicate license of such class shall be filed with the office of issue.

(c) Application for commercial operator license for which examination is not required (Restricted Radiotelephone Operator Permit) shall be submitted to the Federal Communications Commission, Gettysburg, Pa., 17325, with the following exceptions:

(1) When application is accompanied by a written showing by the applicant of immediate need for a permit for safety purposes and is presented in person by the applicant or his agent, the application may be submitted to the nearest engineering field office.

(2) When application is from an alien aircraft pilot (see § 13.4(c) of this chapter), it shall be submitted to the Federal Communications Commission, Washington, D.C., 20554.

2. Section 1.84 is amended to read as follows:

§ 1.84 Procedure with respect to commercial radio operator license applications.

(a) Upon acceptance of an application for a license submitted in accordance with Part 13 of this chapter, an examination, if required, is conducted. If applicant is found qualified in all re-

spects, the license will be issued. When doubts as to nationality, character, or physical condition arise, the application is referred to the Commission's Field Offices Division, Field Engineering Bureau, Washington, D.C., 20555, for consideration. If it appears that further information is required to determine the applicant's qualifications or that a grant of the application will not serve the public interest, the applicant will be notified in writing and given an opportunity to furnish such written showings as the Commission may request and as the applicant may desire to submit. If, from the information furnished, it does not appear that the applicant is qualified or that the public interest would be served by a grant of the application, the applicant will be advised thereof in writing and given the opportunity to request, within the period of time to be specified in such writing, that the application be set for hearing. In the case of failure timely to request such hearing, the application will be denied.

(b) Where an examination is not required, the application will be handled with respect to other matters in accordance with the procedure in paragraph (a) of this section.

(c) Applications for renewal of license are handled in accordance with the procedure contained in paragraph (a) of this section, except that no examination is required unless the circumstances as set forth in § 13.28 of this chapter exist, in which case a renewal examination will be required.

(d) Failure to prosecute an application, or failure to respond to official correspondence or request for additional information, will be cause for dismissal. Such dismissal will be without prejudice where an application has not yet been designated for hearing; such dismissal may be made with prejudice after an application has been designated for hearing.

(Sec. 303(1), 48 Stat. 1082, as amended; 47 U.S.C. 303(1))

3. Section 13.11 is amended to read as follows:

§ 13.11 Procedure.

(a) *General.* Applications shall be governed by applicable rules in force on the date when application is filed (see § 13.28). The application in the prescribed form and including all required subsidiary forms and documents, properly completed and signed, and accompanied by the prescribed fee (see §§ 13.14 and 13.15), shall be submitted to the appropriate office as indicated in paragraph (b) of this section. If the application is for renewal of license, it may be

filed at any time during the final year of the license term or during a 1 year period of grace after the date of expiration of the license sought to be renewed. During this 1 year period of grace, an expired license is not valid. A renewed license issued upon the basis of an application filed during the grace period will be dated currently and will not be backdated to the date of expiration of the license being renewed. A renewal application shall be accompanied by the license sought to be renewed. If the prescribed service requirements for renewal without examination (see § 13.28) are fulfilled, the renewed license may be issued by mail. If the service record on the reverse side of the license does not fully describe or cover the service desired by the applicant to be considered in connection with license renewal (as might occur in the case of service rendered at U.S. Government stations), the renewal application shall be supported by documentary evidence describing in detail the service performed and showing that the applicant actually performed such service in a satisfactory manner. A separate application must be submitted for each license involved, whether it requests renewal, new license, endorsement, duplicate, or replacement.

(b) *Place of filing.* (1) An application (FCC Form 753) for a restricted radiotelephone operator permit shall be submitted to the Federal Communications Commission, Gettysburg, Pa., 17325, with the following exceptions:

(i) When accompanied by a written showing by the applicant of immediate need for a permit for safety purposes and when presented in person by the applicant or his agent, the application may be submitted to the nearest engineering field office.

(ii) When accompanied by a request (FCC Form 755) for a waiver of the U.S. nationality requirement, as in the case of an alien applicant who is an aircraft pilot (see § 13.4(c)), the application shall be submitted in person or by mail to the Federal Communications Commission, Washington, D.C., 20554.

(2) An application (FCC Form 756) for an operator license of any other class, for verification card (FCC Form 758-F) or for a verification of operator license (FCC Form 759) shall be submitted in person or by mail to the field office at which the applicant desires his application to be considered and acted upon, which office will make final arrangements for conducting any required examination. Whenever an examination is to be taken at a designated examination point away from a field office, the application shall be submitted in advance of the examination to the field office having jurisdiction

over the area in which the examination is to be taken.

(c) *Restricted radiotelephone operator permit.* No oral or written examination is required for this permit. If the application is properly completed and signed, and if the applicant is found to be qualified, the permit may be issued forthwith.

(d) *Short term license.* A license, other than a Restricted Radiotelephone Operator Permit, issued for a term of less than 5 years (see § 13.4(c)), may be extended for a period not exceeding the portion of the 5-year term remaining, without further examination, provided proper application for extension is filed prior to expiration of the license.

4. Section 13.71 is amended to read as follows:

§ 13.71 Issue of duplicate or replacement licenses.

(a) An operator whose license or permit has been lost, mutilated, or destroyed shall immediately notify the Commission. If the authorization is of the diploma form, a properly executed application for duplicate should be submitted to the office of issue. If the authorization is of the card form (Restricted Radiotelephone Operator Permit), a properly executed application for replacement should be submitted to the Federal Communications Commission, Gettysburg, Pa., 17325. In either case the application shall embody a statement of the circumstances involved in the loss, mutilation, or destruction of the license or permit. If the authorization has been lost, the applicant must state that reasonable search has been made for it, and, further, that in the event it be found, either the original or the duplicate (or replacement) will be returned for cancellation. If the authorization is of the diploma form, the applicant should also submit documentary evidence of the service that has been obtained under the original authorization, or a statement embodying that information.

(b) The holder of any license or permit whose name is legally changed may make application for a replacement document to indicate the new legal name by submitting a properly executed application, accompanied by the license or permit affected. If the authorization is of the diploma form, the application should be submitted to the office where it was issued. If the authorization is of the card form (Restricted Radiotelephone Operator Permit) it should be submitted to the Federal Communications Commission, Gettysburg, Pa., 17325.

[F.R. Doc. 64-12000; Filed, Nov. 23, 1964; 8:49 a.m.]

Proposed Rule Making

FEDERAL AVIATION AGENCY

[14 CFR Part 71 [New]]

[Airspace Docket No. 64-SO-49]

CONTROL AREA EXTENSION, CONTROL ZONES AND TRANSITION AREAS

Proposed Revocation, Alteration and Designation

The Federal Aviation Agency is considering amendments to Part 71 [New] of the Federal Aviation Regulations which would revoke the control area extension at Raleigh, N.C., alter the control zones at Raleigh, Fort Bragg, Simmons AAF and Fayetteville, N.C., and designate transition areas at Raleigh, Fort Bragg, Simmons AAF, Lumberton, and Southern Pines, N.C.

The Raleigh, N.C., control area extension is presently designated as within a 60-mile radius of latitude 35°30'30" N., longitude 78°32'52" W.; and within a 35-mile radius of Grannis Airport, Fayetteville, N.C. (latitude 34°59'22" N., longitude 78°52'52" W.), excluding the portion within R-5311. The portion of this control area extension which coincides with R-5312 shall be used only after obtaining prior approval from the appropriate authority.

The Raleigh, N.C., control zone is presently designated as within a 5-mile radius of Raleigh-Durham Airport (latitude 35°52'15" N., longitude 78°47'10" W.) and within 2 miles either side of the Raleigh-Durham ILS localizer SW course, extending from the 5-mile radius zone to the OM.

The Fort Bragg, N.C., control zone is presently designated within a 5-mile radius of Pope AFB, Fort Bragg, N.C. (latitude 35°10'15" N., longitude 79°00'55" W.); within 2 miles either side of the Pope VOR 227° radial, extending from the 5-mile radius zone to the VOR, and within 2 miles either side of the Pope TACAN 037° radial, extending from the 5-mile radius zone to 9 miles NE of the TACAN, excluding that portion SE of a line from latitude 35°11'55" N., longitude 78°56'05" W., to latitude 35°05'55" N., longitude 79°00'50" W. and excluding the portion within R-5311.

The Simmons Army Airfield, N.C., control zone is presently designated as within a 5-mile radius of Simmons AAF (latitude 35°07'55" N., longitude 78°56'05" W.), excluding the portion within the Fort Bragg, N.C., control zone.

The Fayetteville, N.C., control zone is presently designated as within a 5-mile radius of Grannis Field and within 2 miles each side of the 211° bearing from the Fayetteville RBN extending from the 5-mile radius zone to 10 miles SW of the RBN.

On October 21, 1964, the Fayetteville, N.C., control zone was amended (29 F.R. 14436) to become effective December 10, 1964, as follows:

Within a 5-mile radius of Grannis Field (latitude 34°59'25" N., longitude 78°52'50" W.), and within 2 miles each side of the Fayetteville, VOR 233° radial, extending from the 5-mile radius zone to 8 miles SW of the VOR.

The Federal Aviation Agency, having completed a comprehensive review of the terminal airspace structure requirements in the Raleigh, Fort Bragg (Pope AFB), Simmons AAF, Fayetteville, Lumberton, and Pinehurst terminal areas, including studies attendant to the implementation of the provisions of CAR Amendments 60-21/60-29 (26 F.R. 570, 27 F.R. 4012), proposes the airspace actions hereinafter set forth.

1. The Raleigh, N.C., control area extension would be revoked.

2. The Raleigh, N.C., control zone would be redesignated as within a 5-mile radius of the Raleigh-Durham Airport (latitude 35°52'15" N., longitude 78°47'10" W.); within 2 miles each side of the Raleigh-Durham ILS localizer SW course, extending from the 5-mile radius zone to 1 mile NE of the LOM; within 2 miles each side of the Raleigh-Durham VORTAC 231° radial, extending from the 5-mile radius zone to 7 miles SW of the VORTAC; within 2 miles each side of the Raleigh-Durham VORTAC 034° radial, extending from the 5-mile radius zone to 8 miles NE of the VORTAC.

3. The Fort Bragg, N.C., control zone would be redesignated as within a 5-mile radius of Pope AFB (latitude 35°10'15" N., longitude 79°00'55" W.), excluding the portion within R-5311 and that area SE of a line extending from latitude 35°11'55" N., longitude 78°56'05" W. to latitude 35°05'55" N., longitude 79°00'50" W.; within 2 miles each side of the 042° bearing from the Pope RBN, extending from the 5-mile radius zone to 6 miles NE of the RBN; within 2 miles each side of the Pope VOR 227° radial, extending from the 5-mile radius zone to 1 mile SW of the VOR; within 2 miles each side of the Pope TACAN (latitude 35°09'36" N., longitude 79°01'19" W.) 037° radial, extending from the 5-mile radius zone to 7 miles NE of the TACAN.

4. The Simmons AAF, N.C., control zone would be redesignated as within a 5-mile radius of Simmons AAF (latitude 35°07'55" N., longitude 78°56'05" W.); within 2 miles each side of the Simmons VOR 085° radial, extending from the 5-mile radius zone to 7 miles E of the VOR; excluding that portion which coincides with the Fort Bragg control zone.

5. The Fayetteville, N.C., control zone would be redesignated as within a 5-mile radius of Grannis Field (latitude 34°59'25" N., longitude 78°52'50" W.); within 2 miles each side of the Fayetteville VOR 233° radial, extending from the 5-mile radius zone to 8 miles SW of the VOR; within 2 miles each side of the Fayetteville ILS SW course, extending from the 5-mile radius zone to the LOM.

6. The Raleigh, N.C., transition area would be designated as that airspace ex-

tending upward from 700 feet above the surface within a 7-mile radius of the Raleigh-Durham Airport (latitude 35°52'15" N., longitude 78°47'10" W.), within 2 miles each side of the 045° bearing from the Raleigh-Durham RBN extending from the 7-mile radius area to 8 miles NE of the RBN, within 5 miles S and 8 miles N of the Raleigh-Durham ILS localizer SW course extending from 5 miles NE of the LOM to 12 miles SW of the LOM, within 2 miles each side of the Raleigh-Durham VORTAC 225° radial extending from the 7-mile radius area to the Moncure Intersection, including that airspace extending upward from 1200 feet above the surface bounded by a line beginning at the intersection of a 35-mile arc centered at latitude 36°06'00" N., longitude 80°01'30" W. and the S boundary of V-20 and extending to latitude 36°33'00" N., longitude 78°43'00" W., thence to latitude 36°33'00" N., longitude 77°57'00" W., thence to latitude 36°38'15" N., longitude 77°19'25" W., thence to latitude 35°30'00" N., longitude 78°30'00" W., thence to the intersection of the S boundary of V-525 and longitude 78°30'00" W., thence SW along a line extending to latitude 34°18'30" N., longitude 79°00'00" W. to its interception with a 35-mile arc centered at latitude 34°59'22" N., longitude 78°52'52" W., thence clockwise along this arc to the W boundary of V-3E, thence SW along the W boundary of V-3E to the E boundary of V-3, thence N along the E boundary of V-3 to a 19-mile arc centered at latitude 35°12'55" N., longitude 79°35'18" W., thence clockwise along this arc to the W boundary of V-3, thence S along the W boundary of V-3 to a 60-mile arc centered at latitude 33°58'15" N., longitude 80°28'19" W., thence counterclockwise along this arc to a line extending from the Chesterfield, S.C., VOR to the Liberty, N.C., VOR thence NE along this line until intercepting a 35-mile arc centered at latitude 36°06'00" N., longitude 80°01'30" W., thence counterclockwise along this arc to the point of beginning.

7. The Fort Bragg (Pope Field) N.C., transition area would be designated as that airspace extending upward from 700 feet above the surface within an 8-mile radius of the Pope AFB latitude 35°10'15" N., longitude 79°00'55" W.), excluding the portion within R-5311; within 2 miles each side of the Pope VOR 227° radial, extending from the 8-mile radius area to the VOR; within 2 miles each side of the 042° bearing from the Pope RBN, extending from the 8-mile radius area to 12 miles NE of the RBN.

8. The Simmons AAF, N.C., transition area would be designated as that airspace extending upward from 700 feet above the surface within 5 miles S and 8 miles N of the Simmons VOR 085° radial, extending from the VOR to 12 miles E of the VOR, excluding that airspace which coincides with the Fort Bragg, N.C. (Pope AFB) transition area.

9. The Lumberton, N.C., transition area would be designated as that airspace extending upward from 700 feet above the surface within a 5-mile radius of the Lumberton Municipal Airport (latitude 34°36'36" N., longitude 79°03'30" W.; within 2 miles each side of the 301° bearing from the Lumberton RBN, extending from the 5-mile radius area to 8 miles NW of the RBN.

10. The Southern Pines, N.C., transition area would be designated as that airspace extending upward from 700 feet above the surface within a 6-mile radius of the Pinehurst-Southern Pines Airport (latitude 35°14'06" N., longitude 79°23'36" W.); within 2 miles each side of the Pinehurst VOR 083° radial, extending from the 6-mile radius area to the VOR.

The proposed control zone alterations and transition area designations are required to protect prescribed instrument approach and departure procedures at the Raleigh-Durham, Lumberton Municipal, and Pinehurst-Southern Pines Airports, Grannis Field, Pope Air Force Base, and Simmons Army Air Field. They are also required for the protection of approved holding patterns and aircraft being radar vectored by Raleigh-Durham Approach Control and the Washington Air Route Traffic Control Center.

The floors of airways which traverse the transition areas proposed herein would automatically coincide with the floors of the transition areas.

Certain minor revisions to prescribed instrument procedures would be effected in conjunction with the actions proposed herein, but operational complexities would not be increased nor would aircraft performance characteristics or present landing minimums be adversely affected.

Specific details of the changes to minimum instrument flight rules altitudes that would be required may be examined by contacting the Chief, Airspace Utilization Branch, Air Traffic Division, Southern Region, Federal Aviation Agency, Post Office Box 20636, Atlanta, Ga., 30320.

Interested persons may submit such written data, views or arguments as they may desire. Communications should be submitted in duplicate to the Director, Southern Region, Attn: Chief, Air Traffic Division, Federal Aviation Agency, Post Office Box 20636, Atlanta, Ga., 30320. All communications received within thirty days after publication of this notice in the FEDERAL REGISTER will be considered before action is taken on the proposed amendment. No hearing is contemplated at this time, but arrangements for informal conferences with Federal Aviation Agency officials may be made by contacting the Chief, Air Traffic Division. Any data, views or arguments presented during such conferences must also be submitted in writing in accordance with this notice in order to become part of the record for consideration. The proposal contained in this notice may be changed in the light of comments received.

The official Docket will be available for examination by interested persons at the Southern Regional Office, Federal Aviation Agency, Room 724, 3400 Whipple Street, East Point, Ga.

This amendment is proposed under section 307(a) of the Federal Aviation Act of 1958 (49 U.S.C. 1348(a)).

Issued in East Point, Ga., on November 13, 1964.

PAUL H. BOATMAN,
Acting Director, Southern Region.

[F.R. Doc. 64-11952; Filed, Nov. 23, 1964;
8:45 a.m.]

[14 CFR Part 75 [New]]

[Airspace Docket No. 64-SO-35]

JET ROUTE

Proposed Alteration

The Federal Aviation Agency is considering an amendment to Part 75 [New] of the Federal Aviation Regulations which would extend Jet Route No. 46 from Nashville, Tenn. to Knoxville, Tenn.

Interested persons may participate in the proposed rule making by submitting such written data, views, or arguments as they may desire. Communications should identify the airspace docket number and be submitted in triplicate to the Director, Southern Region, Attention: Chief, Air Traffic Division, Federal Aviation Agency, Post Office Box 20636, Atlanta, Ga., 30320. All communications received within 45 days after publication of this notice in the FEDERAL REGISTER will be considered before action is taken on the proposed amendment. The proposal contained in this notice may be changed in the light of comments received.

An official docket will be available for examination by interested persons at the Federal Aviation Agency, Office of the General Counsel, Attention: Rules Docket, 800 Independence Avenue SW., Washington, D.C. An informal docket also will be available for examination at the office of the Regional Air Traffic Division Chief.

The extension of J-46 from Nashville to Knoxville is essential to handle the substantial increase in high altitude traffic between these points.

This amendment is proposed under sec. 307(a) of the Federal Aviation Act of 1958 (49 U.S.C. 1348).

Issued in Washington, D.C., on November 16, 1964.

H. B. HELSTROM,
Acting Chief, Airspace Regulations and Procedures Division.

[F.R. Doc. 64-11953; Filed, Nov. 23, 1964;
8:46 a.m.]

DEPARTMENT OF THE TREASURY

Internal Revenue Service

[26 CFR Part 1]

INCOME TAXES

Moving Expenses; Notice of Hearing on Proposed Regulations

The proposed amendment to the regulations under section 217 of the Code,

relating to moving expenses, was published in the FEDERAL REGISTER for October 15, 1964.

A public hearing on the provisions of this proposed amendment to the regulations will be held on Tuesday, December 8, 1964, at 10:00 a.m., e.s.t., Room 3313, Internal Revenue Building, Twelfth and Constitution Avenue NW., Washington, D.C.

Persons who plan to attend the hearing are requested to notify the Acting Commissioner of Internal Revenue, Attention: CC:LR:T, Washington, D.C., 20224, by December 4, 1964.

Sheldon S. Cohen,
Chief Counsel.

[SEAL] BY: CHARLES R. SIMPSON,
Director,
Legislation and Regulations Division.

[F.R. Doc. 64-11992; Filed, Nov. 23, 1964;
8:49 a.m.]

[26 CFR Part 1]

INCOME TAX; MINIMUM STANDARD DEDUCTION

Notice of Proposed Rule Making

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

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

In order to conform the Income Tax Regulations (26 CFR Part 1) under section 141 and certain other related sections of the Internal Revenue Code of 1954 to sections 112 (a), (b), and (c), 232(f) (1), and 301(b) of the Revenue Act of 1964 (78 Stat. 23, 24, 111, 140), and to reflect in § 1.3 statutory provisions; optional tax if adjusted gross income is less than \$5,000 (regulations thereunder to be issued later), the amendment made by section 301(a) of such Act (78 Stat. 129), such regulations are amended as follows:

TABLE I—SINGLE PERSON—NOT HEAD OF HOUSEHOLD
Taxable Years Beginning in 1964

If adjusted gross income is—		And the number of exemptions is—				If adjusted gross income is—		And the number of exemptions is—						
At least	But less than	1	2	3	4 or more	At least	But less than	1	2	3	4	5	6	7 or more
		The tax is—						The tax is—						
\$0	\$900	\$0	\$0	\$0	\$0	\$2,450	\$2,475	\$261	\$140	\$26	\$0	\$0	\$0	\$0
900	925	2	0	0	0	2,475	2,500	266	144	30	0	0	0	\$0
925	950	6	0	0	0	2,500	2,525	270	148	34	0	0	0	0
950	975	10	0	0	0	2,525	2,550	275	152	38	0	0	0	0
975	1,000	14	0	0	0	2,550	2,575	279	156	42	0	0	0	0
1,000	1,025	18	0	0	0	2,575	2,600	284	160	46	0	0	0	0
1,025	1,050	22	0	0	0	2,600	2,625	288	165	50	0	0	0	0
1,050	1,075	26	0	0	0	2,625	2,650	293	169	54	0	0	0	0
1,075	1,100	30	0	0	0	2,650	2,675	297	173	58	0	0	0	0
1,100	1,125	34	0	0	0	2,675	2,700	302	178	62	0	0	0	0
1,125	1,150	38	0	0	0	2,700	2,725	306	182	66	0	0	0	0
1,150	1,175	42	0	0	0	2,725	2,750	311	187	70	0	0	0	0
1,175	1,200	46	0	0	0	2,750	2,775	315	191	74	0	0	0	0
1,200	1,225	50	0	0	0	2,775	2,800	320	195	78	0	0	0	0
1,225	1,250	54	0	0	0	2,800	2,825	324	200	82	0	0	0	0
1,250	1,275	58	0	0	0	2,825	2,850	329	204	86	0	0	0	0
1,275	1,300	62	0	0	0	2,850	2,875	333	208	90	0	0	0	0
1,300	1,325	66	0	0	0	2,875	2,900	338	213	94	0	0	0	0
1,325	1,350	70	0	0	0	2,900	2,925	343	217	99	0	0	0	0
1,350	1,375	74	0	0	0	2,925	2,950	348	222	103	0	0	0	0
1,375	1,400	78	0	0	0	2,950	2,975	353	226	107	0	0	0	0
1,400	1,425	82	0	0	0	2,975	3,000	358	230	111	0	0	0	0
1,425	1,450	86	0	0	0	3,000	3,050	365	237	117	4	0	0	0
1,450	1,475	90	0	0	0	3,050	3,100	374	246	125	12	0	0	0
1,475	1,500	94	0	0	0	3,100	3,150	383	255	134	20	0	0	0
1,500	1,525	99	0	0	0	3,150	3,200	392	264	142	28	0	0	0
1,525	1,550	103	0	0	0	3,200	3,250	401	273	150	36	0	0	0
1,550	1,575	107	0	0	0	3,250	3,300	410	282	158	44	0	0	0
1,575	1,600	111	0	0	0	3,300	3,350	419	291	167	52	0	0	0
1,600	1,625	115	2	0	0	3,350	3,400	428	300	176	60	0	0	0
1,625	1,650	119	6	0	0	3,400	3,450	437	309	184	68	0	0	0
1,650	1,675	123	10	0	0	3,450	3,500	446	318	193	76	0	0	0
1,675	1,700	127	14	0	0	3,500	3,550	455	327	202	84	0	0	0
1,700	1,725	132	18	0	0	3,550	3,600	464	336	211	92	0	0	0
1,725	1,750	136	22	0	0	3,600	3,650	473	345	219	101	0	0	0
1,750	1,775	140	26	0	0	3,650	3,700	482	355	228	109	0	0	0
1,775	1,800	144	30	0	0	3,700	3,750	491	365	237	117	4	0	0
1,800	1,825	148	34	0	0	3,750	3,800	500	375	246	125	12	0	0
1,825	1,850	152	38	0	0	3,800	3,850	509	385	255	134	20	0	0
1,850	1,875	156	42	0	0	3,850	3,900	518	395	264	142	28	0	0
1,875	1,900	160	46	0	0	3,900	3,950	527	405	273	150	36	0	0
1,900	1,925	165	50	0	0	3,950	4,000	536	415	282	158	44	0	0
1,925	1,950	169	54	0	0	4,000	4,050	545	425	291	167	52	0	0
1,950	1,975	173	58	0	0	4,050	4,100	554	434	300	176	60	0	0
1,975	2,000	178	62	0	0	4,100	4,150	563	443	309	184	68	0	0
2,000	2,025	182	66	0	0	4,150	4,200	572	452	318	193	76	0	0
2,025	2,050	187	70	0	0	4,200	4,250	581	461	327	202	84	0	0
2,050	2,075	191	74	0	0	4,250	4,300	590	470	336	211	92	0	0
2,075	2,100	195	78	0	0	4,300	4,350	599	479	345	219	101	0	0
2,100	2,125	200	82	0	0	4,350	4,400	608	488	355	228	109	0	0
2,125	2,150	204	86	0	0	4,400	4,450	617	497	365	237	117	4	0
2,150	2,175	208	90	0	0	4,450	4,500	626	506	375	246	125	12	0
2,175	2,200	213	94	0	0	4,500	4,550	635	515	385	255	134	20	0
2,200	2,225	217	98	0	0	4,550	4,600	644	524	395	264	142	28	0
2,225	2,250	222	102	0	0	4,600	4,650	653	533	405	273	150	36	0
2,250	2,275	226	107	0	0	4,650	4,700	662	542	415	282	158	44	0
2,275	2,300	230	111	0	0	4,700	4,750	671	551	425	291	167	52	0
2,300	2,325	235	115	2	0	4,750	4,800	680	560	435	300	176	60	0
2,325	2,350	239	119	6	0	4,800	4,850	689	569	445	309	184	68	0
2,350	2,375	243	123	10	0	4,850	4,900	698	578	455	318	193	76	0
2,375	2,400	248	127	14	0	4,900	4,950	707	587	465	327	202	84	0
2,400	2,425	252	132	18	0	4,950	5,000	716	596	475	336	211	92	0
2,425	2,450	257	136	22	0									

TABLE III—MARRIED PERSONS FILING JOINT RETURNS
Taxable Years Beginning in 1964

If adjusted gross income is—		And the number of exemptions is—				And the number of exemption is—							
At least	But less than	2	3	4 or more		At least	But less than	2	3	4	5	6	7 or more
		The tax is—											
		\$0	\$0	\$0	\$0	\$2,800	\$2,825	\$195	\$82	\$0	\$0	\$0	\$0
1,600	1,625	2	6	0	0	2,825	2,850	199	86	0	0	0	0
1,625	1,650	10	0	0	0	2,850	2,875	203	90	0	0	0	0
1,650	1,675	14	0	0	0	2,875	2,900	207	94	0	0	0	0
1,675	1,700	18	0	0	0	2,900	2,925	212	98	0	0	0	0
1,700	1,725	22	0	0	0	2,925	2,950	216	102	0	0	0	0
1,725	1,750	26	0	0	0	2,950	2,975	220	106	0	0	0	0
1,750	1,775	30	0	0	0	2,975	3,000	224	110	0	0	0	0
1,775	1,800	34	0	0	0	3,000	3,050	230	116	4	0	0	0
1,800	1,825	38	0	0	0	3,050	3,100	238	124	12	0	0	0
1,825	1,850	42	0	0	0	3,100	3,150	247	132	20	0	0	0
1,850	1,875	46	0	0	0	3,150	3,200	255	140	28	0	0	0
1,875	1,900	50	0	0	0	3,200	3,250	263	148	36	0	0	0
1,900	1,925	54	0	0	0	3,250	3,300	271	156	44	0	0	0
1,925	1,950	58	0	0	0	3,300	3,350	280	164	52	0	0	0
1,950	1,975	62	0	0	0	3,350	3,400	288	172	60	0	0	0
1,975	2,000	66	0	0	0	3,400	3,450	296	180	68	0	0	0
2,000	2,025	70	0	0	0	3,450	3,500	304	188	76	0	0	0
2,025	2,050	74	0	0	0	3,500	3,550	313	197	84	0	0	0
2,050	2,075	78	0	0	0	3,550	3,600	321	205	92	0	0	0
2,075	2,100	82	0	0	0	3,600	3,650	329	214	100	0	0	0
2,100	2,125	86	0	0	0	3,650	3,700	338	222	108	0	0	0
2,125	2,150	90	0	0	0	3,700	3,750	347	230	116	4	0	0
2,150	2,175	94	0	0	0	3,750	3,800	356	238	124	12	0	0
2,175	2,200	98	0	0	0	3,800	3,850	364	247	132	20	0	0
2,200	2,225	102	0	0	0	3,850	3,900	373	255	140	28	0	0
2,225	2,250	106	0	0	0	3,900	3,950	382	263	148	36	0	0
2,250	2,275	110	0	0	0	3,950	4,000	391	271	156	44	0	0
2,275	2,300	114	2	0	0	4,000	4,050	399	280	164	52	0	0
2,300	2,325	118	6	0	0	4,050	4,100	407	288	172	60	0	0
2,325	2,350	122	10	0	0	4,100	4,150	415	296	181	68	0	0
2,350	2,375	126	14	0	0	4,150	4,200	423	304	189	76	0	0
2,375	2,400	130	18	0	0	4,200	4,250	430	313	197	84	0	0
2,400	2,425	134	22	0	0	4,250	4,300	438	321	205	92	0	0
2,425	2,450	138	26	0	0	4,300	4,350	446	329	214	100	0	0
2,450	2,475	142	30	0	0	4,350	4,400	454	338	222	108	4	0
2,475	2,500	146	34	0	0	4,400	4,450	462	347	230	116	12	0
2,500	2,525	150	38	0	0	4,450	4,500	470	356	238	124	20	0
2,525	2,550	154	42	0	0	4,500	4,550	478	364	247	132	28	0
2,550	2,575	158	46	0	0	4,550	4,600	486	373	255	140	36	0
2,575	2,600	162	50	0	0	4,600	4,650	493	382	263	148	44	0
2,600	2,625	166	54	0	0	4,650	4,700	501	391	271	156	52	0
2,625	2,650	170	58	0	0	4,700	4,750	509	399	280	164	60	0
2,650	2,675	174	62	0	0	4,750	4,800	518	408	288	172	68	0
2,675	2,700	178	66	0	0	4,800	4,850	526	417	296	181	76	0
2,700	2,725	183	70	0	0	4,850	4,900	534	426	304	189	84	0
2,725	2,750	187	74	0	0	4,900	4,950	542	434	313	197	92	0
2,750	2,775	191	78	0	0	4,950	5,000	550	443	321	205	100	0

PROPOSED RULE MAKING

TABLE V—MARRIED PERSONS FILING SEPARATE RETURNS
MINIMUM STANDARD DEDUCTION
Taxable Years Beginning in 1964

If adjusted gross income is—			And the number of exemptions is—				And the number of exemptions is—									
At least	But less than		The tax is—				The tax is—									
			1	2	3	4 or more	1	2	3	4	5	6	7	8 or more		
\$0	\$800	\$0	\$0	\$0	\$0	\$0	\$270	\$148	\$34	\$0	\$0	\$0	\$0	\$0	\$0	\$0
800	825	2	0	0	0	0	2,450	275	38	0	0	0	0	0	0	0
825	850	6	0	0	0	0	2,450	279	42	0	0	0	0	0	0	0
850	875	10	0	0	0	0	2,475	284	46	0	0	0	0	0	0	0
875	900	14	0	0	0	0	2,475	288	50	0	0	0	0	0	0	0
900	925	18	0	0	0	0	2,500	293	54	0	0	0	0	0	0	0
925	950	22	0	0	0	0	2,525	297	58	0	0	0	0	0	0	0
950	975	26	0	0	0	0	2,550	302	62	0	0	0	0	0	0	0
975	1,000	30	0	0	0	0	2,575	306	66	0	0	0	0	0	0	0
1,000	1,025	34	0	0	0	0	2,600	311	70	0	0	0	0	0	0	0
1,025	1,050	38	0	0	0	0	2,625	315	74	0	0	0	0	0	0	0
1,050	1,075	42	0	0	0	0	2,650	319	78	0	0	0	0	0	0	0
1,075	1,100	46	0	0	0	0	2,675	324	82	0	0	0	0	0	0	0
1,100	1,125	50	0	0	0	0	2,700	329	86	0	0	0	0	0	0	0
1,125	1,150	54	0	0	0	0	2,725	333	90	0	0	0	0	0	0	0
1,150	1,175	58	0	0	0	0	2,750	338	94	0	0	0	0	0	0	0
1,175	1,200	62	0	0	0	0	2,775	343	98	0	0	0	0	0	0	0
1,200	1,225	66	0	0	0	0	2,800	348	102	0	0	0	0	0	0	0
1,225	1,250	70	0	0	0	0	2,825	353	106	0	0	0	0	0	0	0
1,250	1,275	74	0	0	0	0	2,850	358	110	0	0	0	0	0	0	0
1,275	1,300	78	0	0	0	0	2,875	363	114	2	0	0	0	0	0	0
1,300	1,325	82	0	0	0	0	2,900	368	119	6	0	0	0	0	0	0
1,325	1,350	86	0	0	0	0	2,925	373	123	10	0	0	0	0	0	0
1,350	1,375	90	0	0	0	0	2,950	378	128	14	0	0	0	0	0	0
1,375	1,400	94	0	0	0	0	2,975	383	132	18	0	0	0	0	0	0
1,400	1,425	98	0	0	0	0	3,000	388	136	22	0	0	0	0	0	0
1,425	1,450	103	0	0	0	0	3,050	395	142	28	0	0	0	0	0	0
1,450	1,475	107	0	0	0	0	3,100	405	148	36	0	0	0	0	0	0
1,475	1,500	111	0	0	0	0	3,150	420	154	44	0	0	0	0	0	0
1,500	1,525	115	2	0	0	0	3,200	435	160	52	0	0	0	0	0	0
1,525	1,550	119	6	0	0	0	3,250	450	166	60	0	0	0	0	0	0
1,550	1,575	123	10	0	0	0	3,300	465	172	68	0	0	0	0	0	0
1,575	1,600	127	14	0	0	0	3,350	480	178	76	0	0	0	0	0	0
1,600	1,625	132	18	0	0	0	3,400	495	184	84	0	0	0	0	0	0
1,625	1,650	136	22	0	0	0	3,450	510	190	92	0	0	0	0	0	0
1,650	1,675	140	26	0	0	0	3,500	525	196	101	4	0	0	0	0	0
1,675	1,700	144	30	0	0	0	3,550	540	202	109	10	0	0	0	0	0
1,700	1,725	148	34	0	0	0	3,600	555	208	117	20	0	0	0	0	0
1,725	1,750	152	38	0	0	0	3,650	570	214	28	0	0	0	0	0	0
1,750	1,775	156	42	0	0	0	3,700	585	220	36	0	0	0	0	0	0
1,775	1,800	160	46	0	0	0	3,750	600	226	44	0	0	0	0	0	0
1,800	1,825	165	50	0	0	0	3,800	615	232	52	0	0	0	0	0	0
1,825	1,850	169	54	0	0	0	3,850	630	238	60	0	0	0	0	0	0
1,850	1,875	173	58	0	0	0	3,900	645	244	68	0	0	0	0	0	0
1,875	1,900	178	62	0	0	0	3,950	660	250	76	0	0	0	0	0	0
1,900	1,925	182	66	0	0	0	4,000	675	256	84	0	0	0	0	0	0
1,925	1,950	187	70	0	0	0	4,050	690	262	92	0	0	0	0	0	0
1,950	1,975	191	74	0	0	0	4,100	705	268	100	4	0	0	0	0	0
1,975	2,000	195	78	0	0	0	4,150	720	274	108	12	0	0	0	0	0
2,000	2,025	200	82	0	0	0	4,200	735	280	116	20	0	0	0	0	0
2,025	2,050	204	86	0	0	0	4,250	750	286	28	0	0	0	0	0	0
2,050	2,075	208	90	0	0	0	4,300	765	292	36	0	0	0	0	0	0
2,075	2,100	213	94	0	0	0	4,350	780	298	44	0	0	0	0	0	0
2,100	2,125	217	98	0	0	0	4,400	795	304	52	0	0	0	0	0	0
2,125	2,150	222	103	0	0	0	4,450	810	310	60	0	0	0	0	0	0
2,150	2,175	226	107	0	0	0	4,500	825	316	68	0	0	0	0	0	0
2,175	2,200	230	111	0	0	0	4,550	840	322	76	0	0	0	0	0	0
2,200	2,225	235	115	2	0	0	4,600	855	328	84	0	0	0	0	0	0
2,225	2,250	239	119	6	0	0	4,650	870	334	92	0	0	0	0	0	0
2,250	2,275	243	123	10	0	0	4,700	885	340	100	4	0	0	0	0	0
2,275	2,300	248	127	14	0	0	4,750	900	346	108	12	0	0	0	0	0
2,300	2,325	252	132	18	0	0	4,800	915	352	116	20	0	0	0	0	0
2,325	2,350	257	136	22	0	0	4,850	930	358	28	0	0	0	0	0	0
2,350	2,375	261	140	26	0	0	4,900	945	364	36	0	0	0	0	0	0
2,375	2,400	266	144	30	0	0	4,950	960	370	44	0	0	0	0	0	0

TABLE IV—MARRIED PERSONS FILING SEPARATE RETURNS
10 PERCENT STANDARD DEDUCTION
Taxable Years Beginning in 1964

If adjusted gross income is—		And the number of exemptions is—				If adjusted gross income is—		And the number of exemptions is—								
		The tax is—						The tax is—								
At least	But less than	1	2	3	4 or more	At least	But less than	1	2	3	4	5	6	7	8 or more	
\$0	\$675	\$0	\$0	\$0	\$0	\$2,325	\$2,350	\$251	\$147	\$49	\$0	\$0	\$0	\$0	\$0	\$0
675	700	0	0	0	0	2,350	2,375	255	150	52	0	0	0	0	0	0
700	725	0	0	0	0	2,375	2,400	259	154	56	0	0	0	0	0	0
725	750	0	0	0	0	2,400	2,425	262	158	60	0	0	0	0	0	0
750	775	0	0	0	0	2,425	2,450	265	162	64	0	0	0	0	0	0
775	800	0	0	0	0	2,450	2,475	271	165	67	0	0	0	0	0	0
800	825	0	0	0	0	2,475	2,500	275	169	70	0	0	0	0	0	0
825	850	0	0	0	0	2,500	2,525	279	173	74	0	0	0	0	0	0
850	875	0	0	0	0	2,525	2,550	283	177	77	0	0	0	0	0	0
875	900	0	0	0	0	2,550	2,575	287	181	81	0	0	0	0	0	0
900	925	0	0	0	0	2,575	2,600	291	185	85	0	0	0	0	0	0
925	950	0	0	0	0	2,600	2,625	295	189	88	0	0	0	0	0	0
950	975	0	0	0	0	2,625	2,650	299	193	92	0	0	0	0	0	0
975	1,000	0	0	0	0	2,650	2,675	303	197	96	0	0	0	0	0	0
1,000	1,025	50	0	0	0	2,675	2,700	307	201	100	3	0	0	0	0	0
1,025	1,050	50	0	0	0	2,700	2,725	311	205	103	7	0	0	0	0	0
1,050	1,075	57	0	0	0	2,725	2,750	315	209	107	10	0	0	0	0	0
1,075	1,100	61	0	0	0	2,750	2,775	320	213	111	14	0	0	0	0	0
1,100	1,125	64	0	0	0	2,775	2,800	324	217	114	17	0	0	0	0	0
1,125	1,150	68	0	0	0	2,800	2,825	328	220	118	21	0	0	0	0	0
1,150	1,175	71	0	0	0	2,825	2,850	332	224	122	25	0	0	0	0	0
1,175	1,200	75	0	0	0	2,850	2,875	336	228	126	28	0	0	0	0	0
1,200	1,225	79	0	0	0	2,875	2,900	340	232	129	32	0	0	0	0	0
1,225	1,250	82	0	0	0	2,900	2,925	344	236	133	35	0	0	0	0	0
1,250	1,275	86	0	0	0	2,925	2,950	349	240	137	39	0	0	0	0	0
1,275	1,300	90	0	0	0	2,950	2,975	353	244	140	43	0	0	0	0	0
1,300	1,325	93	0	0	0	2,975	3,000	358	248	144	46	0	0	0	0	0
1,325	1,350	97	1	0	0	3,000	3,050	365	254	150	52	0	0	0	0	0
1,350	1,375	101	1	0	0	3,050	3,100	374	262	157	59	0	0	0	0	0
1,375	1,400	105	8	0	0	3,100	3,150	383	270	165	66	0	0	0	0	0
1,400	1,425	108	11	0	0	3,150	3,200	392	278	173	73	0	0	0	0	0
1,425	1,450	112	15	0	0	3,200	3,250	401	286	180	80	0	0	0	0	0
1,450	1,475	116	19	0	0	3,250	3,300	410	295	188	88	0	0	0	0	0
1,475	1,500	119	22	0	0	3,300	3,350	419	303	196	95	0	0	0	0	0
1,500	1,525	123	26	0	0	3,350	3,400	428	311	204	103	6	0	0	0	0
1,525	1,550	127	29	0	0	3,400	3,450	437	319	212	110	13	0	0	0	0
1,550	1,575	131	33	0	0	3,450	3,500	446	327	220	118	20	0	0	0	0
1,575	1,600	134	37	0	0	3,500	3,550	455	335	228	125	28	0	0	0	0
1,600	1,625	138	40	0	0	3,550	3,600	464	344	236	132	35	0	0	0	0
1,625	1,650	142	44	0	0	3,600	3,650	473	353	243	140	42	0	0	0	0
1,650	1,675	145	47	0	0	3,650	3,700	482	362	250	147	49	0	0	0	0
1,675	1,700	149	51	0	0	3,700	3,750	490	370	259	155	54	0	0	0	0
1,700	1,725	153	55	0	0	3,750	3,800	500	380	268	162	61	0	0	0	0
1,725	1,750	157	58	0	0	3,800	3,850	509	389	276	170	78	0	0	0	0
1,750	1,775	160	62	0	0	3,850	3,900	518	398	284	178	85	0	0	0	0
1,775	1,800	164	65	0	0	3,900	3,950	527	407	292	186	93	0	0	0	0
1,800	1,825	168	69	0	0	3,950	4,000	536	416	300	194	100	4	0	0	0
1,825	1,850	172	73	0	0	4,000	4,050	545	425	308	201	108	11	0	0	0
1,850	1,875	176	78	0	0	4,050	4,100	554	434	316	209	118	18	0	0	0
1,875	1,900	180	80	0	0	4,100	4,150	563	443	324	217	125	25	0	0	0
1,900	1,925	184	84	0	0	4,150	4,200	572	452	332	225	132	32	0	0	0
1,925	1,950	188	87	0	0	4,200	4,250	581	461	341	233	140	40	0	0	0
1,950	1,975	192	91	0	0	4,250	4,300	590	470	350	241	137	47	0	0	0
1,975	2,000	196	95	0	0	4,300	4,350	599	479	359	249	145	54	0	0	0
2,000	2,025	199	98	2	0	4,350	4,400	608	488	368	257	152	61	0	0	0
2,025	2,050	203	102	5	0	4,400	4,450	617	497	377	265	160	68	0	0	0
2,050	2,075	207	106	9	0	4,450	4,500	626	506	386	273	167	76	0	0	0
2,075	2,100	211	109	13	0	4,500	4,550	635	515	395	281	175	83	0	0	0
2,100	2,125	215	113	16	0	4,550	4,600	644	524	404	289	183	90	0	0	0
2,125	2,150	219	117	20	0	4,600	4,650	653	533	413	297	191	97	0	0	0
2,150	2,175	223	121	23	0	4,650	4,700	662	542	422	305	199	105	1	0	0
2,175	2,200	227	124	27	0	4,700	4,750	671	551	431	313	207	113	16	0	0
2,200	2,225	231	128	31	0	4,750	4,800	680	560	440	322	215	123	20	0	0
2,225	2,250	235	132	34	0	4,800	4,850	689	569	449	330	222	130	26	0	0
2,250	2,275	239	135	38	0	4,850	4,900	698	578	458	338	230	137	30	0	0
2,275	2,300	243	139	41	0	4,900	4,950	707	587	467	347	238	145	37	0	0
2,300	2,325	247	143	45	0	4,950	5,000	716	596	476	356	246	152	44	0	0

TABLE II—HEAD OF HOUSEHOLD
Taxable Years Beginning After December 31, 1964

If adjusted gross income is—	At least	And the number of exemptions is—				And the number of exemptions is—						
		The tax is—				The tax is—						
		1	2	3	4 or more	1	2	3	4	5	6	7 or more
\$0	\$0	\$0	\$0	\$0	\$0	\$230	\$121	\$23	\$0	\$0	\$0	\$0
900	900	925	950	975	1,000	2,475	2,500	26	28	30	32	34
925	925	950	975	1,000	1,025	2,500	2,525	28	30	32	34	36
950	950	975	1,000	1,025	1,050	2,525	2,550	30	32	34	36	38
975	975	1,000	1,025	1,050	1,075	2,550	2,575	32	34	36	38	40
1,000	1,000	1,025	1,050	1,075	1,100	2,575	2,600	34	36	38	40	42
1,025	1,025	1,050	1,075	1,100	1,125	2,600	2,625	36	38	40	42	44
1,050	1,050	1,075	1,100	1,125	1,150	2,625	2,650	38	40	42	44	46
1,075	1,075	1,100	1,125	1,150	1,175	2,650	2,675	40	42	44	46	48
1,100	1,100	1,125	1,150	1,175	1,200	2,675	2,700	42	44	46	48	50
1,125	1,125	1,150	1,175	1,200	1,225	2,700	2,725	44	46	48	50	52
1,150	1,150	1,175	1,200	1,225	1,250	2,725	2,750	46	48	50	52	54
1,175	1,175	1,200	1,225	1,250	1,275	2,750	2,775	48	50	52	54	56
1,200	1,200	1,225	1,250	1,275	1,300	2,775	2,800	50	52	54	56	58
1,225	1,225	1,250	1,275	1,300	1,325	2,800	2,825	52	54	56	58	60
1,250	1,250	1,275	1,300	1,325	1,350	2,825	2,850	54	56	58	60	62
1,275	1,275	1,300	1,325	1,350	1,375	2,850	2,875	56	58	60	62	64
1,300	1,300	1,325	1,350	1,375	1,400	2,875	2,900	58	60	62	64	66
1,325	1,325	1,350	1,375	1,400	1,425	2,900	2,925	60	62	64	66	68
1,350	1,350	1,375	1,400	1,425	1,450	2,925	2,950	62	64	66	68	70
1,375	1,375	1,400	1,425	1,450	1,475	2,950	2,975	64	66	68	70	72
1,400	1,400	1,425	1,450	1,475	1,500	2,975	3,000	66	68	70	72	74
1,425	1,425	1,450	1,475	1,500	1,525	3,000	3,025	68	70	72	74	76
1,450	1,450	1,475	1,500	1,525	1,550	3,025	3,050	70	72	74	76	78
1,475	1,475	1,500	1,525	1,550	1,575	3,050	3,075	72	74	76	78	80
1,500	1,500	1,525	1,550	1,575	1,600	3,075	3,100	74	76	78	80	82
1,525	1,525	1,550	1,575	1,600	1,625	3,100	3,125	76	78	80	82	84
1,550	1,550	1,575	1,600	1,625	1,650	3,125	3,150	78	80	82	84	86
1,575	1,575	1,600	1,625	1,650	1,675	3,150	3,175	80	82	84	86	88
1,600	1,600	1,625	1,650	1,675	1,700	3,175	3,200	82	84	86	88	90
1,625	1,625	1,650	1,675	1,700	1,725	3,200	3,225	84	86	88	90	92
1,650	1,650	1,675	1,700	1,725	1,750	3,225	3,250	86	88	90	92	94
1,675	1,675	1,700	1,725	1,750	1,775	3,250	3,275	88	90	92	94	96
1,700	1,700	1,725	1,750	1,775	1,800	3,275	3,300	90	92	94	96	98
1,725	1,725	1,750	1,775	1,800	1,825	3,300	3,325	92	94	96	98	100
1,750	1,750	1,775	1,800	1,825	1,850	3,325	3,350	94	96	98	100	102
1,775	1,775	1,800	1,825	1,850	1,875	3,350	3,375	96	98	100	102	104
1,800	1,800	1,825	1,850	1,875	1,900	3,375	3,400	98	100	102	104	106
1,825	1,825	1,850	1,875	1,900	1,925	3,400	3,425	100	102	104	106	108
1,850	1,850	1,875	1,900	1,925	1,950	3,425	3,450	102	104	106	108	110
1,875	1,875	1,900	1,925	1,950	1,975	3,450	3,475	104	106	108	110	112
1,900	1,900	1,925	1,950	1,975	2,000	3,475	3,500	106	108	110	112	114
1,925	1,925	1,950	1,975	2,000	2,025	3,500	3,525	108	110	112	114	116
1,950	1,950	1,975	2,000	2,025	2,050	3,525	3,550	110	112	114	116	118
1,975	1,975	2,000	2,025	2,050	2,075	3,550	3,575	112	114	116	118	120
2,000	2,000	2,025	2,050	2,075	2,100	3,575	3,600	114	116	118	120	122
2,025	2,025	2,050	2,075	2,100	2,125	3,600	3,625	116	118	120	122	124
2,050	2,050	2,075	2,100	2,125	2,150	3,625	3,650	118	120	122	124	126
2,075	2,075	2,100	2,125	2,150	2,175	3,650	3,675	120	122	124	126	128
2,100	2,100	2,125	2,150	2,175	2,200	3,675	3,700	122	124	126	128	130
2,125	2,125	2,150	2,175	2,200	2,225	3,700	3,725	124	126	128	130	132
2,150	2,150	2,175	2,200	2,225	2,250	3,725	3,750	126	128	130	132	134
2,175	2,175	2,200	2,225	2,250	2,275	3,750	3,775	128	130	132	134	136
2,200	2,200	2,225	2,250	2,275	2,300	3,775	3,800	130	132	134	136	138
2,225	2,225	2,250	2,275	2,300	2,325	3,800	3,825	132	134	136	138	140
2,250	2,250	2,275	2,300	2,325	2,350	3,825	3,850	134	136	138	140	142
2,275	2,275	2,300	2,325	2,350	2,375	3,850	3,875	136	138	140	142	144
2,300	2,300	2,325	2,350	2,375	2,400	3,875	3,900	138	140	142	144	146
2,325	2,325	2,350	2,375	2,400	2,425	3,900	3,925	140	142	144	146	148
2,350	2,350	2,375	2,400	2,425	2,450	3,925	3,950	142	144	146	148	150
2,375	2,375	2,400	2,425	2,450	2,475	3,950	3,975	144	146	148	150	152
2,400	2,400	2,425	2,450	2,475	2,500	3,975	4,000	146	148	150	152	154
2,425	2,425	2,450	2,475	2,500	2,525	4,000	4,025	148	150	152	154	156
2,450	2,450	2,475	2,500	2,525	2,550	4,025	4,050	150	152	154	156	158

(b) Taxable years beginning after December 31, 1964. In lieu of the tax imposed by section 1, there is hereby imposed for each taxable year beginning after December 31, 1964, on the taxable income of every individual whose adjusted gross income for such year is less than \$5,000 and who has elected for such year to pay the tax imposed by this section a tax as follows:

TABLE I—SINGLE PERSON—NOT HEAD OF HOUSEHOLD
Taxable Years Beginning After December 31, 1964

If adjusted gross income is—	And the number of exemptions is—				If adjusted gross income is—		And the number of exemptions is—									
	At least	But less than	The tax is—				At least	But less than	The tax is—							
			1	2	3	4 or more			1	2	3	4	5	6	7 or more	
\$0	\$0	\$0	\$0	\$0	\$0	\$2,450	\$2,475	\$236	\$124	\$23	\$0	\$0	\$0	\$0	\$0	\$0
900	900	925	950	975	1,000	2,475	2,500	240	128	26	0	0	0	0	0	0
925	925	950	975	1,000	1,025	2,500	2,525	244	132	30	0	0	0	0	0	0
950	950	975	1,000	1,025	1,050	2,525	2,550	248	136	33	0	0	0	0	0	0
975	975	1,000	1,025	1,050	1,075	2,550	2,575	253	139	37	0	0	0	0	0	0
1,000	1,000	1,025	1,050	1,075	1,100	2,575	2,600	257	143	40	0	0	0	0	0	0
1,025	1,025	1,050	1,075	1,100	1,125	2,600	2,625	261	147	44	0	0	0	0	0	0
1,050	1,050	1,075	1,100	1,125	1,150	2,625	2,650	265	151	47	0	0	0	0	0	0
1,075	1,075	1,100	1,125	1,150	1,175	2,650	2,675	270	155	51	0	0	0	0	0	0
1,100	1,100	1,125	1,150	1,175	1,200	2,675	2,700	274	159	54	0	0	0	0	0	0
1,125	1,125	1,150	1,175	1,200	1,225	2,700	2,725	278	163	58	0	0	0	0	0	0
1,150	1,150	1,175	1,200	1,225	1,250	2,725	2,750	282	167	61	0	0	0	0	0	0
1,175	1,175	1,200	1,225	1,250	1,275	2,750	2,775	287	171	65	0	0	0	0	0	0
1,200	1,200	1,225	1,250	1,275	1,300	2,775	2,800	291	175	68	0	0	0	0	0	0
1,225	1,225	1,250	1,275	1,300	1,325	2,800	2,825	295	179	72	0	0	0	0	0	0
1,250	1,250	1,275	1,300	1,325	1,350	2,825	2,850	299	183	76	0	0	0	0	0	0
1,275	1,275	1,300	1,325	1,350	1,375	2,850	2,875	304	187	79	0	0	0	0	0	0
1,300	1,300	1,325	1,350	1,375	1,400	2,875	2,900	308	191	83	0	0	0	0	0	0
1,325	1,325	1,350	1,375	1,400	1,425	2,900	2,925	312	195	87	0	0	0	0	0	0
1,350	1,350	1,375	1,400	1,425	1,450	2,925	2,950	317	199	91	0	0	0	0	0	0
1,375	1,375	1,400	1,425	1,450	1,475	2,950	2,975	322	203	94	0	0	0	0	0	0
1,400	1,400	1,425	1,450	1,475	1,500	2,975	3,000	327	207	98	4	0	0	0	0	0
1,425	1,425	1,450	1,475	1,500	1,525	3,000	3,025	332	211	101	11	0	0	0	0	0
1,450	1,450	1,475	1,500	1,525	1,550	3,025	3,050	336	215	105	15	0	0	0	0	0
1,475	1,475	1,500	1,525	1,550	1,575	3,050	3,075	340	219	109	19	0	0	0	0	0
1,500	1,500	1,525	1,550	1,575	1,600	3,075	3,100	345	223	113	23	0	0	0	0	0
1,525	1,525	1,550	1,575	1,600	1,625	3,100	3,125	350	227	117	27	0	0	0	0	0
1,550	1,550	1,575	1,600	1,625	1,650	3,125	3,150	355	231	121	31	0	0	0	0	0
1,575	1,575	1,600	1,625	1,650	1,675	3,150	3,175	360	235	125	35	0	0	0	0	0
1,600	1,600	1,625	1,650	1,675	1,700	3,175	3,200	365	239	129	39	0	0	0	0	0
1,625	1,625	1,650	1,675	1,700	1,725	3,200	3,225	370	243	133	43	0	0	0	0	0
1,650	1,650	1,675	1,700	1,725	1,750	3,225	3,250	375	247	137	47	0	0	0	0	0
1,675	1,675	1,700	1,725	1,750	1,775	3,250	3,275	380	251	141	51	0	0	0	0	0
1,700	1,700	1,725	1,750	1,775	1,800	3,275	3,300	385	255	145	55	0	0	0	0	0
1,725	1,725	1,750	1,775	1,800	1,825	3,300	3,325	390	259	149	59	0	0	0	0	0
1,750	1,750	1,775	1,800	1,825	1,850	3,325	3,350	395	263	153	63	0	0	0	0	0
1,775	1,775	1,800	1,825	1,850	1,875	3,350	3,375	400	267	157	67	0	0	0	0	0
1,800	1,800	1,825	1,850	1,875	1,900	3,375	3,400	405	271	161	71	0	0	0	0	0
1,825	1,825	1,850	1,875	1,900	1,925	3,400	3,425	410	275	165	75	0	0	0	0	0
1,850	1,850	1,875	1,900	1,925	1,950	3,425	3,450	415	279	169	79	0	0	0	0	0
1,875	1,875	1,900	1,925	1,950	1,975	3,450	3,475	420	283	173	83	0	0	0	0	0
1,900	1,900	1,925	1,950	1,975	2,000	3,475	3,500	425	287	177	87	0	0	0	0	0
1,925	1,925	1,950	1,975	2,000	2,025	3,500	3,525	430	291	181	91	0	0	0	0	0
1,950	1,950	1,975	2,000	2,025	2,050	3,525	3,550	435	295	185	95	0	0	0	0	0
1,975	1,975	2,000	2,025	2,050	2,075	3,550	3,575	440	299	189	99	0	0	0	0	0
2,000	2,000	2,025	2,050	2,075	2,100	3,575	3,600	445	303	193	103	0	0	0	0	0
2,025	2,025	2,050	2,075	2,100	2,125	3,600	3,625	450	307	197	107	0	0	0	0	0
2,050	2,050	2,075	2,100	2,125	2,150	3,625	3,650	455	311	201	111	0	0	0	0	0
2,075	2,075	2,100	2,125	2,150	2,175	3,650	3,675	460	315	205	115	0	0	0	0	0
2,100	2,100	2,125	2,150	2,175	2,200	3,675	3,700	465	319	209	119	0	0	0	0	0
2,125	2,125	2,150	2,175	2,200	2,225	3,700	3,725	470	323	213	123	0	0	0	0	0
2,150	2,150	2,175	2,200	2,225	2,250	3,725	3,750	475	327	217	127	0	0	0	0	0
2,175	2,175	2,200	2,225	2,250	2,275	3,750	3,775	480	331	221	131	0	0	0	0	0
2,200	2,200	2,225	2,250	2,275	2,300	3,775	3,800	485	335	225	135	0	0	0	0	0
2,225	2,225	2,250	2,275	2,300	2,325	3,800	3,825	490	339	229	139	0	0	0	0	0
2,250	2,250	2,275	2,300	2,325	2,350	3,825	3,850	495	343	233	143	0	0	0	0	0
2,275	2,275	2,300	2,325	2,350	2,375	3,850	3,875	500	347	237	147	0	0	0	0	0
2,300	2,300	2,325	2,350	2,375	2,400	3,875	3,900	505	351	241	151	0	0	0	0	0
2,325	2,325	2,350	2,375	2,400	2,425	3,900	3,925	510	355	245	155	0	0	0	0	0
2,350	2,350	2,375	2,400	2,425	2,450	3,925	3,950	515	359	249	159	0	0	0	0	0
2,375	2,375	2,400	2,425	2,450	2,475	3,950	3,975	520	363	253	163	0	0	0	0	0
2,400	2,400	2,425	2,450	2,475	2,500	3,975	4,000	525	367	257	167	0	0	0	0	0
2,425	2,425	2,450	2,475	2,500	2,525	4,000	4,025	530	371	261	171	0	0	0	0	0
2,450	2,450	2,475	2,500	2,525	2,550	4,025	4,050	535	375	265	175	0	0	0	0	0
2,475	2,475	2,500	2,525	2,550	2,575	4,050	4,075	540	379	269	179	0	0	0	0	0
2,500	2,500	2,525	2,550	2,575	2,600	4,075	4,100	545	383	273	183	0	0	0	0	0
2,525	2,525	2,550	2,575	2,600	2,625	4,100	4,125	550	387	277	187	0	0	0	0	0
2,550	2,550	2,575	2,600	2,625	2,650	4,125	4,150	555	391	281	191	0	0	0	0	0
2,575	2,575	2,600	2,625	2,650	2,675	4,150	4,175	560	395	285	195	0	0	0	0	0
2,600	2,600	2,625	2,650	2,675	2,700	4,175	4,200	565	399	289	199	0	0	0	0	0
2,625	2,625	2,650	2,675	2,700	2,725	4,200	4,225	570	403	293	203	0	0	0	0	0
2,650	2,650	2,675	2,700	2,725	2,750	4,225	4,250	575	407	297	207	0	0	0	0	0
2,675	2,675	2,700	2,725	2,750	2,775	4,250	4,275	580	411	301	211	0	0	0	0	0
2,700	2,700	2,725	2,750	2,775	2,800	4,275	4,300	585	415	305	215	0	0	0	0	0
2,725	2,725	2,750	2,775	2,800	2,825	4,300	4,325	590	419	309	219	0	0	0	0	0
2,750	2,750	2,775	2,800	2,825	2,850	4,325	4,350	595	423	313	223	0	0	0	0	0
2,775	2,775	2,800	2,825	2,850	2,875	4,350	4,375	600	427	317	227	0	0	0	0	0
2,800	2,800	2,825	2,850	2,875	2,900	4,375	4,400	605	431	321	231	0	0	0	0	0
2,825	2,825	2,850	2,875	2,900	2,925	4,400	4,425	610	435	325	235	0	0	0	0	0
2,850	2,850	2,875	2,900	2,925	2,950	4,425	4,450	615	439	329	239	0	0	0	0	0
2,875	2,875	2,900	2,925	2,950	2,975	4,450	4,475	620	443	333	243	0	0	0	0	0
2,900	2,900	2,925	2,950	2,975	3,000	4,475	4,500	625	447	337	247	0	0	0	0	0
2,925	2,925	2,950	2,975	3,000	3,025	4,500	4,525	630	451	341	251	0	0	0	0	0
2,950	2,950	2,975	3,000	3,025	3,050	4,525	4,550	635	455	345	255	0	0	0	0	0
2,975	2,975	3,000	3,025	3,050												

TABLE III—MARRIED PERSONS FILING JOINT RETURNS
Taxable Years Beginning After December 31, 1964

If adjusted gross income is—		If adjusted gross income is—		If adjusted gross income is—		And the number of exemptions is—		And the number of exemptions is—		And the number of exemptions is—			
At least	But less than	At least	But less than	At least	But less than	1	2	3	4	5	6	7	8 or more
The tax is—													
\$0	\$1,600	\$172	\$72	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1,600	1,625	176	75	0	0	0	0	0	0	0	0	0	0
1,625	1,650	179	79	0	0	0	0	0	0	0	0	0	0
1,650	1,675	183	82	0	0	0	0	0	0	0	0	0	0
1,675	1,700	187	86	0	0	0	0	0	0	0	0	0	0
1,700	1,725	191	89	0	0	0	0	0	0	0	0	0	0
1,725	1,750	194	93	0	0	0	0	0	0	0	0	0	0
1,750	1,775	198	96	0	0	0	0	0	0	0	0	0	0
1,775	1,800	204	102	0	0	0	0	0	0	0	0	0	0
1,800	1,825	211	109	11	18	0	0	0	0	0	0	0	0
1,825	1,850	219	116	18	25	0	0	0	0	0	0	0	0
1,850	1,875	226	123	25	32	0	0	0	0	0	0	0	0
1,875	1,900	234	130	32	39	0	0	0	0	0	0	0	0
1,900	1,925	241	137	39	46	0	0	0	0	0	0	0	0
1,925	1,950	249	144	46	53	0	0	0	0	0	0	0	0
1,950	1,975	256	151	53	60	0	0	0	0	0	0	0	0
1,975	2,000	264	158	60	67	0	0	0	0	0	0	0	0
2,000	2,025	270	166	67	74	0	0	0	0	0	0	0	0
2,025	2,050	277	173	74	81	0	0	0	0	0	0	0	0
2,050	2,075	286	181	81	88	0	0	0	0	0	0	0	0
2,075	2,100	294	189	88	95	0	0	0	0	0	0	0	0
2,100	2,125	302	196	95	102	0	0	0	0	0	0	0	0
2,125	2,150	310	204	102	109	11	18	0	0	0	0	0	0
2,150	2,175	318	211	109	116	18	25	0	0	0	0	0	0
2,175	2,200	326	219	116	123	25	32	0	0	0	0	0	0
2,200	2,225	334	226	123	130	32	39	0	0	0	0	0	0
2,225	2,250	342	234	130	137	39	46	0	0	0	0	0	0
2,250	2,275	350	241	137	144	46	53	0	0	0	0	0	0
2,275	2,300	358	249	144	151	53	60	0	0	0	0	0	0
2,300	2,325	365	256	151	158	60	67	0	0	0	0	0	0
2,325	2,350	372	264	158	166	67	74	0	0	0	0	0	0
2,350	2,375	379	271	166	173	74	81	0	0	0	0	0	0
2,375	2,400	386	279	173	181	81	88	0	0	0	0	0	0
2,400	2,425	394	286	181	189	88	95	0	0	0	0	0	0
2,425	2,450	401	294	189	196	95	102	0	0	0	0	0	0
2,450	2,475	408	302	196	204	102	109	11	18	0	0	0	0
2,475	2,500	415	310	204	211	109	116	18	25	0	0	0	0
2,500	2,525	422	318	211	219	116	123	25	32	0	0	0	0
2,525	2,550	430	326	219	226	123	130	32	39	0	0	0	0
2,550	2,575	437	334	226	234	130	137	39	46	0	0	0	0
2,575	2,600	444	342	234	241	137	144	46	53	0	0	0	0
2,600	2,625	451	350	241	249	144	151	53	60	0	0	0	0
2,625	2,650	459	358	249	256	151	158	60	67	0	0	0	0
2,650	2,675	467	366	256	264	158	166	67	74	0	0	0	0
2,675	2,700	474	374	264	271	166	173	74	81	0	0	0	0
2,700	2,725	482	382	271	279	173	181	81	88	0	0	0	0
2,725	2,750	490	389	279	286	181	189	88	95	0	0	0	0
2,750	2,775	497	398	286	294	189	196	95	102	0	0	0	0
2,775	2,800	504	406	294	302	196	204	102	109	11	18	0	0
2,800	2,825	511	414	302	310	204	211	109	116	18	25	0	0
2,825	2,850	518	422	310	318	211	219	116	123	25	32	0	0
2,850	2,875	525	430	318	326	219	226	123	130	32	39	0	0
2,875	2,900	532	437	326	334	226	234	130	137	39	46	0	0
2,900	2,925	539	444	334	342	234	241	137	144	46	53	0	0
2,925	2,950	546	451	342	350	241	249	144	151	53	60	0	0
2,950	2,975	553	459	350	358	249	256	151	158	60	67	0	0
2,975	3,000	560	467	358	366	256	264	158	166	67	74	0	0
3,000	3,025	567	474	366	374	264	271	166	173	74	81	0	0
3,025	3,050	574	482	374	382	271	279	173	181	81	88	0	0
3,050	3,075	581	490	382	389	279	286	181	189	88	95	0	0
3,075	3,100	588	497	389	398	286	294	189	196	95	102	0	0
3,100	3,125	595	504	398	406	294	302	196	204	102	109	11	18
3,125	3,150	602	511	406	414	302	310	204	211	109	116	18	25
3,150	3,175	609	518	414	422	310	318	211	219	116	123	25	32
3,175	3,200	616	525	422	430	318	326	219	226	123	130	32	39
3,200	3,225	623	532	430	437	326	234	226	234	130	137	39	46
3,225	3,250	630	539	437	444	334	241	234	241	137	144	46	53
3,250	3,275	637	546	444	451	342	249	241	249	144	151	53	60
3,275	3,300	644	553	451	459	350	256	249	256	151	158	60	67
3,300	3,325	651	560	459	467	358	264	256	264	158	166	67	74
3,325	3,350	658	567	467	474	366	271	264	271	166	173	74	81
3,350	3,375	665	574	474	482	374	279	271	279	173	181	81	88
3,375	3,400	672	581	482	490	382	286	279	286	181	189	88	95
3,400	3,425	679	588	490	497	389	294	286	294	189	196	95	102
3,425	3,450	686	595	497	504	398	302	294	302	196	204	102	109
3,450	3,475	693	602	504	511	406	310	302	310	204	211	109	116
3,475	3,500	700	609	511	518	414	318	310	318	211	219	116	123
3,500	3,525	707	616	518	525	422	326	318	326	219	226	123	130
3,525	3,550	714	623	525	532	430	334	326	334	226	234	130	137
3,550	3,575	721	630	532	539	437	342	334	342	234	241	137	144
3,575	3,600	728	637	539	546	444	350	342	350	241	249	144	151
3,600	3,625	735	644	546	553	451	358	350	358	249	256	151	158
3,625	3,650	742	651	553	560	459	366	358	366	256	264	158	166
3,650	3,675	749	658	560	567	467	374	366	374	264	271	166	173
3,675	3,700	756	665	567	574	474	382	374	382	271	279	173	181
3,700	3,725	763	672	574	581	482	389	382	389	279	286	181	189
3,725	3,750	770	679	581	588	490	398	389	398	286	294	189	196
3,750	3,775	777	686	588	595	497	406	398	406	294	302	196	204
3,775	3,800	784	693	595	602	504	414	406	414	302	310	204	211
3,800	3,825	791	700	602	609	511	422	414	422	310	318	211	219
3,825	3,850	798	707	609	616	518	430	422	430	318	326	219	226
3,850	3,875	805	714	616	623	525	437	430	437	326	234	226	234
3,875	3,900	812	721	623	630	532	444	437	444	334	241	234	241
3,900	3,925	819	728	630	637	539	451	444	451	342	249	241	249
3,925	3,950	826	735	637	644	546	459	451	459	350	256	249	256
3,950	3,975	833	742	644	651	553	467	459	467	358	264	256	264
3,975	4,000	840	749	651	658	560	474	467	474	366	271	264	271
4,000	4,025	847	756	658	665	567	482	474	482	374	279	271	279
4,025	4,050	854	763	665	672	574	490	482	490	382	286	279	286
4,050	4,075	861	770	672	679	581	497	490	497	389	294	286	294
4,075	4,100	868	777	679	686	588	504	497	504	398	302	294	302
4,100	4,125	875	784	686	693	595	511	504	511	406	310	302	310
4,125	4,150	882	791	693	700	602	518	511	518	414	318	310	318
4,150	4,175	889	798	700	707	609	525	518	525	422	326	318	326
4,175	4,200	896	805	707	714	616	532	525	532	430	334	326	334
4,200	4,225	903	812	714	721	623	539	532	539	437	342	334	342
4,225	4,250	910	819	721	728	630	546	539	546	444	350	342	350
4,250	4,275	917	826	728	735	637	553	546	553	451	358	350	358
4,275	4,300	924	833	735	742</								

TABLE V—MARRIED PERSONS FILING SEPARATE RETURNS

MINIMUM STANDARD DEDUCTION

Taxable Years Beginning After December 31, 1964

If adjusted gross income is—		And the number of exemptions is—				If adjusted gross income is—		And the number of exemptions is—							
At least	But less than	1	2	3	4 or more	At least	But less than	1	2	3	4	5	6	7	8 or more
The tax is—															
\$0	\$800	\$0	\$0	\$0	\$0	\$2,400	\$2,425	\$244	\$132	\$30	\$0	\$0	\$0	\$0	\$0
800	825	2	0	0	0	2,425	2,450	248	136	33	0	0	0	0	0
825	850	5	0	0	0	2,450	2,475	253	139	37	0	0	0	0	0
850	875	9	0	0	0	2,475	2,500	257	143	40	0	0	0	0	0
875	900	12	0	0	0	2,500	2,525	261	147	44	0	0	0	0	0
900	925	16	0	0	0	2,525	2,550	265	151	47	0	0	0	0	0
925	950	19	0	0	0	2,550	2,575	270	155	51	0	0	0	0	0
950	975	23	0	0	0	2,575	2,600	274	159	54	0	0	0	0	0
975	1,000	26	0	0	0	2,600	2,625	278	163	58	0	0	0	0	0
1,000	1,025	30	0	0	0	2,625	2,650	282	167	61	0	0	0	0	0
1,025	1,050	33	0	0	0	2,650	2,675	287	171	65	0	0	0	0	0
1,050	1,075	37	0	0	0	2,675	2,700	291	175	68	0	0	0	0	0
1,075	1,100	40	0	0	0	2,700	2,725	295	179	72	0	0	0	0	0
1,100	1,125	44	0	0	0	2,725	2,750	299	183	76	0	0	0	0	0
1,125	1,150	47	0	0	0	2,750	2,775	304	187	79	0	0	0	0	0
1,150	1,175	51	0	0	0	2,775	2,800	308	191	83	0	0	0	0	0
1,175	1,200	54	0	0	0	2,800	2,825	312	195	87	0	0	0	0	0
1,200	1,225	58	0	0	0	2,825	2,850	317	199	91	0	0	0	0	0
1,225	1,250	61	0	0	0	2,850	2,875	322	203	94	0	0	0	0	0
1,250	1,275	65	0	0	0	2,875	2,900	327	207	98	0	0	0	0	0
1,275	1,300	68	0	0	0	2,900	2,925	331	211	102	2	0	0	0	0
1,300	1,325	72	0	0	0	2,925	2,950	336	215	106	5	0	0	0	0
1,325	1,350	76	0	0	0	2,950	2,975	341	219	109	9	0	0	0	0
1,350	1,375	79	0	0	0	2,975	3,000	346	223	113	12	0	0	0	0
1,375	1,400	83	0	0	0	3,000	3,050	353	229	119	18	0	0	0	0
1,400	1,425	87	0	0	0	3,050	3,100	362	238	126	25	0	0	0	0
1,425	1,450	91	0	0	0	3,100	3,150	372	246	134	32	0	0	0	0
1,450	1,475	94	0	0	0	3,150	3,200	381	255	141	39	0	0	0	0
1,475	1,500	98	0	0	0	3,200	3,250	391	263	149	46	0	0	0	0
1,500	1,525	102	2	0	0	3,250	3,300	400	272	157	53	0	0	0	0
1,525	1,550	106	5	0	0	3,300	3,350	410	280	165	60	0	0	0	0
1,550	1,575	109	9	0	0	3,350	3,400	419	289	173	67	0	0	0	0
1,575	1,600	113	12	0	0	3,400	3,450	429	297	181	74	0	0	0	0
1,600	1,625	117	16	0	0	3,450	3,500	438	306	189	81	0	0	0	0
1,625	1,650	121	19	0	0	3,500	3,550	448	315	197	89	4	0	0	0
1,650	1,675	124	23	0	0	3,550	3,600	457	324	205	96	11	0	0	0
1,675	1,700	128	26	0	0	3,600	3,650	467	334	213	104	18	0	0	0
1,700	1,725	132	30	0	0	3,650	3,700	476	343	221	111	25	0	0	0
1,725	1,750	136	33	0	0	3,700	3,750	486	353	229	119	32	0	0	0
1,750	1,775	139	37	0	0	3,750	3,800	495	362	238	126	39	0	0	0
1,775	1,800	143	40	0	0	3,800	3,850	505	372	246	134	46	0	0	0
1,800	1,825	147	44	0	0	3,850	3,900	514	381	255	141	53	0	0	0
1,825	1,850	151	47	0	0	3,900	3,950	524	391	263	149	60	0	0	0
1,850	1,875	155	51	0	0	3,950	4,000	533	400	272	157	67	0	0	0
1,875	1,900	159	54	0	0	4,000	4,050	543	410	280	165	74	0	0	0
1,900	1,925	163	58	0	0	4,050	4,100	552	419	289	173	81	0	0	0
1,925	1,950	167	61	0	0	4,100	4,150	562	429	297	181	89	4	0	0
1,950	1,975	171	65	0	0	4,150	4,200	571	438	306	189	96	11	0	0
1,975	2,000	175	68	0	0	4,200	4,250	581	448	315	197	104	18	0	0
2,000	2,025	179	72	0	0	4,250	4,300	590	457	324	205	111	25	0	0
2,025	2,050	183	76	0	0	4,300	4,350	600	467	334	213	119	32	0	0
2,050	2,075	187	79	0	0	4,350	4,400	609	476	343	221	126	39	0	0
2,075	2,100	191	83	0	0	4,400	4,450	619	486	353	229	134	46	0	0
2,100	2,125	195	87	0	0	4,450	4,500	628	495	362	238	141	53	0	0
2,125	2,150	199	91	0	0	4,500	4,550	638	505	372	246	149	60	0	0
2,150	2,175	203	94	0	0	4,550	4,600	647	514	381	255	157	67	0	0
2,175	2,200	207	98	0	0	4,600	4,650	657	524	391	263	165	74	0	0
2,200	2,225	211	102	2	0	4,650	4,700	666	533	400	272	173	81	0	0
2,225	2,250	215	106	5	0	4,700	4,750	676	543	410	280	181	89	4	0
2,250	2,275	219	109	9	0	4,750	4,800	685	552	419	289	189	96	11	0
2,275	2,300	223	113	12	0	4,800	4,850	696	562	429	297	197	104	18	0
2,300	2,325	227	117	16	0	4,850	4,900	707	571	438	306	205	111	25	0
2,325	2,350	231	121	19	0	4,900	4,950	718	581	448	315	213	119	32	0
2,350	2,375	236	124	23	0	4,950	5,000	729	590	457	324	221	126	39	0
2,375	2,400	240	128	26	0										

[Sec. 3, as amended by sec. 301(a), Rev. Act 1964 (78 Stat. 129)]

PAR. 4. Section 1.4 is amended by revising subsections (a), (c), and (f) of section 4 and by adding a historical note. The amended and added provisions read as follows:

§ 1.4 Statutory provisions; rules for optional tax.

SEC. 4. Rules for optional tax—(a) Number of exemptions. For purposes of the tables in section 3, the term "number of exemptions" means the number of the exemptions allowed under section 151 as deductions in computing taxable income.

(c) Husband or wife filing separate return. (1) A husband or wife may not elect to pay the optional tax imposed by section 3 if the tax of the other spouse is determined under section 1 on the basis of

taxable income computed without regard to the standard deduction.

(2) Except as otherwise provided in this subsection, in the case of a husband or wife filing a separate return the tax imposed by section 3 shall be—

(A) For taxable years beginning in 1964, the lesser of the tax shown in Table IV or Table V of section 3(a), and

(B) For taxable years beginning after December 31, 1964, the lesser of the tax shown in Table IV or Table V of section 3(b).

(3) Neither Table V of section 3(a) nor Table V of section 3(b) shall apply in the case of a husband or wife filing a separate return if the tax of the other spouse is determined with regard to the 10-percent standard deduction; except that an individual described in section 141(d)(2) may elect (under regulations prescribed by the Secretary or his delegate)—

(A) To pay the tax shown in Table V of section 3(a) in lieu of the tax shown in Table IV of section 3(a), and

(B) To pay the tax shown in Table V of section 3(b) in lieu of the tax shown in Table IV of section 3(b).

For purposes of this title, an election under the preceding sentence shall be treated as an election made under section 141(d)(2).

(4) For purposes of this subsection, determination of marital status shall be made under section 143.

(f) Cross references. (1) For other applicable rules (including rules as to the change of an election under section 3), see section 144.

(2) For disallowance of certain credits against tax, see section 36.

(3) For rule that optional tax is not to apply if individual chooses the benefits of income averaging, see section 1304(b).

(4) For nonapplicability of Table V in section 3(a) and Table V in section 3(b) in case where tax is not computed by taxpayer, see section 6014(a).

[Sec. 4 as amended by secs. 232(f)(1) and 301(b)(1) and (3), Rev. Act 1964 (78 Stat. 111, 140)]

PAR. 5. Section 1.4-3 is amended to read as follows:

§ 1.4-3 Husband and wife filing separate returns.

(a) In general. If the separate adjusted gross income of a husband is less than \$5,000 and the separate adjusted gross income of his wife is less than \$5,000, and if each is required to file a return, the husband and the wife must each elect to pay the optional tax imposed under section 3 or neither may so elect. If the separate adjusted gross income of each spouse is \$5,000 or more, then neither spouse can elect to pay the optional tax imposed under section 3. If the adjusted gross income of one spouse is \$5,000 or more and that of the other spouse is less than \$5,000, the election to pay the optional tax imposed under section 3 may be exercised by the spouse having adjusted gross income of less than \$5,000 only if the spouse having adjusted gross income of \$5,000 or more, in computing taxable income, uses the standard deduction provided by section 141. If the spouse having adjusted gross income of \$5,000 or more does not use the standard deduction, then the spouse having adjusted gross income of less than \$5,000 may not elect to pay the optional tax and must compute taxable income without regard to the standard deduction. Accordingly, if the spouse having adjusted gross income of \$5,000 or more itemizes the deductions allowed by sections 161 and 211 in computing taxable income, the spouse having adjusted gross income of less than \$5,000 must also compute taxable income by itemizing the deductions allowed by sections 161 and 211, and must pay the tax imposed by section 1. For rules relative to the election to take the standard deduction by husband and wife, see part IV (section 141 and following), subchapter B, chapter 1 of the Code, and the regulations thereunder.

(b) Taxable years beginning after December 31, 1963. (1) In the case of a husband and wife filing a separate return for a taxable year beginning after December 31, 1963, the optional tax imposed by section 3 shall be—

(i) For taxable years beginning in 1964, the lesser of the tax shown in Table IV (relating to the 10-percent standard deduction for married persons filing separate returns) or Table V (relating to the minimum standard deduction for married persons filing separate returns) of section 3(a), and

(ii) For taxable years beginning after December 31, 1964, the lesser of the tax shown in Table IV (relating to the 10-percent standard deduction for married persons filing separate returns) or Table V (relating to the minimum standard deduction for married persons filing separate returns) of section 3(b).

(2) If the tax of one spouse is determined with regard to the 10-percent standard deduction provided for in Table IV of section 3(a) or 3(b) or if such spouse in computing taxable income uses the 10-percent standard deduction provided for in section 141(b), then the minimum standard deduction provided for in Table V of section 3(a) or 3(b) shall not apply in the case of the other spouse, if such spouse elects to pay the optional tax imposed under section (3). Thus, if a husband and wife compute their tax with reference to the standard deduction, one cannot elect to use the 10-percent standard deduction and the other elect to use the minimum standard deduction. However, an individual described in section 141(d)(2) may elect pursuant to such section and the regulations thereunder to pay the tax shown in Table V of section 3(a) or 3(b) in lieu of the tax shown in Table IV of section 3(a) or 3(b). See section 141(d) and the regulations thereunder for rules relating to the standard deduction in the case of married individuals filing separate returns.

(c) *Determination of marital status.* For the purpose of applying the restrictions upon the right of a married person to elect to pay the tax under section 3, the determination of marital status is made as the close of the taxpayer's taxable year or, if his spouse died during such year, as of the date of death, and a person legally separated from his spouse under a decree of divorce or separate maintenance on the last day of his taxable year (or the date of death of his spouse, whichever is applicable) is not considered married. See section 143 and the regulations thereunder.

PAR. 6. Section 1.141 is amended by revising section 141 and by adding a historical note. The amended and added provisions read as follows:

§ 1.141 Statutory provisions; standard deduction.

SEC. 141. *Standard deduction.*—(a) *Standard deduction.* Except as otherwise provided in this section, the standard deduction referred to in this title is the larger of the 10-percent standard deduction or the minimum standard deduction. The standard deduction shall not exceed \$1,000, except that in the case of a separate return by a married individual the standard deduction shall not exceed \$500.

(b) *Ten-percent standard deduction.* The 10-percent standard deduction is an amount equal to 10 percent of the adjusted gross income.

(c) *Minimum standard deduction.* The minimum standard deduction is an amount equal to the sum of—

(1) \$100, multiplied by the number of exemptions allowed for the taxable year as a deduction under section 151, plus

(2) (A) \$200, in the case of a joint return of a husband and wife under section 6013,

(B) \$200, in the case of a return of an individual who is not married, or

(C) \$100, in the case of a separate return by a married individual.

(d) *Married individuals filing separate returns.* Notwithstanding subsection (a)—

(1) The minimum standard deduction shall not apply in the case of a separate return by a married individual if the tax of the other spouse is determined with regard to the 10-percent standard deduction.

(2) A married individual filing a separate return may, if the minimum standard deduction is less than the 10-percent standard deduction, and if the minimum standard deduction of his spouse is greater than the 10-percent standard deduction of such spouse, elect (under regulations prescribed by the Secretary or his delegate) to have his tax determined with regard to the minimum standard deduction in lieu of being determined with regard to the 10-percent standard deduction.

[Sec. 141 as amended by sec. 112(a), Rev. Act 1964 (78 Stat. 23)]

PAR. 7. Section 1.141-1 is amended to read as follows:

§ 1.141-1 Standard deduction.

(a) *In general.* The standard deduction referred to in this section is:

(1) For taxable years beginning before January 1, 1964, the 10-percent standard deduction, and

(2) For taxable years beginning after December 31, 1963, the larger of the 10-percent standard deduction or the minimum standard deduction.

The taxpayer may elect to take, in addition to the deductions from gross income allowable in computing adjusted gross income and the deduction described in section 151, relating to personal exemptions, a standard deduction in lieu of all deductions other than those described in section 62 and in lieu of certain credits allowable to the taxpayer, had he not so elected. See section 36. Such credits include: The credit provided by section 33 for taxes imposed by foreign countries and possessions of the United States; the credit provided by section 32 for tax withheld at source under section 1451 by the obligor on tax-free covenant bonds with respect to interest on such bonds; and the credit provided by section 35 with respect to interest on United States obligations and interest on obligations of instrumentalities of the United States. Such standard deduction, however, may in no event exceed \$1,000, or \$500 in the case of a separate return by a married individual. For determination of marital status see § 1.143-1. See section 4 and the regulations thereunder for rules relating to standard deduction in respect of optional tax. The optional tax tables provided for in section 3 reflect the standard deduction provided for in section 141.

(b) *Ten-percent standard deduction.* The 10-percent standard deduction is (except for the limitation in paragraph (a) of this section) an amount equal to 10 percent of the taxpayer's adjusted

gross income. In the case of a joint return, there is only one adjusted gross income and only one 10-percent standard deduction. For example, if a husband has an income of \$15,000 and his spouse has an income of \$12,000 for the taxable year for which they file a joint return, and they have no deductions allowable for the purpose of computing adjusted gross income, the adjusted gross income is \$27,000, and the 10-percent standard deduction is \$1,000 (and not \$2,000).

(c) *Minimum standard deduction.* The minimum standard deduction is (except for the limitation in paragraph (a) of this section) an amount equal to the sum of—

(1) \$100, multiplied by the number of exemptions allowed for the taxable year as a deduction under section 151,

(2) In addition,

(i) \$200, in the case of a joint return of a husband and wife under section 6013,

(ii) \$200, in the case of a return of an individual who is not married, or

(iii) \$100, in the case of a separate return of a married individual.

The return of a surviving spouse is treated as a joint return for purposes of subdivision (i) of this subparagraph. See section 2, and the regulations thereunder, with respect to the definition of a surviving spouse.

(d) *Married individuals filing separate returns for taxable years beginning after December 31, 1963.* (1) In the case of a married individual filing a separate return in a taxable year beginning after December 31, 1963, the minimum standard deduction shall not apply if the tax of the other spouse is determined with regard to the 10-percent standard deduction or is computed by the Internal Revenue Service pursuant to section 6014.

(2) A married individual filing a separate return in a taxable year beginning after December 31, 1963, may elect to determine his tax with regard to the minimum standard deduction in lieu of determining it under the 10-percent standard deduction, although his minimum standard deduction is less than the 10-percent standard deduction, if the minimum standard deduction of his spouse is greater than the 10-percent standard deduction of such spouse. A taxpayer shall signify on his return his election to determine his tax with regard to the minimum standard deduction by claiming thereon the deduction in the amount provided for in section 141(c) instead of the amount provided for in section 141(b).

(3) For rules relating to the election to pay the optional tax imposed by section 3 when married individuals file separate returns, see section 4(c) and the regulations thereunder.

(e) *Short taxable year due to death of taxpayer.* An election to take the standard deduction may be made for a taxable year which is less than 12 months on account of the death of the taxpayer.

PAR. 8. Section 1.142-1 is amended by revising paragraph (b) to read as follows:

§ 1.142-1 Husband and wife.

(b) If each spouse files a separate individual income tax return (Form 1040 or 1040A), both spouses must elect to take the standard deduction or both spouses are denied the standard deduction. Thus, if one spouse files a return on Form 1040 and does not elect to take the standard deduction, the other spouse may not elect to take the standard deduction and, hence, may not file a return on Form 1040A. For example, if A and his wife B have adjusted gross incomes of \$6,000 and \$3,500, respectively, from wages subject to withholding and A files a return on Form 1040 and does not elect thereon to take the standard deduction, B may not file her return on Form 1040A, but must file on Form 1040 and compute her tax without regard to the standard deduction. In such case, however, if both elect to take the standard deduction either taxpayer may file on Form 1040 or 1040A, but B's tax must be computed on the basis of the applicable tax table in section 3. See § 1.4-3 for rules relating to the computation of the optional tax when a husband and wife file separate returns.

PAR. 9. Section 1.144 is amended by revising section 144(b), by adding a new subsection (c) to section 144 and by adding a historical note. The amended and added provisions read as follows:

§ 1.144 Statutory provisions; election of standard deduction.**SEC. 144. Election of standard deduction. * * ***

(b) *Change of election.* Under regulations prescribed by the Secretary or his delegate, a change of election with respect to the standard deduction for any taxable year may be made after the filing of the return for such year. If the spouse of the taxpayer filed a separate return for any taxable year corresponding, for purposes of section 142(a), to the taxable year of the taxpayer, the change shall not be allowed unless, in accordance with such regulations—

(1) The spouse makes a change of election with respect to the standard deduction for the taxable year covered in such separate return, consistent with the change of election sought by the taxpayer, and

(2) The taxpayer and his spouse consent in writing to the assessment, within such period as may be agreed on with the Secretary or his delegate, of any deficiency, to the extent attributable to such change of election, even though at the time of the filing of such consent the assessment of such deficiency would otherwise be prevented by the operation of any law or rule of law.

This subsection shall not apply if the tax liability of the taxpayer's spouse, for the taxable year corresponding (for purposes of section 142(a)) to the taxable year of the taxpayer, has been compromised under section 7122.

(c) *Change of election defined.* For purposes of this title, the term "change of election with respect to the standard deduction" means—

(1) A change of an election to take (or not to take) the standard deduction;

(2) A change of an election to pay (or not to pay) the tax under section 3; or

(3) A change of an election under section 141(d)(2).

[Sec. 144 as amended by sec. 112(c), Rev. Act 1964 (78 Stat. 24)]

PAR. 10. Section 1.144-2 is amended by revising the section heading, by revising paragraph (a) and by adding a new paragraph (d). The amended and added provisions read as follows:

§ 1.144-2 Change of election with respect to the standard deduction.

(a) A change of the election with respect to the standard deduction for any taxable year may be made before or after the time prescribed for filing the return for the taxable year. However, the period of time prescribed in section 6511 within which claim for credit or refund of tax must be made is not extended by the right to effect a change of election.

(d) A change of election with respect to the standard deduction means:

(1) A change of election to take, or not to take, the standard deduction;

(2) A change of an election to pay, or not to pay, the tax under section 3; or

(3) In the case of a taxable year beginning after December 31, 1963, a change of an election under section 141(d)(2).

PAR. 11. Section 1.6014 is amended by revising section 6014(a) and the historical note. The amended provisions read as follows:

§ 1.6014 Statutory provisions; income tax return—tax not computed by taxpayer.

SEC. 6014. *Income tax return—tax not computed by taxpayer—*(a) *Election by taxpayer.* An individual entitled to elect to pay the tax imposed by section 3 whose gross income is less than \$5,000 and includes no income other than remuneration for services performed by him as an employee, dividends or interest, and whose gross income other than wages, as defined in section 3401(a), does not exceed \$100, shall at his election not be required to show on the return the tax imposed by section 1. Such election shall be made by using the form prescribed for purposes of this section and shall constitute an election to pay the tax imposed by section 3. In such case the tax shall be computed by the Secretary or his delegate who shall mail to the taxpayer a notice stating the amount determined as payable. In determining the amount payable, the credit against such tax provided for by section 37 shall not be allowed. In the case of a head of household (as defined in section 1(b)) or a surviving spouse (as defined in section 2(b)) electing the benefits of this subsection, the tax shall be computed by the Secretary or his delegate without regard to the taxpayer's status as a head of household or as a surviving spouse. In the case of a married individual filing a separate return and electing the benefits of this subsection, neither Table V in section 3(a) nor Table V in section 3(b) shall apply.

[Sec. 6014 as amended by secs. 201(d)(14) and 301(b)(2), Rev. Act 1964 (78 Stat. 32, 140)]

PAR. 12. Section 1.6014-1 is amended by adding a new paragraph (d). The added provision reads as follows:

§ 1.6014-1 Tax not computed by taxpayer with gross income less than \$5,000.

(d) *Married Individuals filing separate returns.* In the case of a married individual who files a separate return and who elects under this section not to show his tax on Form 1040A his tax shall be computed with reference to the 10-percent standard deduction rather than the minimum standard deduction.

[F.R. Doc. 64-11730; Filed, Nov. 20, 1964; 2:45 p.m.]

[26 CFR Part 47]**AFFIXING OF DOCUMENTARY TAX STAMPS BY CERTAIN CLEARING-HOUSES****Notice of Proposed Rule Making**

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

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

In order to revise the Documentary Stamp Tax Regulations (26 CFR Part 47) to provide for the payment of documentary stamp taxes by certain securities clearinghouses for brokers or dealers who are not members of a national securities exchange, such regulations are amended as follows:

PARAGRAPH 1. Paragraph (b) of § 47.4352-1 is amended to read as follows:

§ 47.4352-1 Affixing of stamps.

(b) *Requirement of memoranda of agreements to sell, etc.* Every person who makes an agreement to sell stock or certificates of indebtedness, or who, by sale or otherwise, transfers title to stock or certificates of indebtedness by delivery of certificates assigned in blank, shall, as a part of the transaction, promptly make and deliver to the buyer or transferee, or to the agent of the buyer or transferee, a bill or memorandum of such agreement to sell, sale, or transfer, duly signed by the seller, or

transferor, or his agent. Such bill or memorandum shall show the date of the transaction, the names of the parties thereto, the description and number of shares of stock or certificates of indebtedness, the tax paid on the transaction, and, where a sale of stock is involved, the sale price, or where a transfer is involved without a sale, the actual value of the stock and the basis used for determining such value. (For definition of "actual value" see paragraph (b) (2) (ii) of § 47.4301-1 and paragraph (b) (3) of § 47.4321-1.) No more than one stamped bill or memorandum shall be required in respect of a single transaction. (See §§ 47.4352-2 and 47.4353-1 relative to rules applicable to securities exchanges and clearinghouses.

* * * * *

PAR. 2. Section 47.4352-2 is added to read as follows:

§ 47.4352-2 Affixing of stamps by certain clearinghouses.

(a) *Appointment of agent.* A member of a clearinghouse affiliated with a securities association or exchange which is registered with the Securities and Exchange Commission as a national securities association or exchange may appoint in writing such clearinghouse as his agent for the purpose of affixing and canceling the stamps required in respect of his transactions in stock or certificates of indebtedness.

(b) *Conditions for payment through agent.* The privilege granted by paragraph (a) of this section may be exercised only upon compliance with the following conditions:

(1) *Authorization.* The member shall authorize and require the clearinghouse to pay the tax in respect of all transactions (except a transaction to which the following sentence applies) in stock or certificates of indebtedness, including rights to subscribe for or to receive stock, arising in the conduct of his business, irrespective of whether the stock or certificates of indebtedness are listed on a securities exchange or are unlisted, and whether the transactions are clearable or not. With respect to a particular transaction, if the buyer of the stocks or certificates does not authorize the clearinghouse to act as his agent for the receipt of the bill or memorandum of sale, the authority granted by the member of the clearinghouse to pay the tax with respect to the transaction shall be considered withdrawn, and this section shall not apply with respect to such transaction.

(2) *Bill or memorandum of sale from member.* The member shall furnish the clearinghouse a bill or memorandum of sale showing the amount of tax payable on each of his transactions as specified in subparagraph (1) of this paragraph and shall include in such bill or memorandum of sale the information required by paragraph (b) of § 47.4352-1. The bill or memorandum of sale shall be filed with the clearinghouse not later than the day on which the transactions covered thereby are due for settlement (blotter date).

(3) *Daily records to be kept by member.* The member shall maintain com-

plete and adequate daily records, such as a blotter or similar book of original entry, of all transactions in stock or certificates of indebtedness as specified in subparagraph (1) of this paragraph, whether the transaction is taxable or not. In the case of taxable transactions, the daily record shall show the amount of tax payable in respect of each transaction. In the case of nontaxable transactions, the daily record shall disclose the basis on which the exemption from the tax is claimed. Such daily records shall be kept in permanent form for a period of at least 3 years from the date any part of the tax is paid on the transaction and must be available for ready inspection by internal revenue officers.

(4) *Affixing and canceling of stamps.* The clearinghouse as agent shall affix and cancel on the bills or memoranda of sale documentary stamps in an amount applicable to the transactions covered by such bills or memoranda. Stamps shall be so affixed and canceled on the day on which the bills or memoranda of sale are received by the clearinghouse.

(5) *Records to be kept by clearinghouse.* The bills or memoranda of sale received from its members shall be kept in permanent form by the clearinghouse for a period of at least 3 years from the date any part of the tax is paid with respect to any transaction covered therein, and must be available for ready inspection by internal revenue officers.

(6) *Endorsement showing payment of tax.* The member shall make and deliver to the clearinghouse as agent for the buyer the bill or memorandum required by paragraph (b) of § 47.4352-1. The member may make an endorsement on certificates of stock or certificates of indebtedness covered by the bill or memorandum substantially in the following form:

It is hereby certified that the Federal stamp tax applicable to the transfer of _____ shares of this certificate (or applicable to the transfer of this certificate of indebtedness) has been paid through

(Insert name of clearinghouse for securities association or securities exchange)

on our behalf.

(Date) (Member _____ Securities Association or Securities Exchange)

The endorsement (including a facsimile signature of the member) may be made by a hand-stamped impression, if (i) the hand-stamp is held at all times in the custody of the person authorized to make such impression, and (ii) the records of the member contain sufficient information to establish the identity of the person so authorized.

(c) *Definition of clearinghouse.* For the purposes of this section, the term "clearinghouse" includes every corporation, and every association of individuals, partnerships, or corporations, wholly or partly engaged in the business of clearing, settling or adjusting transactions in the purchase, sale, receipt, or delivery of stock, certificates of indebtedness, rights, or warrants, whether or not a part or department of a securities exchange or a securities association or an independent body.

[F.R. Doc. 64-11988; Filed, Nov. 23, 1964; 8:49 a.m.]

POST OFFICE DEPARTMENT

[39 CFR Part 22]

SECOND CLASS MAILING PRIVILEGES

Notice of Proposed Rule Making

Notice is hereby given of proposed rule making consisting of a proposed revision of § 22.2(b) (5) of Title 39, Code of Federal Regulations, for the purpose of establishing standards and procedures respecting subscriptions, to second-class publications, that are paid for by subscribers in connection with and as a part of membership dues paid, or contributions or pledges made, to organizations or institutions.

Although the procedures in 39 CFR 22.2(b) (5) relate to a proprietary function of the Government, it is the desire of the Postmaster General voluntarily to observe the rulemaking requirements of the Administrative Procedure Act (5 U.S.C. 1003) in order that patrons of the postal service may have an opportunity to present written views concerning the procedures. Accordingly, such written views may be submitted to the Director, Classification and Special Services Division, Bureau of Operations, Post Office Department, Washington, D.C., 20260, at any time prior to the thirtieth day following the date of publication of this notice in the FEDERAL REGISTER.

The proposed § 22.2(b) (5) of Title 39, CFR reads as follows:

§ 22.2 Qualifications for second-class privileges.

(b) *Basic qualifications.* * * * *

(5) *List of subscribers.* Publications must have a legitimate list of persons who have subscribed by paying or promising to pay for copies to be received during a stated time. Although it is desirable that subscribers pay directly for their subscriptions independently of other payments, arrangements may be made for them to pay in connection with the payment of dues or contributions, provided the dues or contributions and the subscription price are so separated as to permit an exact ascertainment of all the facts including the amount paid for the subscription. To determine whether a subscription is genuine it must be so separated from all other business transactions as to constitute a distinct, voluntary and independent act. Publishers must be able to show that subscriptions to their publications have been voluntarily made, that the subscription price has been paid or definitely promised, and that the relation of subscriber is clearly understood and fully agreed to. Subscriptions may be paid for under the following arrangements:

(i) *When paying organization dues.* If subscribers pay for their subscriptions when paying dues in an organization, the application, transmittal and bill forms used by the organizations should include clauses like the following examples:

(a) *Application.*

I, _____, hereby apply for membership in the (Name of organization to be

printed here) and enclose \$----- as my annual membership dues for the year ----- of this amount is for a subscription to the (Name of publication to be printed here) for one year.

(b) *Transmittal.*

I, -----, herewith transmit my annual membership dues of \$----- in the (Name of organization to be printed here) for the year ----- of this amount is for a subscription to the (Name of publication to be printed here) for one year.

(c) *Bill.*

Annual membership dues for the year ----- in the (Name of organization to be printed here) \$----- of this amount is for a subscription to the (Name of publication to be printed here) for one year. Return this bill form with remittance.

(ii) *When contributing to organizations or institutions.* If subscribers pay, or promise to pay, for their subscriptions when making contributions or pledges to organizations or institutions, the pledge or contribution forms used should include a clause like the following example.

I, -----, hereby transmit by contribution of (or hereby pledge to contribute) \$----- to the (Name of organization or institution to be printed here) for the year ----- of this amount is for a subscription to the (Name of the publication to be printed here) for one year.

(iii) *Forms and statements to be furnished with applications.* Publishers must furnish with applications for second-class mail privileges printed copies of the forms which are to be used. The responsible official of the organization or institution must furnish his written assurance that the forms will be used for taking subscriptions.

NOTE: The corresponding Postal Manual section proposed to be revised is 132.225.

(R.S. 161, as amended; 5 U.S.C. 22, 39 U.S.C. 501, 4351-4370)

LOUIS J. DOYLE,
General Counsel.

[F.R. Doc. 64-11966; Filed, Nov. 23, 1964; 8:46 a.m.]

FEDERAL COMMUNICATIONS COMMISSION

[47 CFR Parts 2, 21, 74, 91]

[Docket No. 15586]

LICENSING OF MICROWAVE RADIO STATIONS USED TO RELAY TELEVI- SION SIGNALS TO COMMUNITY ANTENNA TELEVISION SYSTEMS

Order Extending Time for Filing Comments

1. On October 7, 1964 the Commission extended the time for filing comments and reply comments on Parts I and III of Docket No. 15586 to November 16, 1964, and December 4, 1964, respectively.

2. On November 5, 1964, National Community Television Association, Inc. (NCTA) and National Association of Microwave Common Carriers, Inc. (NAMCC) filed a joint motion seeking a

further extension of the time for comments on Part I and III to December 1, 1964. In support of the joint motion it is asserted that the Board of Directors of NCTA is meeting in Washington, D.C., during the week of November 16, 1964 to consider the matters at issue in Parts I and III and that the Board's participation at this stage with counsel is necessary to finalization of NCTA's comments. It is further stated that it is also necessary for NAMCC, through its officers and directors, to have additional time to consider these matters prior to completing its comments.

3. In light of the foregoing and in reliance on a statement in the joint motion that no additional time for the filing of comments after December 1, 1964, will be requested, the Commission, pursuant to section 5(d) of the Communications Act and § 0.251 of its rules, orders this 9th day of November 1964, that the time for filing comments and reply comments on Parts I and III of Docket No. 15586 is extended to December 1, 1964, and December 18, 1964, respectively.

Released: November 9, 1964.

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

[F.R. Doc. 64-12001; Filed, Nov. 23, 1964; 8:49 a.m.]

[47 CFR Part 73]

[Docket No. 15709; FCC 64-1078]

TELEVISION BROADCAST STATIONS

Proposed Table of Assignments for Oberlin, Kans. and McCook, Nebr.

In the matter of amendment of § 73.606 Table of Assignments, Television Broadcast Stations, Oberlin, Kansas; McCook, Nebraska; Docket No. 15709, RM-522.

1. Notice is hereby given of proposed rule making in the above-entitled matter.

2. The Commission has before it for consideration a petition filed October 31, 1963, by Wichita Television Corporation, Inc. (Wichita TV), licensee of Station KOMC-TV, Channel 8, McCook, Nebraska (satellite of Station KCKT, Great Bend, Kansas), requesting that this channel be deleted from McCook and reassigned to Oberlin, Kansas. Petitioner also requests that it be ordered to show cause why its license should not be modified to specify operation on this channel at Oberlin. Inasmuch as the transmitter of KOMC is located approximately 9 miles west of Oberlin, and 25 miles south of McCook, petitioner contemplates no change in transmitter site or coverage area. On this basis the instant request involves no question of minimum mileage separations under § 73.610 of the rules.

3. The petitioner recites the history of the current Channel 8 operation¹

¹ A construction permit was issued to Central Kansas Television Co., Inc. on March 23, 1958 (BPCT-2434), the petitioner, Wichita TV, acquiring the permit by assignment on June 13, 1962 (BAPCT-314), and its license on July 25, 1963 (BLCT-982).

commencing with the assignment of the channel in 1958 and the subsequent organizational and promotional meetings of a "group of Kansas civic leaders" which, it states, "demonstrates that Station KOMC was conceived, established, and is now being operated by Kansas interests" and that "Nebraska, on the other hand, has demonstrated virtually no interest in either the establishment or continued operation of Station KOMC." Submitted with and in support of the petition were numerous resolutions and letters from business and civic interests in the Oberlin area.

4. The petition was opposed by the McCook Chamber of Commerce and the City of McCook with a "protest" filed on December 9, 1963. The document describes the part that the McCook civic interests played in the promotion and financing of the station and states that " * * * no suggestion by the Kansas people was made that the station might not be known as the McCook station and no consent was ever given either express or implied by the McCook people that the station would not be known as the McCook station * * * " The McCook spokesmen further stated that "if McCook is deprived of Channel 8 it will leave McCook with no channel which is of any practical use at this time * * * "

5. Oberlin, with a population of 2,337, is the county seat of Decatur County which has a population of 5,778. Petitioner states that the city of McCook (the population of which is 8,301, and of Red Willow County, in which it is located, 12,940)² is barely covered by the city signal of Channel 8, whereas the city of Oberlin is well within the principal city signal contour. Petitioner states further that although the population of McCook is approximately three times greater than that of Oberlin, the Grade B contour of Station KOMC embraces a population in Kansas of 24,081 and a population of 26,078 in Nebraska. Petitioner further states that KOMC is operating as a satellite of Station KCKT-TV, Great Bend, Kansas, which in turn carries many of the programs originated by petitioner's Station KARD-TV in Wichita, Kansas; also that Oberlin and much of the surrounding area receive no Grade B or better service from any Kansas station and that McCook and Red Willow County receive a Grade B or better service from Station KHPL-TV, Channel 6, Hayes Center, Nebraska.

6. The Commission is of the view that rule making should be instituted on petitioner's proposal in order that all interested parties may submit their views and relevant data. Comments are therefore invited on the proposal to

² Petitioner states that "several attempts were made to interest the McCook Chamber of Commerce in this effort, but a final meeting between Kansas officials and the McCook Chamber of Commerce on June 27, 1958 proved uneventful." A footnote to the petition states that late in 1959 Area TV (a Kansas corporation formed to raise money for construction of the physical facilities for Channel 8) received \$1,345.00 through the McCook Chamber of Commerce, but this minimal amount was returned by Area TV.

³ All population figures—1960 U.S. Census.

PROPOSED RULE MAKING

amend § 73.606 of the rules to read as follows:

City	Channel No.	
	Present	Proposed
Oberlin, Kans.		8-
McCook, Nebr.	8-, 17	17

7. If the Commission decides to adopt the amendment proposed by petitioner, or otherwise change the Channel 8 assignment at McCook, Nebr., it will take further action as may be appropriate in the circumstances with respect to petitioner's outstanding authorization for the channel. Accordingly, we defer action on petitioner's request for issuance of its requested order to show cause.

8. Authority for the adoption of the amendments proposed herein is contained in sections 4(i), 303, and 307(b) of the Communications Act of 1934, as amended.

9. Pursuant to applicable procedures set out in § 1.415 of the Commission rules, interested parties may file comments on or before January 4, 1965, and reply comments on or before January 21, 1965. All submissions by parties to this proceeding or by persons acting in behalf of such parties must be made in written comments, reply comments or other appropriate pleadings.

10. In accordance with the provisions of § 1.419 of the rules, an original and 14 copies of all written comments, replies, pleadings, briefs, or other documents shall be furnished the Commission.

Adopted: November 18, 1964.

Released: November 19, 1964.

FEDERAL COMMUNICATIONS
COMMISSION,⁴

[SEAL] BEN F. WAPLE,
Secretary.

[F.R. Doc. 64-12003; Filed, Nov. 23, 1964;
8:49 a.m.]

[47 CFR Part 73]

[Docket No. 15627]

MULTIPLE OWNERSHIP OF STANDARD, FM AND TELEVISION BROADCAST STATIONS

Order Extending Time for Filing Comments and Reply Comments

1. In a "Petition for Extension of Time To File Comments" filed on November 6, 1964, by Capital Cities Broadcasting Corporation and 14 other corporate licensees of broadcast facilities, it is requested that the date for filing comments in this inquiry and proposed rule making proceed-

⁴ Commissioner Cox dissenting.

ing be extended 90 days from the present date of November 23, 1964, to February 21, 1965, and that the date for filing reply comments be extended from December 18, 1964, to March 18, 1965. Columbia Broadcasting System, Inc., on November 12, 1964, filed a statement in support of this petition.

2. As reasons for the requested extension, it is stated that the issues raised in the notice require extensive research in order to prepare comments in a form that will be meaningful and helpful to the Commission in considering the subject, and that the petitioners are jointly engaged in such research which will require additional time.

3. In addition to the foregoing petition, Insurance Securities Incorporated, on November 9, 1964, filed an informal request to extend time for filing comments in this proceeding for 30 days to December 23, 1964, on the grounds that it will be impossible for that organization to prepare adequate comments by November 23, 1964, in view of the complicated nature of the securities business and the involved information requested in paragraph 16 of the notice in these proceedings.

4. In view of the difficulties inherent in the problems which are the subject of inquiry and proposed rule making proceeding herein, and in view of the Commission's desire to benefit by all possible information that may be available, it is believed that good cause has been shown for an extension of time. However, the importance of the problems involved is such that there should be no undue delay in arriving at a solution thereto. An extension of 60 days therefore appears to be appropriate under the circumstances.

5. Accordingly, it is ordered, This 16th day of November 1964, that the "Petition for Extension of Time to File Comments," filed by Capital Cities Broadcasting Corporation, et al., and the informal request to extend time for filing comments, filed by Insurance Securities Incorporated, are granted insofar as they are consistent with the action taken herein, and that the time for filing comments in these proceedings is extended from November 23, 1964, to January 22, 1965, and the time for filing reply comments is extended from December 18, 1964, to February 21, 1965.

6. This action is taken pursuant to authority found in sections 4(i), 5(d) (1) and 303(r) of the Communications Act of 1934, as amended, and § 0.281(d) (8) of the Commission's rules.

Released: November 17, 1964.

FEDERAL COMMUNICATIONS
COMMISSION,

[SEAL] BEN F. WAPLE,
Secretary.

[F.R. Doc. 64-12004; Filed, Nov. 23, 1964;
8:49 a.m.]

Notices

POST OFFICE DEPARTMENT UNIFORM QUALITY CONTROL PROGRAM

Notice of Issuance of Specifications for Postal Employee Uniform Apparel

Pursuant to the Post Office Department Uniform Quality Control Program, (29 F.R. 2430) on September 8, 1964, the Post Office Uniform Quality Control Office, U.S. Army Natick Laboratories, issued revised specifications to the uniform industry for the following items of uniform apparel offered for sale to postal employees:

(1) A uniform shirt which will be worn by uniformed male employees other than motor vehicle operators and medical personnel, and

(2) Insignia consisting of a circular emblem and an arc tab designating craft.

Specifications for the above items may be obtained from the Post Office Uniform Quality Control Office, U.S. Army Natick Laboratories, Kansas Street, Natick, Mass., 01762. Vendors are required to sew the prescribed insignia on the shirt.

Purchases of items conforming to the above specifications are authorized for reimbursement on and after February 1, 1965. Items conforming to the specifications in effect prior to September 8, 1964, are authorized for purchase by and reimbursement to postal employees up to September 1, 1965.

From time to time, the Post Office Uniform Quality Control Office will issue specifications for other items which may be purchased by, and reimbursed to postal employees. At the time the Post Office Uniform Quality Control Office issues such specifications to the uniform industry, an announcement will be made of the approximate date such uniform items will be available for purchase by and reimbursement to postal employees.

(R.S. 161, as amended; 38 Stat. 1084, as amended, 68 Stat. 1114, as amended; 5 U.S.C. 22, 21-31-2133, 31 U.S.C. 686, 39 U.S.C. 501, 3116)

LOUIS J. DOYLE,
General Counsel.

[F.R. Doc. 64-11967; Filed, Nov. 23, 1964;
8:47 a.m.]

DEPARTMENT OF THE INTERIOR

Bureau of Land Management

[W-0311781 (Nebraska)]

NEBRASKA

Notice of Proposed Withdrawal and Reservation of Lands

NOVEMBER 17, 1964.

The Forest Service, U.S. Department of Agriculture, has filed an application, serial number Wyoming 0311781 (Nebr.),

for the withdrawal of the lands described below from location and entry under the mining laws, subject to existing valid claims.

The lands are located within the Oglala National Grasslands, Nebraska and the applicant desires assured tenure of the land for geologic and recreation purposes in connection with the Toadstool Geologic area.

For a period of 30 days from the date of publication of this notice, all persons who wish to submit comments, suggestions, or objections in connection with the proposed withdrawal may present their views in writing to the undersigned officer of the Bureau of Land Management, U.S. Department of the Interior, 2002 Capitol Avenue, Cheyenne, Wyo., 82001.

The Department's regulations 43 CFR 2311.1-3(c) provide that the authorized officer of the Bureau of Land Management will undertake such investigations as are necessary to determine the existing and potential demand for the lands and their resources. He will also undertake negotiations with the applicant agency with the view of adjusting the application to reduce the area to the minimum essential to meet the applicant's needs, to provide for the maximum concurrent utilization of the lands for purposes other than the applicant's, to eliminate lands needed for purposes more essential than the applicant's, and to reach agreement on the concurrent management of the lands and their resources.

The authorized officer will also prepare a report for consideration by the Secretary of the Interior, who will determine whether or not the lands will be withdrawn as requested by the applicant agency.

The determination of the Secretary on the application will be published in the FEDERAL REGISTER. A separate notice will be sent to each interested party of record.

If circumstances warrant, a public hearing will be held at a convenient time and place, which will be announced.

The lands involved in the application are:

SIXTH PRINCIPAL MERIDIAN, NEBRASKA

T. 33 N., R. 53 W.,
Sec. 8, E 1/2.

The area described contains 320 acres.

ED PIERSON,
State Director.

[F.R. Doc. 64-11968; Filed, Nov. 23, 1964;
8:47 a.m.]

[Classification Order NM7-1]

NEW MEXICO

Small Tract Classification

1. Pursuant to authority redelegated to me by the New Mexico State Director, Bureau of Land Management, as published in the FEDERAL REGISTER, June 22,

1963 (28 F.R. 6468), as amended, I hereby classify the following described public land, consisting of 2.5 acres, located in Rio Arriba County, New Mexico, as suitable for sale at public auction for residential purposes under the Small Tract Act of June 1, 1938 (52 Stat. 609, 43 USC 682a), as amended:

NEW MEXICO PRINCIPAL MERIDIAN

T. 26 N., R. 6 W.

Sec. 35: NW 1/4 SE 1/4 SE 1/4 SE 1/4.

Containing 2.5 acres; appraised value \$250.00.

2. This classification is made to afford an existing occupant an opportunity to purchase the land.

3. Classification of the above described land by this order segregates it from all appropriations including locations under the mining laws, except as to applications under mineral leasing laws.

4. The land is located approximately 30 miles southeast of Blanco and 17 miles north of Counselor, N. Mex. Access is available from State Highway 17 at Blanco and State Highway 44 at Counselor, over unimproved dirt roads. The land lies in the Tapicito Canyon, at an elevation of 6,300 feet above sea level. The north half of the tract is the bottom of the canyon and the soils are shallow sandy loam with slopes of 2-5 percent. The south half of the tract rises steeply, with sandstone outcroppings to form the Falls of the canyon. The land is nonarable due to rough topography, arid climate and lack of known sources of irrigation water. Culinary water is not presently developed. Electric power is within 5 miles.

5. Mr. Paul Williams, 600 West Central Avenue, Albuquerque, N. Mex., claims an equity in an adobe house and other improvements on the subject land now occupied by him. In the event Mr. Paul Williams is not the successful bidder at the sale, he will be allowed a reasonable period of time in which to negotiate with the successful bidder, as to the disposition of the improvements thereon.

6. The successful bidder will be required to pay Mr. Paul Williams a price mutually agreed upon for any improvements which are of value to the successful bidder. Proof of such agreement and payment must be filed within a reasonable length of time with the Manager, Land Office, U.S. Post Office and Federal Building, South Federal Place, Post Office Box 1449, Santa Fe, N. Mex. Upon a showing of inability to agree, the Bureau of Land Management will determine the fair and reasonable value of the improvements left upon the land for which compensation must be paid. Failure of the successful bidder, if other than Mr. Paul Williams, to file within a reasonable length of time proof of full compensation to Mr. Paul Williams, as herein provided, will lead to vacation of the sale.

7. Generally, persons who have previously acquired a tract under the Small

Tract Act are not qualified to purchase an additional tract.

8. The land will be subject to sale at public auction at 10:30 a.m. on January 12, 1965.

9. Inquiries concerning this land shall be addressed to Manager, Land Office, Post Office Box 1449, Santa Fe, N. Mex.

JOSEPH A. GIBSON,
Acting District Manager.

NOVEMBER 13, 1964.

[F.R. Doc. 64-11969; Filed, Nov. 23, 1964;
8:47 a.m.]

[W-0312819]

WYOMING

Notice of Proposed Withdrawal and Reservation of Lands

NOVEMBER 17, 1964.

The Bureau of Land Management, United States Department of the Interior, has filed an application, serial number Wyoming 0312819, for the withdrawal of the lands described below from all forms of appropriation under the public land laws, including mining and mineral leasing laws, pursuant to authority of Executive Order 10355.

The applicant desires the land for protection of the 14-Mile Recreation Site, which has been developed for public recreation use.

For a period of 30 days from the date of publication of this notice, all persons who wish to submit comments, suggestions, or objections in connection with the proposed withdrawal may present their views in writing to the undersigned officer of the Bureau of Land Management, United States Department of the Interior, 2002 Capitol Avenue, Cheyenne, Wyo., 82001.

The Department's regulations 43 CFR 2311.1-3(c) provide that the authorized officer of the Bureau of Land Management will undertake such investigations as are necessary to determine the existing and potential demand for the lands and their resources. He will also undertake negotiations with the applicant agency with the view of adjusting the application to reduce the area to the minimum essential to meet the applicant's needs, to provide for the maximum concurrent utilization of the lands for purposes other than the applicant's, to eliminate lands needed for purposes more essential than the applicant's and to reach agreement on the concurrent management of the lands and their resources.

The authorized officer will also prepare a report for consideration by the Secretary of the Interior, who will determine whether or not the lands will be withdrawn as requested by the applicant agency.

The determination of the Secretary on the application will be published in the FEDERAL REGISTER. A separate notice will be sent to each interested party of record.

If circumstances warrant, a public hearing will be held at a convenient time and place, which will be announced.

The lands involved in the application are:

SIXTH PRINCIPAL MERIDIAN, WYOMING

T. 21 N., R. 105 W.,
Sec. 32, SW $\frac{1}{4}$ NE $\frac{1}{4}$ SE $\frac{1}{4}$, SE $\frac{1}{4}$ NW $\frac{1}{4}$ SE $\frac{1}{4}$,
NE $\frac{1}{4}$ SW $\frac{1}{4}$ SE $\frac{1}{4}$, and SE $\frac{1}{4}$ SE $\frac{1}{4}$.

The area described aggregates 70 acres.

ED PIERSON,
State Director.

[F.R. Doc. 64-11970; Filed, Nov. 23, 1964;
8:47 a.m.]

DEPARTMENT OF COMMERCE

Maritime Administration

TRADE ROUTE 13

Notice of Conclusions and Determinations Regarding Essentiality and U.S. Flag Service Requirements

Notice is hereby given that on November 17, 1964, the Acting Deputy Maritime Administrator, acting pursuant to section 211 of the Merchant Marine Act, 1936, as amended, found and determined the essentiality and United States flag service requirements of United States foreign Trade Route No. 13 and ordered that the following conclusions and determinations reached by the Acting Deputy Maritime Administrator with respect to said trade route be published in the FEDERAL REGISTER:

1. Trade Route No. 13—U.S. South Atlantic and Gulf/Mediterranean and Black Sea: Between U.S. South Atlantic and Gulf ports (North Carolina-Texas inclusive) and ports on the Mediterranean Sea, Black Sea and in Portugal, Spain south of Portugal and Morocco (Tangier to southern border).

2. United States flag freight ship sailing requirements for liner service on Trade Route No. 13 are approximately 9 sailings per month serving the route exclusively or predominantly, with some additional service by other regularly scheduled United States flag sailings serving the route in part only.

3. United States flag passenger service requirements can be met by freight ships operating on the route and by passenger ships which serve the route in conjunction with service on other essential U.S. foreign trade routes.

4. C-2, C-3 and Victory type freight ships built prior to 1947 are considered suitable for interim operation pending replacement. Newly constructed freight ships of C-3 and C-4 types are suitable for long-range operation. Ships providing primary service on other essential trade routes and services and supplemental service on Trade Route No. 13 are suitable for operation thereon to the

extent they are found suitable on the respective primary routes and services.

Dated: November 17, 1964.

By order of the Acting Deputy Maritime Administrator.

JAMES S. DAWSON, Jr.,
Secretary.

[F.R. Doc. 64-11972; Filed, Nov. 23, 1964;
8:47 a.m.]

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Food and Drug Administration

STEIN, HALL & CO., INC., AND ST. REGIS PAPER CO.

Notice of Filing of Petition Regarding Food Additive Arabinogalactan

Pursuant to the provisions of the Federal Food, Drug, and Cosmetic Act (sec. 409(b)(5), 72 Stat. 1786; 21 U.S.C. 348 (b)(5)), notice is given that a petition (FAP 5A1563) has been filed by Stein, Hall & Co., Inc., 605 Third Avenue, New York, N.Y., 10016, and St. Regis Paper Co., 150 East 42d Street, New York, N.Y., proposing the issuance of a regulation to provide for the safe use of arabinogalactan, extracted from western larch, as an emulsifier, stabilizer, binder, and bodying agent in food.

Dated: November 18, 1964.

MALCOLM R. STEPHENS,
Assistant Commissioner
for Regulations.

[F.R. Doc. 64-11984; Filed, Nov. 23, 1964;
8:48 a.m.]

Office of Education

NONCOMMERCIAL EDUCATIONAL TELEVISION BROADCAST FACILITIES

Notice of Acceptance for Filing; Applications for Federal Financial Assistance in Construction

Notice is hereby given that effective with this publication the following described applications, for Federal financial assistance in the construction of noncommercial educational television broadcast facilities are accepted for filing in accordance with 45 CFR § 60.7:

The Board of Regents of the Universities and State College of Arizona, for the use of the University of Arizona, Herring Hall, University of Arizona, Tucson, Ariz., File No. 83, to expand the operation of the noncommercial educational television broadcasting station KUAT-TV operating on channel 6, Tucson, Ariz.

Washburn University of Topeka, 17th and College, Topeka, Kans., File No. 84, for the establishment of a new noncommercial educational television broad-

casting station on channel 11, Topeka, Kans.

Any interested person may, pursuant to 45 CFR § 60.8, within 30 calendar days from the date of this publication, file comments regarding the above applications with the Director, Educational Television Facilities Program, U.S. Office of Education, Washington, D.C., 20202.

(76 Stat. 64, 47 U.S.C. 390)

RAYMOND J. STANLEY,
Director, Educational Television
Facilities Program, Office of
Education.

[F.R. Doc. 64-12029; Filed, Nov. 23, 1964;
8:50 a.m.]

ATOMIC ENERGY COMMISSION

[Docket No. 50-16]

POWER REACTOR DEVELOPMENT CO.

Notice of Issuance of Order Extending Expiration Date of Provisional Oper- ating License

Please take notice that the Atomic Energy Commission has issued an Order extending to May 10, 1965, the expiration date specified in Provisional Operating License No. DPR-9 issued to Power Reactor Development Company, authorizing operation of the Enrico Fermi Atomic Power Plant located in Monroe County, Mich., at thermal power levels not in excess of one megawatt.

Copies of the Commission's Order and the application dated October 8, 1964, filed by Power Reactor Development Company, are available for public inspection at the Commission's Public Document Room, 1717 H Street NW., Washington, D.C.

Dated at Bethesda, Md., this sixteenth day of November 1964.

For the Atomic Energy Commission.

R. L. DOAN,
Director,
Division of Reactor Licensing.

[F.R. Doc. 64-11946; Filed, Nov. 23, 1964;
8:45 a.m.]

CIVIL AERONAUTICS BOARD

[Docket No. 15677]

ALL NIPPON AIRWAYS CO., LTD.

Notice of Prehearing Conference

Application of All Nippon Airways Co., Ltd., for an amendment of its foreign air carrier permit to engage in foreign air transportation of persons, property and mail over the following route: "Between a point or points in Japan and Naha, Okinawa."

Notice is hereby given that a prehearing conference on the above-entitled application is assigned to be held on December 2, 1964, at 10:00 a.m., e.s.t., in Room 607, Universal Building, Connecticut and Florida Avenues NW., Wash-

ington, D.C., before Examiner Ralph L. Wiser.

Dated at Washington, D.C., November 19, 1964.

[SEAL] FRANCIS W. BROWN,
Chief Examiner.

[F.R. Doc. 64-12007; Filed, Nov. 23, 1964;
8:50 a.m.]

[Docket No. 15674]

CALIFORNIA AUTOMOTIVE CORP. AND EASTERN AIR LINES, INC.

Notice of Proposed Approval

Application of California Airmotive Corp. and Eastern Air Lines, Inc. for a disclaimer of jurisdiction or approval under section 408 of the Federal Aviation Act of 1958, as amended, Docket 15674.

Notice is hereby given, pursuant to the statutory requirements of section 408(b), that the undersigned intends to issue the order set forth below under delegated authority. Interested persons are hereby afforded a period of fifteen days from date of service with in which to file comments or request a hearing with respect to the action proposed in the order.

Dated at Washington, D.C., November 18, 1964.

[SEAL] J. W. ROSENTHAL,
Chief, Routes and Agreements
Division, Bureau of Economic
Regulation.

CIVIL AERONAUTICS BOARD

ORDER APPROVING APPLICATION

Issued under delegated authority.

Application of California Airmotive Corporation and Eastern Air Lines, Inc., Docket 15674; for a disclaimer of jurisdiction or approval under section 408 of the Federal Aviation Act of 1958, as amended.

By application filed November 10, 1964, California Airmotive Corporation (CAC), a California corporation, and Eastern Air Lines, Inc. (Eastern) request the Board to disclaim jurisdiction over or, in the alternative, to approve without hearing pursuant to section 408 of the Federal Aviation Act of 1958, as amended (the Act), the sale by Eastern to CAC of forty-two DC-7B aircraft, including spare items, drawings, engineering data and tooling, at a total price of \$2,000,000. The aircraft are to be delivered to CAC during a period ending in October 1965.

In support of the request for a disclaimer of jurisdiction, the applicants state that the aircraft are surplus to Eastern's needs and do not constitute a substantial part of its properties within the meaning of section 408 of the Act. Applicants note that Eastern is acquiring forty new Boeing 727 and now owns fifteen, each of which costs 2½ times the total price of all the aircraft involved in the instant transaction. Applicants also point out that the Board has disclaimed jurisdiction over a transaction involving the sale by Eastern of forty DC-7B aircraft to Boeing Airplane Company, Inc. (Boeing) concurrently with the delivery of the forty B-727 aircraft, based on the fact that that transaction was "essentially a purchase of aircraft from a manufacturer for which partial payment is to be made in

the form of used equipment rather than in cash or by other means and, as such, is not a sale of a substantial part of Eastern's properties within the meaning of section 408."¹ The present transaction, while not directly between Eastern and the manufacturer, is similarly, according to applicants, for the purpose of assisting in the purchase of the B-727 aircraft.²

In support of the alternate request for approval of the transaction without hearing, applicants state that there is no question or possibility of undesirable combination, restraint of competition, effect upon any other carrier not a party to the transaction, or conflict of interest. The applicants also indicate that the delay which would result from a full hearing on the matter would impair the transaction or create serious losses for the parties.

No adverse comments or requests for a hearing have been received.

Notice of intent to dispose of the application without a hearing has been published in the FEDERAL REGISTER, and a copy of such notice has been furnished by the Board to the Attorney General not later than the day following the date of such publication, both in accordance with the requirements of section 408(b) of the Act.

Upon review of the application, we have concluded that a disclaimer of jurisdiction is not warranted. In brief, we believe the form of the instant transaction is sufficiently different from that presented in the proposed Boeing-Eastern case, mentioned above, to distinguish between the two transactions and justify the assertion of jurisdiction here. Although the forty-two aircraft to be purchased by CAC constitute, in our opinion, a substantial portion of the properties of Eastern within the meaning of section 408 of the Act, it has been further concluded that such purchase does not affect the control of an air carrier directly engaged in the operation of aircraft in air transportation, does not result in creating a monopoly, and does not tend to restrain competition. Furthermore, no person disclosing a substantial interest in this proceeding is currently requesting a hearing and it is found that the public interest does not require a hearing. In view of the foregoing, it is found that approval of the transaction without a hearing would not be inconsistent with the public interest. This action does not constitute a finding as to the reasonableness of the terms of the transaction for rate-making purposes.

Pursuant to authority duly delegated by the Board in the Board's regulations, 14 CFR 385.13, it is found that the above-described transaction should be approved under section 408(b), without a hearing.

Accordingly it is ordered:

1. That the above-described transaction be and it hereby is approved;
2. That this action does not constitute a determination of the reasonableness of the transaction for rate-making purposes; and
3. That to the extent not granted the application in Docket 15674, be and it hereby is denied.

Persons entitled to petition the Board for review of this Order pursuant to the Board's regulations, 14 CFR 385.50, may file such petitions within five days after the date of service of this Order.

This Order shall be effective and become the action of the Civil Aeronautics Board upon expiration of the above period unless within such period a petition for review

¹ Boeing-Eastern, Disclaimer of Jurisdiction, 33 CAB 1053 (1961).

² The sale of the forty aircraft to Boeing was never consummated.

thereof is filed, or the Board gives notice that it will review this Order on its own motion.

[SEAL] HAROLD R. SANDERSON,
Secretary.

By: J. W. ROSENTHAL,
Chief, Routes and Agreements Division,
Bureau of Economic Regulation.

[F.R. Doc. 64-12008; Filed, Nov. 23, 1964;
8:50 a.m.]

[Docket No. 15483]

KOREAN AIRLINES, INC.

Notice of Hearing

Notice is hereby given, pursuant to the provisions of the Federal Aviation Act of 1958, as amended, that hearing in the above-entitled proceeding is assigned to be held on December 1, 1964, at 10:00 a.m., e.s.t., in Room 701, Universal Building, Connecticut and Florida Avenues NW., Washington, D.C., before Examiner Joseph L. Fitzmaurice.

Dated at Washington, D.C., November 19, 1964.

[SEAL] FRANCIS W. BROWN,
Chief Examiner.

[F.R. Doc. 64-12009; Filed, Nov. 23, 1964;
8:50 a.m.]

[Docket No. 15650]

LINEA AEREA NACIONAL DE CHILE (LAN)

Notice of Prehearing Conference

Notice is hereby given that a prehearing conference on the above-entitled proceeding is assigned to be held on December 3, 1964, at 10:00 a.m., e.s.t., in Room 607, Universal Building, Connecticut and Florida Avenues NW., Washington, D.C., before Examiner Leslie G. Donahue.

Dated at Washington, D.C., November 19, 1964.

[SEAL] FRANCIS W. BROWN,
Chief Examiner.

[F.R. Doc. 64-12010; Filed, Nov. 23, 1964;
8:50 a.m.]

[Docket No. 15176 etc.; Order E-21514]

TRANSATLANTIC AND TRANSPACIFIC PRIORITY SERVICE MAIL RATE PROCEEDING

Order

Adopted by the Civil Aeronautics Board at its office in Washington, D.C., on the 19th day of November 1964.

The Board, on October 28, 1964, adopted Order E-21458 directing all interested persons, and specifically Northwest Airlines, Inc., Pan American World Airways, Inc., Seaboard World Airlines, Inc., Trans World Airlines, Inc., and the Postmaster General to show cause why the Board should not adopt the provisional findings and conclusions and fix, determine and publish the priority service mail rates proposed in the Statement of Provisional Findings and Conclusions (Statement) for the mail transportation described.

The time designated for filing notice of objection has elapsed and no notice of objection to the order has been filed by any party. The Postmaster General, Northwest and TWA, however, filed notices of alleged technical errors, and also indicate that their acceptance of the rates proposed by Order E-21458 should be without prejudice to their rights to advance in any subsequent proceeding contentions the same as or similar to those set out in their filings. Under the foregoing circumstances, all parties have waived the right to a hearing and all other procedural steps short of a final decision of the Board fixing the final rates.

The Postmaster General's notice of technical errors included (1) certain standard mileage figures which are incorrect, (2) the corrections to such figures, and (3) certain additional standard mileages not reflected in Appendix B of the Statement. The figures submitted by the Postmaster General are as follows:

CORRECTIONS TO APPENDIX

Page	Carrier	From	To	Mileage	Correct mileage
5-----	PAA	IST	DIA	5,248	5,241
5-----	PAA	JFK	CKY	5,457	5,606
6-----	PAA	KHI	DIA	5,241	7,842
6-----	PAA	LON	SFO	5,789	5,798
8-----	PAA	RBA	JFK	3,654	3,803
8-----	PAA	ROB	JFK	4,929	5,022
8-----	PAA	SFO	LON	5,789	5,798
17-----	TWA	SFO	MIL	5,982	6,106

ADDITIONS TO APPENDIX

5-----	PAA	GLA	BER	754	-----
5-----	PAA	GLA	FRA	609	-----

These corrections are the result of certain inadvertent errors and omissions in setting forth the mileages which the carriers and the Post Office Department are presently using in computing service mail compensation. Appendix B to Order E-21458 will be amended to reflect these corrections, as provided in the Appendix attached hereto.²

The Board, upon consideration of the record, hereby reaffirms and makes final the findings set forth in the subject order, as amended by the standard mileage corrections noted above.

Accordingly, pursuant to the Federal Aviation Act of 1958, and particularly sections 204(a) and 406 thereof,

It is ordered, that:

The petitions for equalization of service mail rates filed by Pan American World Airways, Inc., in Docket 15111 and by Trans World Airlines, Inc., in Docket 15585 are hereby dismissed and such dockets are closed.

The petition of Pan American World Airways, Inc., in Docket 15282 is dismissed, except to the extent that it concerns the Houston-Mexico City market and, to that extent, Docket 15282 shall be consolidated into Docket 15381.²

The fair and reasonable rates of compensation to be paid the carriers named

¹ Filed as part of original document.

² Docket 15381 involves the June 30, 1964, petition of the Postmaster General which opened the Latin American service mail rates.

below by the Postmaster General, pursuant to the provisions of section 406 of the Federal Aviation Act of 1958, for the transportation of priority air mail and air parcel post by aircraft over their respective routes as described below, the facilities used and useful therefor, and the services connected therewith, are as follows:

1. For the period April 10, 1964, to September 30, 1964, inclusive, (a) for Trans World Airlines, Inc., and Pan American World Airways, Inc. (transatlantic services), the same rates as are provided in Order E-9695, dated October 27, 1955 (21 C.A.B. 961), (b) for Seaboard World Airlines, Inc., the same rates as are provided in Order E-12838, dated July 29, 1958 (27 C.A.B. 1074), (c) for Northwest Airlines, Inc., the same rates as are provided in Order E-9958, dated January 31, 1956 (23 C.A.B. 106), and (d) for Pan American World Airways, Inc. (transpacific services), the same rates as are provided in Order E-11060, dated February 25, 1957 (24 C.A.B. 629), and Order E-20032, dated September 23, 1963.

2. On and after October 1, 1964, the mail compensation for each carrier shall be computed by multiplying the appropriate rate per mail ton-mile, as set forth below, by the mail ton-miles for each shipment of mail.

RATES PER TON-MILE

A. For the transatlantic services^{2a} of Pan American World Airways, Inc., Seaboard World Airlines, Inc., and Trans World Airlines, Inc.: 40 cents.

B. For the transpacific services² of Northwest Airlines, Inc., and Pan American World Airways, Inc.:

(1) For interstate shipments of mail originating at or destined for Honolulu, Hawaii, the rates and provisions of Order E-9284, as amended,⁴ establishing the domestic multielement service mail rate shall apply;

(2) For interstate shipments of mail originating at Seattle, Washington, and destined for Anchorage, Alaska, and for interstate shipments of mail originating at Anchorage, Alaska, and destined for Seattle, Washington, carried by Northwest Airlines, Inc.: 47 cents.

(3) For all other shipments of mail in transpacific services: 36 cents.

Mail Ton-miles. The mail ton-miles for each shipment of mail shall be based upon the standard mileage established

^{2a} The transatlantic services of Pan American World Airways, Inc., Seaboard World Airlines, Inc., and Trans World Airlines, Inc., are those performed pursuant to their certificates of public convenience and necessity authorizing service (1) between points in the United States and points in Europe, Bermuda, Africa, and Asia via the Atlantic, and (2) between points in such area.

² The transpacific services of Northwest Airlines, Inc., and Pan American World Airways, Inc., are those performed pursuant to their certificates of public convenience and necessity authorizing service (1) between points in the United States and foreign and overseas points in the Pacific area, (2) between points in the Pacific area, and (3) between points in the 48 contiguous states and points in the State of Hawaii, and, for Northwest only, between points in the 48 contiguous states and points in the State of Alaska.

⁴ Domestic Trunklines, Service Mail Rates, 21 C.A.B. 8 (1955). The latest amendment was effected by Order E-20915, June 10, 1964.

herein for service between the points of origin and destination of each shipment.

Standard mileage. The standard mileage for each pair of points shall be as set forth in the Appendix to this order.

Changes in standard mileage. The standard mileages set forth in the Appendix to this order shall remain in effect throughout the period this rate order is in effect: *Provided, however,* That at any time the Board may institute a proceeding, and any carrier subject to this order and/or the Postmaster General, may make application to the Board for establishment of standard mileages to a new point and: *Provided further, however,* That once each fiscal year the Board may institute a proceeding and any carrier subject to this order and/or the Postmaster General may make application to the Board for revision of any standard mileage effective July 1 of such fiscal year. Such applications will not be regarded as reopening the rate. Applications provided for above shall be clearly entitled "Application for (New) (Revised) Standard Mileage", shall contain a clear and concise statement of the requested standard mileage or standard mileage revision and the facts upon which such request is based, and shall in all other respects conform to the applicable requirements of the Rules of Practice.

In establishing standard mileages to a new point, the Board will consider the routings of flights to such point and the number of flights required by the postal service. In establishing revised standard mileages, the Board will consider the effect of changes in airport location, mail flow, and flight routings reflected in the carriers' general schedules during the first seven days of the month of May immediately preceding the July 1 effective date of such revision.

Origin and destination of mail shipments. As used herein "point of origin" means the point at which the carrier first enplanes the mail shipment after receipt thereof from a Postal Administration or its representatives, from another rate-making division of the same carrier, the operations of which division are not encompassed herein, or from another carrier; and "point of destination" means the point at which the carrier deplanes the mail shipment for delivery to a Postal Administration or its representatives, to a separate rate-making division of the same carrier, the operations of which division are not encompassed herein, or to another carrier.

Equalization of rates—1. Election to equalize. Any air carrier, or, pursuant to agreement, any two or more air carriers providing service on an interline or interchange basis, may, by notice, elect to establish a reduced charge for the carriage of mail between:

(a) Any point where a United States Post Office Department international exchange office is located⁵ and any other

point to which such international exchange office is authorized to dispatch air mail, or

(b) Foreign points,

equal to the charge then in effect for service between such points by any other air carrier or air carriers.⁶

2. Common-rating of certain points. Any carrier, or, pursuant to agreement, any two or more carriers providing service on an interline or interchange basis, may, by notice, elect to establish a reduced charge for the carriage of mail between San Francisco, California, and Tokyo, Japan, equal to the charge then in effect for service between Seattle, Washington, and Tokyo, Japan. Any such reduced charge shall apply to all mail carried between San Francisco, California, and Tokyo, Japan, moving to, from, or beyond San Francisco and to, from, or beyond Tokyo.

Notice of election to equalize rate. An original and three copies of each notice of election and agreement, and an original and three copies of each application, pursuant to equalization paragraph 1 or 2, above, shall be filed with the Board and a copy thereof shall be served upon the Postmaster General and each carrier providing on-line or connecting service between the stated points.

Any equalized rate established pursuant to this order shall be effective for the electing carrier or carriers as of the date of filing of the notice required by such paragraphs, or such later date as may be specified in the notice, until such election is terminated. Elections may be terminated by any electing carrier upon 10 days' notice filed with the Board and served upon the Postmaster General and each carrier providing on-line or connecting service between the stated points.

Division of equalized rates. In case of equalization of rates by agreement, pursuant to equalization paragraph 1 or 2 above, the agreement shall provide for the proration of the mail compensation between participating carriers on the basis of the relative compensation which would otherwise be payable to each carrier in the absence of the provisions of equalization paragraph 1 or 2 above. In the absence of an agreement among carriers, pursuant to equalization paragraph 1 or 2 above, for equalization of rates for interline or interchange shipments between a stated pair of points, any carrier (or two or more carriers jointly)

Los Angeles, Honolulu, Wake, Guam, Pago Pago, Washington, Chicago, and New York. The terms of this paragraph shall apply to points at which international exchange offices are hereafter established and shall cease to apply to any points at which international exchange offices are discontinued. The Postmaster General will file a notice of such new and discontinued offices in this docket and serve a copy on each carrier subject to this order.

⁶ The domestic multielement service mail rate will be amended to permit the air carriers covered by that rate to participate with carriers covered by this order in rate equalizations with respect to mail shipments transported between certain U.S. points and other points subject to the provisions of both the domestic and international service rates.

may, by notice, elect to receive as its portion of the total compensation for each shipment the amount remaining after subtracting from such total compensation the compensation due the other carrier or carriers involved (non-electing carriers). Such total compensation shall be computed on the basis of the lowest rate then in effect for service between the stated pair of points for any carrier or carriers. The compensation due the non-electing carrier or carriers shall be that otherwise applicable to the point-to-point service it actually provides. In those instances where there is a non-electing carrier or carriers involved in providing the through service and two or more carriers elect to receive payment under this provision, the total payment due such electing carriers shall be prorated by them on the basis of the relative compensation which would otherwise be payable to each of them in the absence of the provisions of this paragraph.

Divisions of equalized rates prescribed by the Board. In the event that any carrier is unable to enter into an agreement with any other carrier to transport mail between any stated points at a reduced rate, pursuant to equalization paragraph 1 or 2 above, it may file an application with the Board requesting it to determine and fix a different method of apportioning the total compensation for each such shipment of mail between the participating carriers. Such applications shall not be deemed to reopen the mail rates fixed by this order. Applications filed pursuant to this paragraph shall conform generally to the provisions of the rules of practice governing the filing of petitions in mail rate cases. Within 7 days after the application is served, any party may file an answer in support of or in opposition to the application, together with any documentary material upon which it relies. Any order upon an application filed pursuant to this paragraph shall be effective no earlier than the date of filing of the application with the Board.

In reviewing such application, the Board will consider, among other pertinent factors, the need for the proposed service, the historical participation of electing carrier or carriers in the transportation of mail between such stated points, the amount of absorption required, and the grounds for refusal by the carrier or carriers to enter into an equalization agreement. After hearing the carriers concerned, either orally or in writing, in those cases where it deems such action appropriate the Board will by order prescribe the method for apportioning the total compensation between such carriers, but in no event shall the carrier or carriers which refuse to enter into an agreement to equalize compensation be required to accept less than the compensation which would have been payable if the service were performed under voluntary agreement, pursuant to equalization paragraph 1 or 2 above.

The compensation provided herein shall be in lieu of, and not in addition to, the service mail compensation received by each carrier for priority air

⁵ International exchange offices currently authorized to dispatch mail for the transatlantic area are located in Boston, New York, Washington, Chicago, Miami, San Francisco, Los Angeles, Seattle, and San Juan. Such offices for the transpacific area are currently located in Seattle, Anchorage, San Francisco,

mail transported on and after April 10, 1964.

This order shall be served upon North-west Airlines, Inc., Pan American World Airways, Inc., Seaboard World Airlines, Inc., Trans World Airlines, Inc., and the Postmaster General.

This order will be published in the FEDERAL REGISTER.

By the Civil Aeronautics Board.

[SEAL] HAROLD R. SANDERSON,
Secretary.

[F.R. Doc. 64-12011; Filed, Nov. 23, 1964;
8:50 a.m.]

FEDERAL COMMUNICATIONS COMMISSION

[Docket Nos. 12604 etc.; FCC 64M-1153]

BLUE ISLAND COMMUNITY BROADCASTING CO., INC., ET AL.

Order Continuing Hearing

In re applications of Blue Island Community Broadcasting Co., Inc., Blue Island, Illinois, Docket No. 12604, File No. BPH-2458, Elmwood Park Broadcasting Corporation, Elmwood Park, Illinois, Docket No. 13294, File No. BPH-2636, for construction permits; Mrs. Evelyn R. Chauvin Schoonfield (WXFM), Elmwood Park, Illinois, Docket No. 13296, File No. BRH-179, for renewal of license.

The Hearing Examiner having under consideration a "Petition for Extension of Procedural Dates" filed jointly by the remaining applicants on November 16, 1964, requesting that certain procedural dates be extended in the manner stated below;

It appearing, that there have been continuing discussions between the applicants looking toward resolving the conflict between their proposals and that, although progress toward that end has been made, the additional time is required to determine whether an agreement can be reached which would obviate further hearing;

It further appearing, that counsel for the Broadcast Bureau has informally indicated his consent to the joint request, and that "good cause" has been shown for granting the petition:

Accordingly, it is ordered, This 17th day of November 1964, that the subject extension petition is granted, and the pertinent procedural dates are extended as follows:

Procedure	From	To
Exchange of exhibits.....	Nov. 9, 1964 ¹	Dec. 7, 1964
Notification as to the witnesses.....	Nov. 30, 1964	Dec. 21, 1964
Further hearing.....	Dec. 7, 1964	Jan. 11, 1965

¹ Extension of this date is being ordered *nunc pro tunc*.

Released: November 18, 1964.

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

[F.R. Doc. 64-12005; Filed, Nov. 23, 1964;
8:49 a.m.]

[Docket No. 15618; Marion Moore FCC 64R-523]

MARION MOORE

Memorandum Opinion and Order Amending Issues

In re application of Marion Moore (new), Joshua Tree, California, Docket No. 15618, File No. BP-14358; for construction permit.

1. The Review Board has before it for consideration a motion to enlarge issues, filed October 1, 1964, by Hi-Desert Broadcasting Corporation (KDHI), a party respondent in the above-titled proceeding.¹ Marion Moore (Mrs. Moore) seeks authorization to construct and operate a standard broadcast facility at Joshua Tree, California. KDHI seeks to enlarge the issues beyond those designated by Commission Order, FCC 64-882, released September 8, 1964, to determine whether the proposal of Mrs. Moore would serve a particular "city, town, political subdivision, or community" as contemplated by § 73.30(a) of the Commission's rules and whether the applicant is financially qualified to construct and operate the proposed station.

2. Separate Community Issue: In support of its request, KDHI contends that Mrs. Moore does not meet the requirements of § 73.30(a) of the rules, requiring that an applicant for a new station must establish that the location it has applied for is a particular "city, town, political subdivision, or community." KDHI states that its investigation reveals that Joshua Tree has no local governmental offices or services, banks or hospitals and must depend upon nearby Twentynine Palms for its normal community services and functions. Further, KDHI states that Joshua Tree has a population of 831 people, is unincorporated, and is not classified as a community or place by the United States Census Bureau.

3. In opposition Mrs. Moore argues that KDHI's motion should be dismissed on its merits and for non-compliance with the Commission's procedural rules. The applicant contends that the cases relied upon by the movant are not relevant to the instant proceeding. Denbigh

¹ The pleadings before the Board are: (1) Motion to enlarge issues, filed October 1, 1964, by Hi-Desert Broadcasting Corporation; (2) opposition, filed October 14, 1964, by Marion Moore; (3) petition to accept late filing, filed October 16, 1964, by the Broadcast Bureau; and (4) comments, filed October 16, 1964, by the Broadcast Bureau.

Broadcasting Company, 28 FCC 393, 18 RR 449 (1960) and Mercer Broadcasting Co., 22 FCC 1009, 13 RR 891 (1957) were both cases in which the "separate community" issue arose in a comparative hearing under 307(b). In Denbigh, supra, the Commission found that the community in question was in fact part of the city of Newport News. In Mercer, supra, the Commission said there is no hard and fast rule for defining what comprises a "community". The third case relied upon by the petitioner is Verne Miller, FCC 64R-196, 2 RR 2d 276, which is distinguishable in that the applicant therein acknowledged that the community in question was primarily a summer resort community, comprised mainly of motels.

4. We agree with Mrs. Moore and the Broadcast Bureau that the separate community issue under § 73.30(a), requested by the movant, should not be added. The fact that a station location is in an unincorporated village does not require specification of an issue as to compliance with § 73.30(a). North Atlanta Broadcasting Co., FCC 63R-450, 1 RR 2d 275. Nowhere in his motion does the petitioner allege that the community of Joshua Tree is an integral part of any other city or town, including Twentynine Palms. In Five Cities Broadcasting Co., Inc., 1 RR 2d 279, 283 (1963) the Commission said that the criteria to be used under § 73.30(a) was "that to qualify as a 'city, town, political subdivision or community' a place of station location must be an identifiable population grouping separate and apart from all others and that it must not enclose within its geographic boundaries areas or populations more logically identified as or associated with some other location." Under the criteria enunciated by the Commission, the petitioner's motion alleges no facts upon which a separate community issue under § 73.30(a) of the rules could be added in the instant proceeding. The petitioner's major contention seems to be that Joshua Tree is too small to meet the requirements of § 73.30(a) of the rules. In this respect, it is noteworthy that the community of Twentynine Palms, which is the site of KDHI, is similarly unlisted by the United States Census Bureau, as it has a population of less than 1,000 persons and it too is unincorporated. In Musical Heights, Inc., FCC 60-797, 19 RR 49 (1960), the Commission found Brad-dock Heights, an unincorporated community, 5 miles west of Frederick, Maryland with a population of 660 people, qualified to be the site of a radio station. In view of our disposition of this question on its merits, the Board will not discuss the procedural irregularities of KDHI alleged by the applicant.

5. Financial Qualifications Issue: Movant, KDHI, requests that a financial qualifications issue be added to this proceeding, because Mrs. Moore has not submitted a personal balance sheet since

she was substituted as a party, in place of her deceased husband, by Commission Memorandum Opinion and Order, FCC 63-175, released February 26, 1963. KDHI and the Broadcast Bureau contend that it is impossible to ascertain, from the information available, whether or not Mrs. Moore is financially able to construct and operate the proposed broadcast facility. Further, the movant asserts that the applicant's financial condition cannot be assumed on the basis of the bare assertion that Mrs. Moore is financially qualified due to the operation of the community property law of the State of California.

6. In her opposition, Mrs. Moore contends that KDHI's motion for the addition of a financial qualifications issue should not be considered by the Board because of the movant's failure to raise this issue at an earlier time. It is asserted that KDHI has been aware of the fact that Mrs. Moore submitted no new balance sheet at the time she was substituted as a party, FCC 63-175, released February 26, 1963, or anytime thereafter. The applicant contends that KDHI did not raise a question concerning Mrs. Moore's financial ability in its opposition to Mrs. Moore's motion to be substituted as a party in place of her deceased husband, Col. E. Moore, 21 months before the filing of the present motion, and should be precluded from doing so now. In addition, Mrs. Moore argues that KDHI has not alleged that she is unable to construct and operate the proposed station and in the absence of such allegation no issue can be added. Further, she contends that her financial capability is adequately established by the balance sheet submitted by her deceased husband, Col. Edmund Moore, as part of his application, filed September 8, 1960. Mrs. Moore asserts that under the community property laws of California, she is entitled to one-half the real property of her husband situated within the State of California and all personal property wherever situated, acquired during the marriage.

7. We agree with KDHI and the Broadcast Bureau that a financial qualification issue should be added. The balance sheet relied upon by Mrs. Moore shows assets of approximately \$104,500. This figure represents \$32,700 cash deposits in various banks and slightly less than \$72,000 in other assets. Under Mrs. Moore's assertion, she would be entitled only to the personal property acquired during the marriage. There is no indication given by the applicant as to how much of the personal property included in Col. Moore's balance sheet was so acquired. Further, there is no indication of the length of the marriage, or the existence or non-existence of any will by which Col. Moore provided for a contrary testamentary disposition of said personal property. Absent such a showing we cannot attribute to Mrs. Moore, the cash, trust deed, and stocks totalling \$46,000, listed on her deceased husband's balance sheet. Moreover, Col. Moore showed real estate valued at approximately \$58,500. Under Mrs. Moore's theory she would be entitled to at least one-half of such real estate located in

California, but there is no indication as to how much of such real property is located in California. Nowhere in the information submitted by the applicant is there any indication of the nature of the real property, i.e., liquid or non-liquid. In the absence of such relevant data, a determination that an applicant is financially qualified can be based only upon speculation and surmise. Therefore, so that all the relevant facts may be secured a financial qualification issue will be added.

8. While it may be true that KDHI was aware of the fact that Mrs. Moore submitted no new financial information at the time of her substitution as a party or thereafter and did not raise a financial qualification issue at an earlier time, it is not now precluded from raising the issue. Under § 1.229(b) of the Commission's rules a party may file a motion to enlarge issues "not later than 15 days after the issues in the hearing have first been published in the FEDERAL REGISTER." After the aforementioned 15 days § 1.229 provides that any person desiring to file a motion to enlarge issues "must set forth the reason why it was not possible to file the petition within the prescribed 15 days. Unless good cause is shown for delay in filing, the motion will not be granted." The designated issues in the instant proceeding were first published in the FEDERAL REGISTER on September 16, 1964 (29 F.R. 12986); the instant motion to enlarge was filed on October 1, 1964, bringing it within the 15 days prescribed by § 1.229(b) of the rules; therefore, there is no need for the movant to show good cause for not raising this issue at an earlier time. Moreover, it is noted that in her motion to be substituted as a party, Mrs. Moore offered to submit additional financial information if such was requested; no such supplemental information was submitted. Had such information been submitted in response to the instant petition, the necessity of adding a financial qualification issue might have been avoided. See Musical Heights, Inc., FCC 58-1198, 17 RR 1104(a). While Mrs. Moore complains that the petitioner has unconscionably delayed raising the financial issue and that the addition of a financial issue will serve to delay final action on her application, this complaint is not well-founded. As has been indicated, she could have avoided the necessity of an inquiry into her financial qualifications by filing, in response to the petition to enlarge issues, a balance sheet showing that she is financially qualified.

9. Movant further contends that a financial qualification issue should be added because the applicant has grossly underestimated the cost of construction and initial operation. Since a standard financial qualifications issue is being added, inquiry into the question of sufficiency of funds is, in any event, permitted. Rhineland Television Cable Corporation, FCC 63R-249, 25 RR 476.

10. The Broadcast Bureau's motion to accept its late filed pleading will be granted inasmuch as Bureau counsel was not served with a copy of the petition.

Accordingly, it is ordered, This 18th day of November 1964, that the motion to accept late filed pleading, filed by the

Broadcast Bureau on October 16, 1964, is granted; and the pleading is accepted; and

It is further ordered, That the motion to enlarge issues, filed October 1, 1964, by HI-Desert Broadcasting Corporation, is granted to the extent indicated herein, and is denied in all other respects; and the issues in this proceeding are enlarged by the addition of the following issue: "To determine whether Marion Moore is financially qualified to construct and operate the proposed facility at Joshua Tree, California."

Released: November 19, 1964.

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

[F.R. Doc. 64-12006; Filed, Nov. 23, 1964;
8:50 a.m.]

FEDERAL MARITIME COMMISSION

[Commission Order 1 (Amdt.); Supp. 5]

MANAGING DIRECTOR Delegation of Authority

Section 7, Specific authorities delegated to the Managing Director, is hereby supplemented to add subsection 7.12 as follows:

7.12 Authority to approve the termination of section 15 (Shipping Act, 1916, as amended) agreements between common carriers by water and conferences of such carriers engaged in the foreign and domestic commerce of the United States, and between other persons subject to the Act, after publication of notice of intent to terminate in the FEDERAL REGISTER, when such terminations are (1) requested by the parties to the agreements or (2) deemed to have occurred because of failure of the parties to an agreement to respond to official inquiries and correspondence.

JOHN HARLLEE,
Rear Admiral, U.S. Navy (Retired),
Chairman.

[F.R. Doc. 64-11993; Filed, Nov. 23, 1964;
8:49 a.m.]

[Commission Order 201.1 (Amended);
Supp. 2]

DIRECTORS, BUREAU OF FOREIGN AND BUREAU OF DOMESTIC REGU- LATIONS

Delegation of Authorities

Section 5—Specific authorities re-delegated to the Director, Bureau of Foreign Regulation.

5.06 Authority to approve the termination of section 15 (Shipping Act, 1916, as amended) agreements between common carriers by water in the foreign commerce of the United States or conferences of such carriers, after publication of notice of intent to terminate in the FEDERAL REGISTER, when such terminations are (1) requested by the parties to the agreements or (2) deemed to have occurred because of failure of the parties to an agreement to respond to official inquiries and correspondence.

Section 6—*Specific authorities redelegated to the Director, Bureau of Domestic Regulation.*

6.09 Authority to approve the termination of section 15 (Shipping Act, 1916, as amended) agreements between domestic offshore carriers or conferences of such carriers, ocean freight forwarders or terminal operators, after publication of notice of intent to terminate in the FEDERAL REGISTER, when such terminations are (1) requested by the parties to the agreements or (2) deemed to have occurred because of failure of the parties to an agreement to respond to official inquiries and correspondence.

EARLE J. SCHWEIZER,
Acting Managing Director.

[F.R. Doc. 64-11994; Filed, Nov. 23, 1964;
8:49 a.m.]

GRACE LINE AND FOREIGN FRUIT TERMINAL CORP.

Notice of Agreement Filed for Approval

Notice is hereby given that the following Agreements have been filed with the Commission for approval pursuant to section 15 of the Shipping Act, 1916, as amended (39 Stat. 733, 75 Stat. 763, 46 U.S.C. 814).

Interested parties may inspect and obtain a copy of the agreement(s) at the Washington office of the Federal Maritime Commission, 1321 H Street NW., Room 301; or may inspect agreements at the offices of the District Managers, New York, N.Y., New Orleans, La., and San Francisco, Calif. Comments with reference to an agreement including a request for hearing, if desired, may be submitted to the Secretary, Federal Maritime Commission, Washington, D.C., 20573, within 20 days after publication of this notice in the FEDERAL REGISTER. A copy of any such statement should also be forwarded to the party filing the agreement (as indicated hereinafter), and the comments should indicate that this has been done.

Notice of agreement filed for approval by:

Foreign Fruit Terminal Corp.,
921 Bergen Avenue,
Jersey City 6, N.J.

Agreement No. T-6, between Grace Line (Grace) and Foreign Fruit Terminal Corporation (Foreign Fruit), provides that Foreign Fruit will operate a specially designed fruit facility which Grace has constructed on its Pier 58 for the handling of fruit and produce discharged from Grace and Chilean Line (Chilean) vessels. Grace may use the fruit facility for handling general cargo if such use does not interfere with the services of Foreign Fruit on behalf of Chilean. Foreign Fruit is permitted to use the fruit facility for handling fruit from vessels other than those of Grace and Chilean if it does not interfere with the normal operations of Grace or with the importation of fruit and produce from Chile. Chilean may use a stevedore of its own choice, but outside vessels must use Grace's stevedores. Foreign Fruit shall

pay Grace a fixed amount for each box of fruit and produce received from all vessels calling at the facility. Grace will credit Foreign Fruit a certain amount per revenue ton for each box of fruit or produce discharged from Grace Line vessels. If during the term of the agreement, Grace discharges over 1,000,000 boxes, it will credit the terminal operator an additional amount for each box discharged over 1,000,000. Grace further agrees, if requested by Foreign Fruit, to sort and lay out fruit and produce to auction marks at cost. Within ten days after each month, Foreign Fruit shall account to Grace for the amount due Grace, less the amount owed by Grace to Foreign Fruit. Foreign Fruit agrees to file a tariff, setting forth the rates to be charged for terminal services.

Dated: November 12, 1964.

By Order of the Federal Maritime
Commission.

THOMAS LISI,
Secretary.

[F.R. Doc. 64-11995; Filed, Nov. 23, 1964;
8:49 a.m.]

SKIBSAKTIESELSKAPET NYE KIRSTIANBORG ET AL.

Notice of Proposed Cancellation of Agreement

Notice is hereby given that a request for cancellation of the following Agreement(s), pursuant to section 15 of the Shipping Act, 1916, as amended (39 Stat. 733, 75 Stat. 763, 46 U.S.C. 814) has been filed with the Commission.

Interested parties may inspect and obtain a copy of the agreement(s) at the Washington office of the Federal Maritime Commission, 1321 H Street NW., Room 301; or may inspect agreements at the offices of the District Managers, New York, N.Y., New Orleans, La., and San Francisco, Calif. Comments with reference to an agreement including a request for hearing, if desired, may be submitted to the Secretary, Federal Maritime Commission, Washington, D.C., 20573, within 20 days after publication of this notice in the FEDERAL REGISTER. A copy of any such statement should also be forwarded to the party filing the agreement (as indicated hereinafter) and the comments should indicate that this has been done.

Notice of request for cancellation of agreement filed by:

Mr. H. C. Wright, Manager,
Kerr Chartering Agency,
Clegg Building,
51 Broad Street,
New York, N.Y., 10004.

Agreement 7595 between Skibsaktieselskapet Nye Kirstianborg; Skibsaktieselskapet Selje; Skibsaktieselskapet 1939; Skibsaktieselskapet Storli; and Skibsaktieselskapet Hassel, which established a joint service known as the Odfjell Line for operation in the trade between U.S. Atlantic, Pacific, and Gulf ports; Atlantic and Pacific Coasts of British North America, including Newfoundland, and, the Continent of Europe, including the Scandinavian Peninsula, the Azores and

Madeira Islands; the Continent of Africa, including Madagascar, Mauritius, Reunion, the Canary Islands, Cape Verde Islands and the Island of San Thome; and, the Continent of Asia, including Japan, Philippine Islands, Ceylon, the East Indies and other Islands adjacent to that Continent. The joint service was under the management and control of the firm of A/S Rederiet Odfjell of Minde, Bergen, Norway.

Dated: November 19, 1964.

By order of the Federal Maritime
Commission.

THOMAS LISI,
Secretary.

[F.R. Doc. 64-11996; Filed, Nov. 23, 1964;
8:49 a.m.]

[Docket No. 1213]

HILANN FORWARDING CO.

Application for Freight Forwarding License

Pursuant to section 44 of the Shipping Act, 1916, (46 U.S.C. 841(b)), Hilann Forwarding Co., 25 Broadway, New York, N.Y., 10004, Anthony Greco, d.b.a., filed application for a license as an independent ocean freight forwarder. The Bureau of Domestic Regulation notified the applicant of the Federal Maritime Commission's intention to deny the application because its operations did not conform to the statutory definition of carrying on the business of forwarding as defined in the First Section of the Shipping Act, 1916 (46 U.S.C. 801). Applicant performs forwarding services exclusively for Magna Mercantile Company, an exporting firm owned by applicant's brother-in-law.

Whereas, applicant, Anthony Greco, sole proprietor of Hilann Forwarding Co., has requested the opportunity to show at a hearing that denial of the application is unwarranted;

It is ordered, Pursuant to sections 22 and 44 of the Shipping Act, 1916 (46 U.S.C. 821, 841(b)), that a proceeding is hereby instituted to determine whether the applicant qualifies for a license within the meaning of First Section (46 U.S.C. 801) of the Shipping Act, 1916.

It is further ordered, That Hilann Forwarding Co. be made respondent in this proceeding and that the matter be assigned for hearing before an examiner of the Commission's Office of Hearing Examiners at a date and place to be announced by the Chief Examiner.

It is further ordered, That notice of this order be published in the FEDERAL REGISTER and that a copy thereof and notice of hearing be served upon respondent.

It is further ordered, That any persons, other than respondent, who desire to become a party to this proceeding and to participate therein, shall file a petition to intervene with the Secretary, Federal Maritime Commission, Washington, D.C., 20573, with copy to respondent, on or before December 7, 1964, and;

It is further ordered, That all future notices issued by or on behalf of the Commission in this proceeding, including notice of time and place of hearing or

prehearing conference, shall be mailed directly to all parties of record.

By the Federal Maritime Commission.

[SEAL]

THOMAS LISI,
Secretary.

[F.R. Doc. 64-11974; Filed, Nov. 23, 1964;
8:47 a.m.]

DONALDSON BROS., LTD., ET AL.

Notice of Proposed Cancellation of Agreement

Notice is hereby given that a request for cancellation of the following Agreement(s), pursuant to section 15 of the Shipping Act, 1916, as amended (39 Stat. 733, 75 Stat. 763, 46 U.S.C. 814) has been filed with the Commission.

Interested parties may inspect and obtain a copy of the agreement(s) at the Washington office of the Federal Maritime Commission, 1321 H Street NW., Room 301; or may inspect agreements at the offices of the District Managers, New York, N.Y., New Orleans, La., and San Francisco, Calif. Comments with reference to an agreement including a request for hearing, if desired, may be submitted to the Secretary, Federal Maritime Commission, Washington, D.C., 20573, within 20 days after publication of this notice in the FEDERAL REGISTER. A copy of any such statement should also be forwarded to the party filing the agreement (as indicated hereinafter) and the comments should indicate that this has been done.

Notice of request for cancellation of agreement filed by:

Mr. H. J. Coyle, Vice President & Treasurer,
American-Hawaiian Steamship Co.,
360 Lexington Avenue,
New York, N.Y., 10017.

Agreement 766 between Donaldson Bros., Ltd.; Furness, Withy & Co., Ltd.; and, the North Pacific Coast Line, a joint service of the Royal Mail Steam Packet Company, now known as the Royal Mail Lines, Limited, and the Holland-America Line, on the one hand, and the American-Hawaiian Steamship Company, on the other hand, which established an arrangement whereby American-Hawaiian Steamship Company would protect the rates established by the other three lines in the trade from United Kingdom ports to U.S. Pacific ports, with transshipment at the port of New York, in accordance with terms and conditions of the agreement and the applicable tariff.

Dated: November 19, 1964.

By Order of the Federal Maritime Commission.

THOMAS LISI,
Secretary.

[F.R. Doc. 64-11975; Filed, Nov. 23, 1964;
8:47 a.m.]

LYKES BROS. STEAMSHIP CO., INC., AND EMPRESA DO LIMPOPO A. COUTO, LDA.

Notice of Agreement Filed for Approval

Notice is hereby given that the following Agreements have been filed with the

Commission for approval pursuant to section 15 of the Shipping Act, 1916, as amended (39 Stat. 733, 75 Stat. 763, 46 U.S.C. 814).

Interested parties may inspect and obtain a copy of the agreement(s) at the Washington office of the Federal Maritime Commission, 1321 H Street NW., Room 301; or may inspect agreements at the offices of the District Managers, New York, N.Y., New Orleans, La., and San Francisco, Calif. Comments with reference to an agreement including a request for hearing, if desired, may be submitted to the Secretary, Federal Maritime Commission, Washington, D.C., 20573, within 20 days after publication of this notice in the FEDERAL REGISTER. A copy of any such statement should also be forwarded to the party filing the agreement (as indicated hereinafter), and the comments should indicate that this has been done.

Notice of agreement filed for approval by:

Mr. T. L. Gusman,
Lykes Bros. Steamship Co., Inc.,
1770 Tchoupitoulas Street,
Post Office Box 50998,
New Orleans, La., 70150.

Agreement 9401 between Lykes Bros. Steamship Co., Inc., and Empresa Do Limpopo A. Couto, LDA, covers a through billing arrangement for transportation of cargo from Portuguese East Africa ports to U.S. Gulf ports with transshipment at a port in Portuguese East Africa, in accordance with terms and conditions set forth in said agreement.

Dated: November 19, 1964.

By order of the Federal Maritime Commission.

THOMAS LISI,
Secretary.

[F.R. Doc. 64-11976; Filed, Nov. 23, 1964;
8:47 a.m.]

GULF/SOUTH AND EAST AFRICAN FREIGHT CONFERENCE

Notice of Agreement Filed for Approval

Notice is hereby given that the following Agreements have been filed with the Commission for approval pursuant to section 15 of the Shipping Act, 1916, as amended (39 Stat. 733, 75 Stat. 763, 46 U.S.C. 814).

Interested parties may inspect and obtain a copy of the agreement(s) at the Washington office of the Federal Maritime Commission, 1321 H Street NW., Room 301; or may inspect agreements at the offices of the District Managers, New York, N.Y., New Orleans, La., and San Francisco, Calif. Comments with reference to an agreement including a request for hearing, if desired, may be submitted to the Secretary, Federal Maritime Commission, Washington, D.C., 20573, within 20 days after publication of this notice in the FEDERAL REGISTER. A copy of any such statement should also be forwarded to the party filing the agreement (as indicated hereinafter), and the comments should indicate that this has been done.

Notice of agreement filed for approval by:

Mr. L. M. Paine, Jr., Secretary,
Gulf/South and East African Freight Conference,
Suite 927, Whitney Building,
New Orleans, La., 70130.

Agreement 7780-8, between the member lines of the Gulf/South and East African Freight Conference, operating in the trade from U.S. Gulf ports to Southwest, South and East African ports, including specified Islands enroute and adjacent thereto, amends the basic agreement to correct the geographic description of Italian Somaliland and the Islands of Madagascar to read Somali Republic and Malagasy Republic respectively.

Dated: November 19, 1964.

By order of the Federal Maritime Commission.

THOMAS LISI,
Secretary.

[F.R. Doc. 64-11977; Filed, Nov. 23, 1964;
8:47 a.m.]

COMPANIA NAVIERA INDEPENDENCIA, S.A. AND PACIFIC FAR EAST LINE, INC.

Notice of Proposed Cancellation of Agreement

Notice is hereby given that a request for cancellation of the following Agreement(s), pursuant to section 15 of the Shipping Act, 1916, as amended (39 Stat. 733, 75 Stat. 763, 46 U.S.C. 814) has been filed with the Commission.

Interested parties may inspect and obtain a copy of the agreement(s) at the Washington office of the Federal Maritime Commission, 1321 H Street NW., Room 301; or may inspect agreements at the offices of the District Managers, New York, N.Y., New Orleans, La., and San Francisco, Calif. Comments with reference to an agreement including a request for hearing, if desired, may be submitted to the Secretary, Federal Maritime Commission, Washington, D.C., 20573, within 20 days after publication of this notice in the FEDERAL REGISTER. A copy of any such statement should also be forwarded to the party filing the agreement (as indicated hereinafter) and the comments should indicate that this has been done.

Notice of request for cancellation of agreement filed by:

Mr. J. F. McCone, Traffic Manager,
Pacific Far East Line, Inc.,
141 Battery Place,
San Francisco, Calif., 94111.

Agreement 7914 between Compania Naviera Independencia, S.A. (Independence Line) and Pacific Far East Line, Inc., which established a through billing arrangement for the trade between Cuba and Guam, Marshall Islands, with transshipment at Los Angeles Harbor, Long Beach, San Francisco, Portland or Seattle in accordance with terms and conditions set forth in the agreement.

Dated: November 19, 1964.

By Order of the Federal Maritime Commission.

THOMAS LISI,
Secretary.

[F.R. Doc. 64-11978; Filed, Nov. 23, 1964;
8:47 a.m.]

SEATRAN LINES, INC., AND FRESCO LINE, LTD., A.B.

Notice of Agreement Filed for Approval

Notice is hereby given that the following Agreements have been filed with the Commission for approval pursuant to section 15 of the Shipping Act, 1916, as amended (39 Stat. 733, 75 Stat. 763, 46 U.S.C. 814).

Interested parties may inspect and obtain a copy of the agreement(s) at the Washington office of the Federal Maritime Commission, 1321 H Street N.W., Room 301; or may inspect agreements at the offices of the District Managers, New York, N.Y., New Orleans, La., and San Francisco, Calif. Comments with reference to an agreement including a request for hearing, if desired, may be submitted to the Secretary, Federal Maritime Commission, Washington, D.C., 20573, within 20 days after publication of this notice in the FEDERAL REGISTER. A copy of any such statement should also be forwarded to the party filing the agreement (as indicated hereinafter), and the comments should indicate that this has been done.

Notice of agreement filed for approval by:

Seatrains Lines, Inc.,
595 River Road
Edgewater, N.J.

Agreement 9400 between Seatrain Lines, Inc. and Fresco Line, Ltd., A.B. (a joint service operating under approved Agreement 7918), covers a through billing arrangement for cargo transported from Puerto Rico to France, Italy, North Africa, Spain and Portugal with transshipment at the port of New York, New York, under terms and conditions set forth in said agreement.

Dated: November 18, 1964.

By Order of the Federal Maritime Commission.

THOMAS LISI,
Secretary.

[F.R. Doc. 64-11979; Filed Nov. 23, 1964;
8:47 a.m.]

UNITED KINGDOM/U.S. GULF PORTS RATE AGREEMENT

Notice of Agreement Filed for Approval

Notice is hereby given that the following Agreements have been filed with the Commission for approval pursuant to section 15 of the Shipping Act, 1916, as amended (39 Stat. 733, 75 Stat. 763, 46 U.S.C. 814).

Interested parties may inspect and obtain a copy of the agreement(s) at the Washington office of the Federal Maritime Commission, 1321 H Street N.W., Room 301; or may inspect agreements at the offices of the District Managers, New York, N.Y., New Orleans, La., and San Francisco, Calif. Comments with reference to an agreement including a request for hearing, if desired, may be submitted to the Secretary, Federal Maritime Commission, Washington,

D.C., 20573, within 20 days after publication of this notice in the FEDERAL REGISTER. A copy of any such statement should also be forwarded to the party filing the agreement (as indicated hereinafter), and the comments should indicate that this has been done.

Notice of agreement filed for approval by:

North German Lloyd,
(Nordeutscher Lloyd),
Gustav-Deetjen-Allee 2/6
Bremen, Germany.

Agreement 8770-1, between the member lines of the United Kingdom/U.S. Gulf Ports Rate Agreement, operating in the trade from United Kingdom (England, Scotland, Wales, Northern Ireland, and the Republic of Ireland) ports to U.S. Gulf ports (Key West to Brownsville, inclusive), modifies the basic agreement by adding provisions for self-policing as required by the Commission's General Order 7 (46 CFR 528).

Dated: November 19, 1964.

By Order of the Federal Maritime Commission.

THOMAS LISI,
Secretary.

[F.R. Doc. 64-11980; Filed Nov. 23, 1964;
8:48 a.m.]

STATE OF HAWAII AND MATSON NAVIGATION CO.

Notice of Agreements Filed for Approval

Notice is hereby given that the following Agreements have been filed with the Commission for approval pursuant to section 15 of the Shipping Act, 1916, as amended (39 Stat. 733, 75 Stat. 763, 46 U.S.C. 814).

Interested parties may inspect and obtain a copy of the agreement(s) at the Washington office of the Federal Maritime Commission, 1321 H Street N.W., Room 301; or may inspect agreements at the offices of the District Managers, New York, N.Y., New Orleans, La., and San Francisco, Calif. Comments with reference to an agreement including a request for hearing, if desired, may be submitted to the Secretary, Federal Maritime Commission, Washington, D.C., 20573, by December 7, 1964. A copy of any such statement should also be forwarded to the party filing the agreement (as indicated hereinafter), and the comments should indicate that this has been done.

Notice of agreement filed for approval by:

Matson Navigation Company,
215 Market Street,
San Francisco 5, Calif.

Agreement No. 8445-3, between State of Hawaii (Hawaii), and Matson Navigation Company (Matson), modifies the basic agreement which provides for the installation and operation of a container freight handling facility at Diamond Head Terminal, Pier 2, Honolulu, Hawaii. The modification provides for increased shore facilities, including a new control tower and office, a new control freight

station and additional operating area at the container facility in Honolulu. Under its terms the modification will (1) revoke Part III, "Container Freight Station" of the basic agreement, so as to return container freight Stations 1 and 2 and certain adjacent land area to complete control of Hawaii; (2) grant to Matson a right of entry to permit Matson to build a new control tower and office for the expanded container operation; and (3) grant Matson a revocable permit to utilize container freight Stations 1 and 2 at rentals set forth in the modification. Subsequent to the granting of the revocable permit the parties agree to enter into an operational and management agreement whereby Matson will manage and control the Diamond Head Terminal complex reserving unto Hawaii the right at all times to amend, modify, overrule and substitute any rules, regulations and/or decisions made by Matson pursuant to the agreement. Hawaii retains the right to assign the berthing of all ships entering Honolulu harbor, including those of Matson. Hawaii will issue an invitation to bid on a lease of the container complex, including a third container freight station to be built. When the proposed lease becomes effective, Agreement No. 8445 as amended will terminate and Matson's equity in the new construction will be protected if the lease is awarded to another carrier.

Dated: November 20, 1964.

By order of the Federal Maritime Commission.

THOMAS LISI,
Secretary.

[F.R. Doc. 64-12051; Filed, Nov. 23, 1964;
8:50 a.m.]

FEDERAL POWER COMMISSION

[Docket No. RI65-298]

CITIES SERVICE OIL CO. ET AL.

Order Providing for Hearing on and Suspension of Proposed Change in Rate, and Allowing Rate Change To Become Effective Subject to Refund

NOVEMBER 12, 1964.

Respondent named herein has filed a proposed change in rate and charge of a currently effective rate schedule for the sale of natural gas under Commission jurisdiction, as set forth in Appendix A below.

The proposed changed rate and charge may be unjust, unreasonable, unduly discriminatory, or preferential, or otherwise unlawful.

The Commission finds: It is in the public interest and consistent with the Natural Gas Act that the Commission enter upon a hearing regarding the lawfulness of the proposed change, and that the supplement herein be suspended and its use be deferred as ordered below.

The Commission orders: (A) Under the Natural Gas Act, particularly sections 4 and 15, the regulations pertaining thereto (18 CFR Ch. I), and the Commission's rules of practice and pro-

cedure, a public hearing shall be held concerning the lawfulness of the proposed change.

(B) Pending hearing and decision thereon, the rate supplement herein is suspended and its use deferred until date shown in the "Date Suspended Until" column, and thereafter until made effective as prescribed by the Natural Gas Act: *Provided, however*, That the supplement to the rate schedule filed by Respondent shall become effective subject to refund on the date and in the manner herein prescribed if within 20 days from the date of the issuance of this order Respondent shall execute and file

under its above-designated docket number with the Secretary of the Commission its agreement and undertaking to comply with the refunding and reporting procedure required by the Natural Gas Act and § 154.102 of the regulations thereunder, accompanied by a certificate showing service of a copy thereof upon the purchaser under the rate schedule involved. Unless Respondent is advised to the contrary within 15 days after the filing of its agreement and undertaking, such agreement and undertaking shall be deemed to have been accepted.

(C) Until otherwise ordered by the Commission, neither the suspended sup-

plement, nor the rate schedule sought to be altered, shall be changed until disposition of this proceeding or expiration of the suspension period.

(D) Notices of intervention or petitions to intervene may be filed with the Federal Power Commission, Washington, D.C., 20426, in accordance with the rules of practice and procedure (18 CFR 1.8 and 1.37(f)) on or before December 30, 1964.

By the Commission.

[SEAL]

JOSEPH H. GUTRIDE,
Secretary.

APPENDIX A

Docket No.	Respondent	Rate sched. No.	Supplement No.	Purchaser and producing area	Amount of annual increase	Date filing tendered	Effective date unless suspended	Date suspended until—	Cents per Mcf		Rate in effect subject to refund in docket Nos.
									Rate in effect	Proposed increased rate	
RI65-298...	Cities Service Oil Co. (Operator), et al. Cities Service Building, Bartlesville, Okla.	107	18	Phillips Petroleum Co. (Hugoton Field, Sherman ² County, Tex.) (R.R. Dist. No. 10).	\$1,569,488	12-5-64	³ 1-1-65	⁴ 1-2-65	^{9 10 11} 4.2813	^{6 6 7 8} 11.0	

¹ Includes letter agreement dated June 16, 1964, which provides for 11.0 cents per Mcf rate and eliminates indefinite pricing provisions under basic contract and also provides for 0.5 cent per Mcf deduction for sour gas.

² Phillips presently resells 50 percent of the subject gas to Michigan-Wisconsin Pipe Line Co. under its FPC Gas Rate Schedule No. 4 (Sherman Plant) at a rate of 14.21459 cents, which is subject to refund in Docket No. RI60-349, and 36 percent of the gas to El Paso Natural Gas Co. under its FPC Gas Rate Schedule No. 32 at a rate of 19.76325 cents per Mcf subject to refund in Docket No. G-20403. Fourteen percent of the gas is used by Phillips at its Cactus Plant, Moore County, Tex.

³ The stated effective date is the effective date requested by Respondent.

Cities Service Oil Co. (Operator), et al. (Cities Service), proposes a renegotiated rate increase from 4.2813 cents per Mcf, inclusive of tax reimbursement, to a total rate of 11.0 cents per Mcf at 14.65 p.s.i.a. for wellhead sales of gas to Phillips Petroleum Co. (Phillips) under Cities Service's FPC Gas Rate Schedule No. 107 from acreage located in Sherman County, Tex. (Railroad District No. 10). Phillips gathers and processes the gas through its Texas Panhandle System. Phillips resells approximately 50 percent of the subject gas to Michigan-Wisconsin Pipe Line Co. from its Sherman Plant (Sherman County) under its FPC Gas Rate Schedule No. 4 at a rate of 14.21459 cents per Mcf which is in effect subject to refund in Docket No. RI60-349, and 36 percent to El Paso Natural Gas Co. from its Dumas Plant (Moore County, Tex.) under its FPC Gas Rate Schedule No. 32 at a rate of 19.76325 cents per Mcf which is in effect subject to refund in Docket No. G-20403. The remainder of the gas is used by Phillips at its Cactus Plant in Moore County, Tex.

Although Cities Service's proposed 11.0 cents per Mcf rate does not exceed the applicable ceiling price for increased rates, the ceiling rate is considered applicable at the tailgate of the Sherman and Dumas Plants and not at the wellhead since the gas is gathered and processed through the plant before delivery and sale at the plant tailgates. Accordingly, Cities Service's proposed increased rate, though not in excess of the increased ceiling price for pipeline quality gas for Texas Railroad District No. 10 as set forth in the Commission's Statement of General Policy No. 61-1, as amended (18 CFR, Chapter I, Part 2, Section 2.56), should be suspended for one day from November 1, 1965, the proposed effective date, because the sale related thereto is considered to be for non-pipeline quality gas.

[F.R. Doc. 64-11871; Filed, Nov. 23, 1964; 8:45 a.m.]

⁴ The suspension period is limited to one day.

⁵ Renegotiated rate increase.

⁶ Pressure base is 14.65 p.s.i.a.

⁷ Subject to 0.5 cent per Mcf deduction for sour gas.

⁸ Does not include tax reimbursement which is contractually authorized but is not being filed for herein.

⁹ Subject to 0.3573 cent per Mcf deduction for sour gas.

¹⁰ Settlement rate pursuant to the Commission's order issued Dec. 26, 1962, in Docket Nos. G-9510, et al.

¹¹ Includes tax reimbursement.

[Docket No. G-3895 etc.]

GENERAL AMERICAN OIL COMPANY OF TEXAS ET AL.

Findings and Order

NOVEMBER 13, 1964.

General American Oil Co. of Texas and other applicants listed herein, Docket Nos. G-3895, et al.

Findings and order after statutory hearing issuing certificates of public convenience and necessity, amending certificates, permitting and approving abandonment of service, terminating certificates, substituting respondent, making successor in interest co-respondent, redesignating proceedings, requiring filing of surety bond, accepting agreement and undertaking and accepting related rate schedules and supplements for filing.

Each of the Applicants listed herein has filed an application pursuant to section 7 of the Natural Gas Act for a certificate of public convenience and necessity authorizing the sale and delivery of natural gas in interstate commerce, for permission and approval to abandon service, or a petition to amend an existing certificate authorization, all as more fully described in the respective applications and petitions (and any supplements or amendments thereto) which are on file with the Commission.

The Applicants herein have filed related FPC Gas Rate Schedules and propose to initiate or abandon, add or delete natural gas service in interstate commerce as indicated by the tabulation herein. All sales certificated herein are either equal to or below the ceiling prices

established by the Commission's Statement of Policy 61-1, as amended, or involve sales for which permanent certificates have been previously issued.

Hellena Fox Wright Rogers, et al., Applicant in Docket No. G-8727, proposes to continue the sale of natural gas authorized in said docket pursuant to a contract heretofore designated as J. K. Wright, Jr., FPC Gas Rate Schedule No. 2. The presently effective rate under said rate schedule is in effect subject to refund in Docket No. G-20183. Applicant requests to be substituted as respondent in said proceeding. Accordingly, Hellena Fox Wright Rogers, et al., will be substituted in lieu of J. K. Wright, Jr., as respondent in the proceeding pending in Docket No. G-20183; said proceeding will be redesignated; and Hellena Fox Wright Rogers, et al., will be required to file a surety bond to assure the refund of any amounts collected in excess of the amount determined to be just and reasonable in said proceeding.

Amerada Petroleum Corp., Applicant in Docket No. CI65-235, proposes to continue in part the sale initiated by Humble Oil & Refining Co. (Operator), et al., which was authorized in Docket No. G-5145. Applicant proposes to sell natural gas pursuant to a contract dated November 3, 1952, as supplemented and amended, which has heretofore been designated as Humble Oil & Refining Co. (Operator), et al., FPC Gas Rate Schedule No. 5, and which will also be designated as FPC Gas Rate Schedule No. 124 of Applicant. The rate proposed to be collected by Applicant under said contract is in effect subject to refund in

Docket No. RI61-380, and increased rates have also been suspended and collected subject to refund in Docket Nos. G-16415 and RI60-443 for prior locked-in periods. In addition, Humble Oil & Refining Co. (Operator), et al., has filed for a proposed increased rate and such rate has been suspended by the Commission in Docket No. RI65-11, but has not been made effective subject to refund. Applicant has filed a motion in all of said dockets to be made co-respondent therein, and has filed an agreement and undertaking to assure the refund of any amounts collected by it in excess of the amount determined to be just and reasonable in Docket Nos. G-16415, RI60-443 and RI61-380, for the period subsequent to May 31, 1964, with regard to Amerada's FPC Gas Rate Schedule No. 124. However, since Applicant's agreement and undertaking provides for refunding of excess rates collected subsequent to May 31, 1964, only, it will be necessary to make Applicant co-respondent in Docket Nos. G-16415 and RI60-443, since potential liability for refunds in these dockets was fixed prior to May 31, 1964. Accordingly, Applicant will be made co-respondent in the rate proceedings pending in Docket Nos. RI60-380 and RI65-11¹; said proceedings will be redesignated; and the agreement and undertaking submitted by Applicant in Docket No. RI61-380 will be accepted for filing.

After due notice a petition to intervene by Long Island Lighting Company was filed in Docket No. G-8727, in the matter of the application filed August 23, 1963, in said docket. The petition to intervene has been withdrawn, and no other petitions to intervene, notices of intervention, or protests to the granting of any of the applications in this order have been received.

At a hearing held on November 10, 1964, the Commission on its own motion received and made a part of the record in these proceedings all evidence, including the applications, amendments and exhibits thereto, submitted in support of the respective authorizations sought herein, and upon consideration of the record,

The Commission finds:

(1) Each Applicant herein is a "natural-gas company" within the meaning of the Natural Gas Act as heretofore found by the Commission or will be engaged in the sale of natural gas in interstate commerce for resale for ultimate public consumption, subject to the jurisdiction of the Commission, and will, therefore, be a "natural-gas company" within the meaning of said Act upon the commencement of the service under the respective authorizations granted hereinafter.

(2) The sales of natural gas hereinbefore described, as more fully described in the respective applications, amendments and/or supplements herein, will be made in interstate commerce, subject

to the jurisdiction of the Commission, and such sales by the respective Applicants, together with the construction and operation of any facilities subject to the jurisdiction of the Commission necessary therefor, are subject to the requirements of subsections (c) and (e) of section 7 of the Natural Gas Act.

(3) The sales of natural gas by the respective Applicants, together with the construction and operation of any facilities subject to the jurisdiction of the Commission necessary therefor, are required by the public convenience and necessity and certificates therefor should be issued as hereinafter ordered and conditioned.

(4) The respective Applicants are able and willing properly to do the acts and to perform the services proposed and to conform to the provisions of the Natural Gas Act and the requirements, rules and regulations of the Commission thereunder.

(5) It is necessary and appropriate in carrying out the provisions of the Natural Gas Act and the public convenience and necessity require that the certificate authorizations heretofore issued by the Commission in Docket Nos. G-3895, G-5145, G-8727, G-18710, G-20179, CI61-524, CI61-691, CI63-215, CI63-303, CI63-501, CI64-1524, and CI65-8 should be amended as hereinafter ordered.

(6) The sales of natural gas proposed to be abandoned by the respective Applicants, as hereinbefore described, all as more fully described in the tabulation herein, and in the respective applications, are subject to the requirements of subsection (b) of section 7 of the Natural Gas Act, and such abandonments should be permitted and approved as hereinafter ordered.

(7) The certificates of public convenience and necessity heretofore issued to the Applicants herein, relating to the several abandonments hereinafter permitted and approved should be terminated.

(8) It is necessary and appropriate in carrying out the provisions of the Natural Gas Act that Hellena Fox Wright Rogers, et al., should be substituted in lieu of J. K. Wright, Jr., as respondent in the proceeding pending in Docket No. G-20183; that said proceeding should be redesignated accordingly; and that Hellena Fox Wright Rogers, et al., should be required to file a surety bond in the amount of \$3,200 to assure the refund of any amounts collected, together with interest at the rate of seven percent per annum, in excess of the amount determined to be just and reasonable in Docket No. G-20183.

(9) It is necessary and appropriate in carrying out the provisions of the Natural Gas Act that Amerada Petroleum Corp. should be made co-respondent in the proceedings pending in Docket Nos. RI61-380 and RI65-11; that said proceedings should be redesignated accordingly; and that the agreement and undertaking submitted by Amerada Petroleum Corp. in Docket No. RI61-380 to assure refund of any amounts collected subsequent to May 31, 1964, under Amerada's FPC Gas Rate Schedule No. 124 in excess of the amount determined to be just and rea-

sonable in said proceeding should be accepted for filing.

(10) The respective related rate schedules and supplements as designated or redesignated in the tabulation herein, should be accepted for filing as hereinafter ordered.

The Commission orders:

(A) Certificates of public convenience and necessity be and the same are hereby issued, upon the terms and conditions of this order, authorizing the sales by the respective Applicants herein of natural gas in interstate commerce for resale, together with the construction and operation of any facilities subject to the jurisdiction of the Commission necessary for such sales, all as hereinbefore described and as more fully described in the respective applications, amendments, supplements and exhibit in this consolidated proceeding.

(B) The certificates granted in paragraph (A) above are not transferable and shall be effective only so long as Applicants continue the acts or operations hereby authorized in accordance with the provisions of the Natural Gas Act and the applicable rules, regulations and orders of the Commission.

(C) The grant of the certificates issued in paragraph (A) above shall not be construed as a waiver of the requirements of section 4 of the Natural Gas Act or of Part 154 or Part 157 of the Commission's regulations thereunder, and is without prejudice to any findings or orders which have been or may hereafter be made by the Commission in any proceeding now pending or hereafter instituted by or against the respective Applicants. Further, our action in this proceeding shall not foreclose nor prejudice any future proceedings or objections relating to the operation of any price or related provisions in the gas purchase contracts herein involved. Nor shall the grant of the certificates aforesaid for service to the particular customers involved imply approval of all of the terms of the respective contracts, particularly as to the cessation of service upon termination of said contracts, as provided by section 7(b) of the Natural Gas Act. Nor shall the grant of the certificates aforesaid be construed to preclude the imposition of any sanctions pursuant to the provisions of the Natural Gas Act for the unauthorized commencement of any sales of natural gas subject to said certificates.

(D) The certificate authorizations heretofore granted to the respective Applicants in Docket Nos. G-3895, G-5145, G-20179, CI61-691, CI63-215, CI63-303, CI63-501, CI64-1524 and CI65-8 are hereby amended by adding thereto and deleting therefrom authorization to sell natural gas to the same purchasers and in the same areas as covered by the original authorizations, pursuant to the rate schedule supplements as indicated in the tabulation herein.

(E) The certificate heretofore issued in Docket No. CI61-524 is hereby amended to include the interest of the non-operator and such authorization is conditioned as provided in the Commission's Opinion No. 353, issued March 7, 1962, in Docket Nos. CP61-102, et al.

¹ Applicant is made a co-respondent in such proceeding only insofar as its sales pertain to the contract herein designated Amerada Petroleum Corporation FPC Gas Rate Schedule No. 124.

(F) The certificates heretofore issued in Docket Nos. G-8727 and G-18710 are hereby amended by changing the certificate holders to the successors in interest as set forth in the tabulation herein.

(G) Permission for and approval of the abandonment of service by the respective Applicants, as hereinbefore described and as more fully described in the respective applications herein, are hereby granted.

(H) The certificates heretofore issued in Docket Nos. G-5612, G-18584, CI60-799, CI61-105, CI61-1278, CI63-519 and CI63-1244 are hereby terminated.

(I) Hellena Fox Wright Rogers, et al., be and are hereby substituted in lieu of J. K. Wright, Jr., as respondent in the proceeding pending in Docket No. G-20183, and said proceeding is redesignated accordingly.

(J) Within 30 days from the issuance of this order, Hellena Fox Wright Rogers, et al., shall execute, in the form set out below,² and shall file with the Secretary of the Commission, a surety bond in the amount of \$3,200 to assure refund of any amount, together with interest at the rate of seven percent per annum, collected in excess of the amount determined to be just and reasonable in Docket No. G-20183. Unless notified to the contrary by the Secretary of the Commission within 30 days from the date of submission, such surety bond shall be deemed to have been accepted for filing.

(K) Hellena Fox Wright Rogers, et al., shall comply with the refunding and reporting procedure required by the Natural Gas Act and § 154.102 of the regulations thereunder, and the surety bond filed in Docket No. G-20183 shall remain in full force and effect until discharged by the Commission.

(L) Amerada Petroleum Corp. be and it is hereby made correspondent in the proceedings pending in Docket Nos. RI61-380 and RI65-11, insofar as said proceedings pertain to sales made pursuant to the contract herein designated as its FPC Gas Rate Schedule No. 124, and said proceedings are redesignated accordingly.³

(M) The agreement and undertaking submitted by Amerada Petroleum Corp. in Docket No. RI-61-380 to assure refund of any amounts collected by it pursuant to its FPC Gas Rate Schedule No. 124 subsequent to May 31, 1964, in excess of the amount determined to be just and reasonable in said proceeding be and the same is hereby accepted for filing.

(N) Amerada Petroleum Corp. shall comply with the refunding and reporting procedure required by the Natural Gas Act and § 154.102 of the regulations thereunder, and the agreement and undertaking filed in Docket No. RI61-380 by Amerada Petroleum Corp. shall re-

main in full force and effect until discharged by the Commission.

(O) The related rate filings and supplements as indicated in the tabulation herein, are hereby accepted for filing; further, the rate schedules relating to the successions herein, are hereby redesignated and accepted, subject to the applicable Commission regulations under the Natural Gas Act to be effective on the dates indicated in the tabulation herein.

By the Commission.

[SEAL]

JOSEPH H. GUTRIDE,
Secretary.

Docket No. and date filed	Applicant	Purchaser, field, and location	FPC rate schedule to be accepted		
			Description and date of document	No.	Supp.
G-3895 D 9-14-64	General American Oil Co. of Texas (partial abandonment).	The Shamrock Oil and Gas Corp., acreage in Hutchinson County, Tex.	Notice of cancellation 10-29-63. ¹²	22	2
G-5145 D 8-19-64	Humble Oil & Refining Co. (Operator), et al.	El Paso Natural Gas Co., Spraberry Field, Reagan County, Tex.	Assignment 5-26-64. ³ Effective date: 6-1-64.	5	48
G-8727 E 8-23-63	Hellena Fox Wright Rogers, et al. (successor to J. K. Wright, Jr.).	United Gas Pipe Line Co. Maxie-Pistol Ridge Area, Forrest, Lamar, and Pearl River Counties, Miss.	J. K. Wright, Jr., FPC GRS No. 2. Supplement No. 1. Notice of succession 8-19-63. Court order 12-31-62. Effective date: 3-4-59.	1	1
G-18710 E 9-21-64	Tidewater Oil Co. (successor to Robert B. Prentice, et al.).	United Gas Pipe Line Co. Hollywood Field, Terrebonne Parish, La.	Robert B. Prentice, et al., FPC GRS No. 2. Supplement Nos. 1-3. Notice of succession 9-15-64. Assignment 4-1-64. ⁴ Assignment 4-1-64. ⁵ Effective date: 4-1-64.	137	1-3
G-20179 D 9-25-64	Anadarko Production Co. (Partial abandonment).	Colorado Interstate Gas Co., Keyes Field, Texas County, Okla.	Notice of partial cancellation 9-21-64. ¹²	137	4
CI61-524 9-24-64 ⁶	Shell Oil Co. (Operator), et al. ⁷	Michigan Wisconsin Pipe Line Co., Woodward Area, Major County, Okla.	Assignment 4-1-64. ⁸ Effective date: 4-1-64.	137	5
CI61-691 D 6-18-64	Sinclair Oil & Gas Co. (Operator), et al.	Michigan Wisconsin Pipe Line Co., Putnam Area, Dewey County, Okla.	Ratification 4-8-64. ⁸	13	3
CI63-215 C 9-24-64	The Pure Oil Co.	Arkansas Louisiana Gas Co., Arpeler Field, Pittsburg County, Okla.	Assignment 1-7-64. ^{2,3}	268	22
CI63-303 C 9-2-64	E. L. Fundingsland.	El Paso Natural Gas Co., acreage in San Juan County, N. Mex.	Amendment 8-6-64. ⁸	204	21
CI63-501 C 9-23-64	Humble Oil & Refining Co.	Arkansas Louisiana Gas Co., Scottsville Field, Harrison County, Tex.	Supplemental agreement 8-22-64. Letter agreement 10-7-64. ¹⁰	78	2
CI64-1165 A 4-3-64	Mary L. Windom d.b.a. Windom & Sons Oil & Gas Co.	Arkansas Louisiana Gas Co., Scottsville Field, Harrison County, Tex.	Supplemental agreement 8-17-64. ⁸ Contract 3-5-64. ⁸	1	2
CI64-1524 C 9-25-64	Cecil Meadows, et al. d.b.a. M & M Drilling.	Hope Natural Gas Co., Washington District, Calhoun County, W. Va.	Letter Agreement 7-16-64. ⁹	315	2
CI65-8 C 9-28-64	Skelly Oil Co.	Northern Natural Gas Co., Acreage in Beaver County, Okla.	Supplemental agreement 8-3-64. ⁸	315	3
CI65-210 A 9-8-64	Humble Oil & Refining Co.	Colorado Interstate Gas Co., Patrick Draw Field, Sweetwater County, Wyo.	Contract 3-5-64. ⁸	1	1
CI65-218 A 9-8-64 9-30-64 ¹¹	Penrose Production Co., et al. (successor to Mapenza Oil Co.). ¹²	El Paso Natural Gas Co., Eumont Field, Lea County, N. Mex.	Supplemental agreement 4-1-57. Supplemental agreement 4-8-57. Supplemental agreement 9-10-63. Assignment 11-13-58. ¹³ Assignment 11-13-58. ¹³ Effective date: 10-1-58.	6 6 6 6	6 1 2 3 4 5
CI65-234 A 9-11-64	The California Co., a Division of California Oil Co.	Tennessee Gas Transmission Co., Bay La Fleur Field, Terrebonne Parish, La.	Contract 7-17-64 (filed as Exhibit to application). ⁸	124	1
A CI65-235 (G-5145) F 9-14-64	Amerada Petroleum Corp. (successor to Humble Oil & Refining Co.).	El Paso Natural Gas Co., Spraberry Field, Reagan County, Tex.	Contract 11-3-52. Letter agreement 2-27-53. Letter agreement 9-21-55. Supplemental agreement 9-22-60. Supplemental agreement 1-1-61. Assignment 5-26-64. ¹⁵ Effective date: 6-1-64.	124 124 124 124 124 124	1 2 3 4 5

Filing code: A—Initial service.
B—Abandonment.
C—Amendment to add acreage.
D—Amendment to delete acreage.
E—Succession.
F—Partial succession.

See footnotes at end of table.

² Form filed as part of original document.
³ Humble Oil & Refining Co. (Operator), et al. and Amerada Petroleum Corp.

Docket No. and date filed	Applicant	Purchaser, field, and location	FPC rate schedule to be accepted		Description and date of document	No.	Supp.
CI65-273 A 9-23-64	Phillips Petroleum Co., Operator.	El Paso Natural Gas Co., Wilson Plant, Eunice Field, Lea County, N. Mex.	406	---	Contract 8-31-64.	---	---
CI65-275 A 9-18-64	Alco Oil and Gas Corp.	Panhandle Eastern Pipe Line Co., Will Field, Edwards County, Kans.	4	1	Ratified 9-23-60 ¹⁰ Supplemental agreement 2-1-61.	---	---
			4	2	Contract 7-21-39 Supplemental agreement 3-11-60.	---	---
			4	3	Assignment 10-1-61 ¹⁷ Notice of cancellation 9-24-64. ¹⁸	---	---
CI65-278 (CI62-519) B 9-25-64	Petroleum Promotions, Inc.	Hope Natural Gas Co., New Milton District, Doddridge County, W. Va.	7	1	Notice of cancellation 9-24-64. ¹⁸	---	---
CI65-279 (CI61-1278) B 9-25-64	Olin B. Wetzel, agent for Boyer, Hall & Wetzel, et al.	Hope Natural Gas Co., Freeman Creek District, Lewis County, W. Va.	58	1	Notice of cancellation 9-24-64. ¹⁸	---	---
CI65-280 (CI63-1244) B 9-25-64	W. H. Mossor, et al. d.b.a. Means Oil & Gas Co.	Hope Natural Gas Co., Murphy District, Ritchie County, W. Va.	43	---	Contract 7-8-64.	---	---
CI65-281 A 9-25-64	Ferrell L. Prior d.b.a. Prior Oil Co.	Hope Natural Gas Co., Troy District, Gilmer County, W. Va.	16	3	Notice of cancellation 9-24-64. ¹⁸	---	---
CI65-282 (G-3612) B 9-25-64	George W. Miller, et al.	Hope Natural Gas Co., Hope Natural Gas Co., Freeman Creek District, Lewis County, W. Va.	6	1	Notice of cancellation 9-24-64. ¹⁸	---	---
CI65-283 (CI60-799) B 9-25-64	French Trimble, et al. d.b.a. Peel Tree Gas Co.	Hope Natural Gas Co., Hope Natural Gas Co., Freeman Creek District, Lewis County, W. Va.	8	---	Contract 7-7-64.	---	---
CI65-284 A 9-25-64	George W. Moses.	Hope Natural Gas Co., Hope Natural Gas Co., Freeman Creek District, Lewis County, W. Va.	3	---	Contract 7-16-64.	---	---
CI65-285 A 9-25-64	Petroleum Resources, Inc., et al.	Hope Natural Gas Co., Hope Natural Gas Co., Freeman Creek District, Lewis County, W. Va.	7	---	Contract 5-27-64.	---	---
CI65-286 A 9-25-64	Pioneer Petroleum, Inc., et al.	Hope Natural Gas Co., Hope Natural Gas Co., Freeman Creek District, Lewis County, W. Va.	5	---	Contract 1-7-64.	---	---
CI65-287 A 9-25-64	Delta Petroleum Co., et al.	Hope Natural Gas Co., Hope Natural Gas Co., Freeman Creek District, Lewis County, W. Va.	18	---	Contract 7-1-64.	---	---
CI65-288 A 9-25-64	Paul F. Starr, agent for E. G. Pence, et al.	Hope Natural Gas Co., Hope Natural Gas Co., Freeman Creek District, Lewis County, W. Va.	12	---	Contract 8-20-64. ¹⁹	---	---
CI65-289 A 9-25-64	Compass Exploration, Inc.	Hope Natural Gas Co., Hope Natural Gas Co., Freeman Creek District, Lewis County, W. Va.	5	---	Contract 6-15-64.	---	---
CI65-290 A 9-25-64	Creslenn Oil Co., Inc.	Hope Natural Gas Co., Hope Natural Gas Co., Freeman Creek District, Lewis County, W. Va.	1	---	Contract 7-8-64.	---	---
CI65-291 A 9-25-64	Blake Gas Co., et al.	Hope Natural Gas Co., Hope Natural Gas Co., Freeman Creek District, Lewis County, W. Va.	7	---	Contract 7-1-64.	---	---
CI65-292 A 9-25-64	Neal Rudder, et al.	Hope Natural Gas Co., Hope Natural Gas Co., Freeman Creek District, Lewis County, W. Va.	149	1	Notice of cancellation (undated). ¹³	---	---
CI65-294 (G-18584) B 9-28-64	Skelly Oil Co.	Panhandle Eastern Pipe Line Co., Will Field, Edwards County, Kans.	1	---	Contract 8-24-64.	---	---
CI65-295 A 9-28-64	Victor A. Vincent & Bert C. Modderman d.b.a. Vincent Distributing Co.	United Fuel Gas Co., Horn Unit, Martin County, Ky.	1	---	Contract 7-20-64.	---	---
CI65-296 A 9-28-64	Gibson-Bunting Drilling Company, Inc.	Carnegie Natural Gas Co., Union District, Ritchie County, W. Va.	8	---	Contract 7-23-64.	---	---
CI65-299 A 9-28-64	Neal Rudder, et al.	Hope Natural Gas Co., Hope Natural Gas Co., Freeman Creek District, Lewis County, W. Va.	---	---	---	---	---

See footnotes at end of table.

Docket No. and date filed	Applicant	Purchaser, field, and location	FPC rate schedule to be accepted		Description and date of document	No.	Supp.
CI65-301 A 9-28-64	Henry S. Inger.	Panhandle Eastern Pipe Line Co., Lerado Field, Reno County, Kans.	406	---	Contract 8-31-64.	---	---
			4	1	Ratified 9-23-60 ¹⁰ Supplemental agreement 2-1-61.	---	---
			4	2	Contract 7-21-39 Supplemental agreement 3-11-60.	---	---
			4	3	Assignment 10-1-61 ¹⁷ Notice of cancellation 9-24-64. ¹⁸	---	---
CI65-302 A 9-28-64	John Russ (Operator), et al.	Arkansas Louisiana Gas Co., Bethany Field, Panola County, Tex.	7	1	Notice of cancellation 9-24-64. ¹⁸	---	---
CI65-303 A 9-28-64	Allied Producing Co.	Hope Natural Gas Co., Sherman District, Boone County, W. Va.	43	---	Contract 7-8-64.	---	---
CI65-304 (CI61-105) B 9-29-64	Ferrell L. Prior, et al.	Hope Natural Gas Co., Court House District, Lewis County, W. Va.	16	3	Notice of cancellation 9-24-64. ¹⁸	---	---
CI65-305 A 9-29-64	Va Roy Hildreth, et al. d.b.a. Hildreth & Reed, et al.	Hope Natural Gas Co., Hope Natural Gas Co., Spencer District, Roane County, W. Va.	6	1	Notice of cancellation 9-24-64. ¹⁸	---	---
CI65-306 A 9-29-64	Glenn L. Haught, agent for Haddock Gas Co.	Hope Natural Gas Co., Hope Natural Gas Co., Spencer District, Roane County, W. Va.	8	---	Contract 7-7-64.	---	---
CI65-307 A 9-29-64	Neal Rudder, et al.	Hope Natural Gas Co., Hope Natural Gas Co., Spencer District, Roane County, W. Va.	3	---	Contract 7-16-64.	---	---
CI65-308 A 9-29-64	Allen Beard, et al.	Hope Natural Gas Co., Hope Natural Gas Co., Spencer District, Roane County, W. Va.	7	---	Contract 5-27-64.	---	---
CI65-310 A 9-30-64	Hays and Co., agent for Bileo, Inc., et al.	Hope Natural Gas Co., Hope Natural Gas Co., Spencer District, Roane County, W. Va.	5	---	Contract 1-7-64.	---	---
CI65-311 A 9-30-64	Gus Berry, et al. d.b.a. Gus Berry Oil Operator.	Hope Natural Gas Co., Hope Natural Gas Co., Spencer District, Roane County, W. Va.	18	---	Contract 7-1-64.	---	---
CI65-312 A 9-30-64	Morgan Henderson, et al. d.b.a. Dillie Gas Co.	Hope Natural Gas Co., Hope Natural Gas Co., Spencer District, Roane County, W. Va.	12	---	Contract 8-20-64. ¹⁹	---	---
CI65-313 A 9-30-64	L. E. Haught, agent for Haught-Wright Oil & Gas Co.	Hope Natural Gas Co., Hope Natural Gas Co., Spencer District, Roane County, W. Va.	5	---	Contract 6-15-64.	---	---
CI65-314 A 9-30-64	Creslenn Oil Co., Inc.	Hope Natural Gas Co., Hope Natural Gas Co., Spencer District, Roane County, W. Va.	1	---	Contract 7-8-64.	---	---
CI65-315 A 9-30-64	Sydney Spoforth d.b.a. Sydney Spoforth Oil.	Hope Natural Gas Co., Hope Natural Gas Co., Spencer District, Roane County, W. Va.	7	---	Contract 7-1-64.	---	---
CI65-316 A 9-30-64	Mokey Oil Co. (Operator), agent for Kenol Corp.	Panhandle Eastern Pipe Line Co., Will Field, Edwards County, Kans.	149	1	Notice of cancellation (undated). ¹³	---	---
CI65-317 A 9-30-64	Jack W. Grigsby (Operator), et al.	United Fuel Gas Co., Horn Unit, Martin County, Ky.	1	---	Contract 8-24-64.	---	---
CI65-320 A 10-1-64	Oklahoma Natural Gas Co.	Carnegie Natural Gas Co., Union District, Ritchie County, W. Va.	8	---	Contract 7-23-64.	---	---

See footnotes at end of table.

- 1 Source of gas depleted.
 2 Effective date: Date of this order.
 3 Deleters acreage assigned to Amerada Petroleum Corp., FPC GRS No. 124 in Docket No. CI65-235.
 4 Assignment from Robert B. Prentice to Tidewater.
 5 Assignment from Diversa, Inc., which includes acreage acquired from the Murmanill Corp. to Tidewater.
 6 Amendment to the certificate to add interest of nonoperator.
 7 Applicant agreed to accept certificate authorization conditioned as in Opinion No. 353.
 8 Effective date: Date of initial delivery.
 9 Assigned acreage from Sinclair to Continental Oil Co., Continental has filed for certificate authorization of subject acreage in Docket No. CI65-264.
 10 Amends contract by making indefinite pricing provisions inapplicable insofar as they pertain to acreage covered by Supplement No. 2.
 11 Amendment filed to the application to reflect an initial rate of 9.5 cents instead of contract rate of 11.5 cents.
 12 Predecessor did not make certificate or rate schedule filing.
 13 From R. Makin, et al. (partners in Mapenza Oil Co.) to Island Oil Co. (now Penrose Production Co.) and J. M. Zachary.
 14 Applicant has not yet made a rate schedule filing.
 15 Assigns acreage from Humble Oil & Refining Co. (previously covered by Humble's FPC GRS No. 5).
 16 Between Artnell Co., and Panhandle; ratifies basic contract between Sunray Mid-Continent Oil Co. (now Sunray DX Oil Co.) and Panhandle.
 17 Assignment from predecessor (Artnell Co.) which did not make certificate filings for subject acreage.
 18 Production of gas no longer economically feasible.
 19 Applicable only to production from the Mesaverde Formation.
 20 Contract between Messman-Rinehart Oil Co., et al. and Panhandle.
 21 Agreement by which Applicant's predecessors dedicated additional acreage, including acreage acquired by Applicant. Predecessors have not filed to cover such acreage as yet.
 22 Edwin G. Bradley and Messman-Rinehart Oil Co., convey their interests in Clough Lease to Inger; 25 percent covered by RS No. 6, 75 percent covered by RS No. 7.
 23 Edwin G. Bradley and Messman-Rinehart Oil Co., convey their interests in Fountain Lease to Inger; 25 percent covered by RS No. 6, 75 percent covered by RS No. 7.
 24 Restatement of Applicant's committed acreage (ratification).
 25 Contract between Edwin G. Bradley and Panhandle.
 26 Ratification and dedication by Applicant of additional acreage.
 27 Ratifies contract between Humble Oil & Refining Co., and ArkansasLouisiana Gas Co.

[F.R. Doc. 64-11872; Filed, Nov. 23, 1964; 8:45 a.m.]

[Docket No. RI65-294 etc.]

PAN AMERICAN PETROLEUM CORP. ET AL.

Order Providing for Hearings on and Suspension of Proposed Changes in Rates¹

Pan American Petroleum Corp. and other Respondents listed herein, Docket Nos. RI65-294, et al.

NOVEMBER 13, 1964.

The Respondents named herein have filed proposed increased rates and charges of currently effective rate schedules for sales of natural gas under Commission jurisdiction, as set forth in Appendix A hereof.

The proposed changed rates and charges may be unjust, unreasonable, unduly discriminatory, or preferential, or otherwise unlawful.

The Commission finds: It is in the public interest and consistent with the Natural Gas Act that the Commission enter upon hearings regarding the lawfulness of the proposed changes, and that the supplements herein be suspended and their use be deferred as ordered below.

The Commission orders: (A) Under the Natural Gas Act, particularly sections 4 and 15, the regulations pertaining thereto (18 CFR Ch. I), and the Commission's rules of practice and procedure, public hearings shall be held concerning the lawfulness of the proposed changes.

(B) Pending hearings and decisions thereon, the rate supplements herein are suspended and their use deferred until date shown in the "Date Suspended Until" column, and thereafter until made effective as prescribed by the Natural Gas Act.

(C) Until otherwise ordered by the Commission, neither the suspended supplements, nor the rate schedules sought to be altered, shall be changed until disposition of these proceedings or expiration of the suspension period.

(D) Notices of intervention or petitions to intervene may be filed with the Federal Power Commission, Washington, D.C., 20426, in accordance with the rules of practice and procedure (18 CFR 1.8 and 1.37(f)) on or before December 30, 1964.

By the Commission.

[SEAL]

JOSEPH H. GUTRIDE,
Secretary.

APPENDIX A

Docket No.	Respondent	Rate schedule No.	Supplement No.	Purchaser and producing area	Amount of annual increase	Date filing tendered	Effective date unless suspended	Date suspended until	Cent per Mcf		Rate in effect subject to refund in docket Nos.
									Rate in effect	Proposed increased rate	
RI65-294...	Pan American Petroleum Corp., Post Office Box 1410, Fort Worth, Tex., 76101. Attn: Mr. J. K. Smith.	318	8	West Lake Natural Gasoline Co. ² (Lake Tammell and Nena Lucia Fields, Nolan County, Tex.) (R.R. District No. 7-B).	\$2,725	10-15-64	³ 1-1-65	⁴ 1-2-65	8.5	⁵ 9.0	
	Pan American Petroleum Corp.	272	8	Texas Eastern Transmission Corp. (Carthage Field, Harrison, Gregg, and Rusk Counties, Tex.) (R.R. District No. 6).	78	10-16-64	⁷ 11-16-64	4-16-65	⁹ 15.0	⁶ 15.8	RI61-151
	-----do-----	308	2	H. L. Hunt (N. Lansing Field, Harrison County, Tex.) (R.R. District No. 6).	114	10-16-64	⁷ 11-16-64	4-16-65	¹⁰ 14.5	⁶ 15.3	RI61-491
RI65-295...	Harper Oil Co. (Operator), et al., 904 Hightower Building, Oklahoma City, Okla., 73102.	32	3	Arkansas Louisiana Gas Co. (North Drummond Area, Garfield and Major Counties, Okla.) (Oklahoma "Other" Area).	5,480	10-15-64	⁷ 11-15-64	4-15-65	15.0	⁶ 16.8	
RI65-296...	Edwin L. Cox, 2100 Adolphus Tower, Dallas, Tex., 75202.	20	9	Kansas-Nebraska Natural Gas Co., Inc. (LaMaster Unit, Texas County, Okla.) (Panhandle Area).	14	10-15-64	¹⁴ 12-1-64	5-1-65	¹² 17.4	⁶ 17.6	RI64-246
RI65-297...	Pan American Petroleum Corp. (Operator), et al., Post Office Box 591, Tulsa, Okla., 74102.	283	8	Texas Eastern Transmission Corp. (Willow Springs Field, Gregg County, Tex.) (R.R. District No. 6).	331	10-15-64	⁷ 11-15-64	4-15-65	15.6	⁶ 15.8	RI64-223

² For resale to El Paso Natural Gas Co., under West Lake Natural Gas Co. (Operator), et al.'s FPC Gas Rate Schedule No. 1.

³ End of the suspension period for West Lake's increased related rate in Docket No. RI65-29.

⁴ The suspension period is limited to one day.

⁵ Revenue-sharing rate increase.

⁶ Pressure base is 14.65 p.s.i.a.

⁷ The stated effective date is the first day after expiration of the required statutory notice.

⁸ Four-step periodic rate increase.

⁹ Rate increase from 15.0 cents to 15.2 cents per Mcf (Supplement No. 7), presently suspended in Docket No. RI62-130 but not made effective.

¹⁰ Includes 0.75 cent per Mcf deducted by buyer for compression (omitted by seller in previous filings).

¹¹ Contract provisions provide that contract price will increase 1.8 cents per Mcf in the event gas reserves made available to purchaser exceed 10 billion cubic feet.

¹² Periodic rate increase.

¹³ Subject to downward B.t.u. adjustment.

¹⁴ The stated effective date is the effective date requested by Respondent.

¹⁵ Rate increase from 14.5 cents to 14.7 cents (Supplement No. 1), presently suspended in Docket No. RI62-121 but not made effective.

¹ Does not consolidate for hearing or dispose of the several matters herein.

Pan American Petroleum Corp. (Pan American) requests an effective date of November 1, 1964, for its proposed rate increases contained in Supplements Nos. 8 and 2 to its FPC Gas Rate Schedules Nos. 272 and 308, respectively. Pan American Petroleum Corp. (Operator), *et al.*, request an effective date of November 1, 1964, for their proposed rate increase. Harper Oil Co. (Operator), *et al.*, request that their proposed rate increase be permitted to be come effective "immediately". Good cause has not been shown for waiving the 30-day notice requirement provided in Section 4(d) of the Natural Gas Act to permit earlier effective dates for the aforementioned producers' rate filings and such requests are denied.

Pan American proposes a revenue-sharing increase (Supplement No. 8 to Pan American's FPC Gas Rate Schedule No. 318) for a sale to West Lake Natural Gasoline Co. (West Lake). West Lake, 50 percent of which is owned by El Paso Natural Gas Co. (El Paso), gathers and processes the gas and resells it to El Paso under its Rate Schedule No. 1 and pays its suppliers 50 percent of the amount it receives from El Paso. On July 1, 1964, West Lake filed a periodic increase from 17.0 cents to 18.0 cents per Mcf for its sale to El Paso, which was suspended for five months until January 1, 1965, in Docket No. RI65-29, because it exceeds the 11.5 cents per Mcf area ceiling for increased rates. Pan American's proposed rate increase is based upon West Lake's suspended 18.0 cents per Mcf rate. Although Pan American's proposed revenue-sharing rate increase is below the 11.5 cents per Mcf area ceiling as set forth in the Commission's Statement of General Policy No. 61-1, as amended, it is suspended until January 2, 1965, because of its relationship to West Lake's increased rate.

With the exception of Pan American's revenue-sharing rate increase contained in Supplement No. 8 to Pan American's FPC Gas Rate Schedule No. 318, all of the producers' proposed increased rates and charges exceed the applicable area price levels for increased

rates as set forth in the Commission's Statement of General Policy No. 61-1, as amended [18 CFR, Chapter I, Part 2, Section 2.56].

[F.R. Doc. 64-11873; Filed, Nov. 23, 1964; 8:45 a.m.]

[Docket No. RI65-299]

SHELL OIL CO.

Order Providing for Hearing on and Suspension of Proposed Change in Rate, and Allowing Rate Change To Become Effective Subject to Refund

NOVEMBER 17, 1964.

Respondent named herein has filed a proposed change in rate and charge of a currently effective rate schedule for the sale of natural gas under Commission jurisdiction, as set forth in Appendix A below.

The proposed changed rate and charge may be unjust, unreasonable, unduly discriminatory, or preferential, or otherwise unlawful.

The Commission finds: It is in the public interest and consistent with the Natural Gas Act that the Commission enter upon a hearing regarding the lawfulness of the proposed change, and that the supplement herein be suspended and its use be deferred as ordered below.

The Commission orders: (A) Under the Natural Gas Act, particularly sections 4 and 15, the regulations pertaining thereto (18 CFR Ch. I), and the Commission's rules of practice and procedure, a public hearing shall be held concerning the lawfulness of the proposed change.

(B) Pending hearing and decision thereon, the rate supplement herein is

suspended and its use deferred until date shown in the "Date Suspended Until" column, and thereafter until made effective as prescribed by the Natural Gas Act: *Provided, however*, That the supplement to the rate schedule filed by Respondent shall become effective subject to refund on the date and in the manner herein prescribed if within 20 days from the date of the issuance of this order Respondent shall execute and file under its above-designated docket number with the Secretary of the Commission its agreement and undertaking to comply with the refunding and reporting procedure required by the Natural Gas Act and § 154.102 of the regulations thereunder, accompanied by a certificate showing service of a copy thereof upon the purchaser under the rate schedule involved. Unless Respondent is advised to the contrary within 15 days after the filing of its agreement and undertaking, such agreement and undertaking shall be deemed to have been accepted.

(C) Until otherwise ordered by the Commission, neither the suspended supplement, nor the rate schedule sought to be altered, shall be changed until disposition of this proceeding or expiration of the suspension period.

(D) Notices of intervention or petitions to intervene may be filed with the Federal Power Commission, Washington, D.C., 20426, in accordance with the rules of practice and procedure (18 CFR 1.8 and 1.37(f)) on or before January 2, 1965.

By the Commission.

[SEAL]

JOSEPH H. GUTRIDE,
Secretary.

APPENDIX "A"

Docket No.	Respondent	Rate schedule No.	Supplement No.	Purchaser and producing area	Amount of annual increase	Date filing tendered	Effective date unless suspended	Date suspended until—	Cents per Mcf		Rate in effect subject to refund in docket Nos.
									Rate in effect	Proposed increased rate	
RI65-299...	Shell Oil Co. (Operator), 50 West 50th Street, New York 20, N.Y. Attn: Mr. F. C. Sweat.	* 283	3	Northern Natural Gas Co. (Tippett Field, Crockett County, Tex.) (R.R. District No. 7-C) (Permian Basin Area).	\$9,206	10-19-64	* 12-1-64	* 12-2-64	* 13.5789	* 14.5878	

¹ Contractually provided effective date.

² The suspension period is limited to one day.

³ Periodic rate increase.

⁴ Pressure base is 14.65 p.s.i.a.

⁵ Initial rate.

⁶ Contract executed after September 28, 1960.

The related contract filed by Shell Oil Company (Operator) (Shell) was executed subsequent to September 28, 1960, the date of issuance of the Commission's Statement of General Policy No. 61-1, as amended (CFR, Chapter I, Part 2, Section 2.56) and the proposed rate is above the applicable area ceiling for increased rates but does not exceed the applicable ceiling price for initial rates in the Permian Basin Area. We believe, in this situation, Shell's rate filing should be suspended for one day from December 1, 1964, the contractually provided effective date.

[F.R. Doc. 64-11957; Filed, Nov. 23, 1964; 8:46 a.m.]

[Project No. 2146]

ALABAMA POWER CO.

Notice of Applications for Amendment of License

NOVEMBER 17, 1964.

Public notice is hereby given that applications have been filed under the Federal Power Act (16 U.S.C. 791a-825r) by Alabama Power Co. (correspondence to: Walter Bouldin, President, 600 North 18th Street, Birmingham 2, Ala.) for

amendment of license for Project No. 2146, located on the Coosa River, in Cherokee, Etowah, Saint Clair, Calhoun, Talladega, Shelby, Coosa, Chilton, and Elmore Counties, Ala., and Floyd County, Ga.

One application requests amendment of Article 32 of the license to provide for selective clearing of the reservoirs in the unconstructed portions of the project, being the Lock 3 Development, the Jordan No. 2 Development and the enlargement of the existing Lay Dam and Reser-

voir. Licensee states that such selective clearing is necessary and desirable in order to promote and facilitate full development of the recreational potential of the reservoirs by providing fish and wildlife refuge and the preservation of such areas with proper demarcation from areas devoted to other recreational uses such as boating, skiing, and other water sports. The other application requests amendment of the license to provide for a new plan of redevelopment and enlargement of its existing Lay Dam and Reservoir. Licensee's new proposed plan provides for the replacement of the 6 existing units with 6 new 40,000 hp turbines each connected to a 29,500 kw generator and making the necessary modifications to the settings, draft tubes and scroll cases to accommodate the new units. This plan would be in lieu of the old plan which would leave the six existing units in place (81,000 kw), construct a new powerhouse addition with one 48,000 kw unit and provisions for an additional similar unit and other facilities. The replacement of the six existing units will not alter the existing plan to raise the dam and reservoir about 14 feet.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington, D.C., 20426, in accordance with the rules of practice and procedure of the Commission (18 CFR 1.8 or 1.10). The last day upon which protests or petitions may be filed is December 21, 1964. The application is on file with the Commission for public inspection.

JOSEPH H. GUTRIDE,
Secretary.

[F.R. Doc. 64-11958; Filed, Nov. 23, 1964;
8:46 a.m.]

[Docket No. E-7190]

ARKANSAS POWER & LIGHT CO.

Notice of Application

NOVEMBER 17, 1964.

Take notice that on November 10, 1964, an application was filed with the Federal Power Commission, pursuant to Section 203 of the Federal Power Act, by the Arkansas Power & Light Co. (Applicant), incorporated under the laws of the State of Arkansas and doing business in the States of Arkansas, Tennessee, Missouri, and Louisiana, with its principal place of business office at Little Rock, Arkansas, requesting authority for the acquisition of certain electric facilities from the City of North Little Rock, Ark. (City).

The Applicant is a public utility engaged in the generation, transmission, purchase, distribution, and sale of electricity. Substantially all of its operations are in the State of Arkansas where it renders service to 61 of the 75 counties in the State. The Applicant presently furnishes electric service in more than 700 communities in Arkansas.

The City is a municipal corporation organized under the laws of the State of Arkansas. The City owns and operates an electric distribution system within its city limits and a limited area outside its

limits allocated to it by the Arkansas Public Service Commission. All of its electric distribution facilities are located in the Maumelle Industrial Area, which contains approximately 5,213 acres.

According to the application, the property which the Applicant proposes to buy consists of an overhead electric distribution system constructed and operated by the United States in connection with an ordnance plant, until said plant was deactivated in 1945. From 1945 until 1961, the ordnance plant and related electric facilities were maintained on a standby basis by a contractor for the United States Army. On June 8, 1961, the entire ordnance plant and all lands, including the electric distribution system, were sold as surplus property to Perry Equipment Corporation. On December 1, 1961, the lands and some improvements were acquired by the City for development into an industrial park. At all times from 1945 until the present date, the Applicant has supplied all electric energy to the Maumelle area. The total original cost, as determined by the Company, is \$149,912.95.

The Applicant represents that it is in the public interest for the Company to acquire the electric distribution properties of the City because the Applicant has transmission and distribution facilities in the immediate vicinity to which the Maumelle distribution facilities can be interconnected which are adequate to serve the load growth of the area, and it is anticipated that the electric requirements of the area will within a reasonable period increase and the Applicant is in a better position to serve these additional demands and requirements.

According to the application, the consideration to be paid by the Company to the City of North Little Rock for the acquisition of all of the electric distribution facilities of the City is \$79,219.

The Applicant represents that after the acquisition of the subject electric distribution facilities, it will continue the connection of the facilities with its interconnected system at no additional cost to the Applicant. The consummation of the proposed transaction will not affect any contract for the purchase, sale or interchange of electric energy.

Any person desiring to be heard or to make any protest with reference to said application should on or before December 7, 1964, file with the Federal Power Commission, Washington, D.C., 20426, petitions or protests in accordance with the requirements of the Commission's rules of practice and procedure (18 CFR 1.8 or 1.10). The application is on file and available for public inspection.

JOSEPH H. GUTRIDE,
Secretary.

[F.R. Doc. 64-11959; Filed, Nov. 23, 1964;
8:46 a.m.]

[Docket No. CP60-2]

COLORADO INTERSTATE GAS CO.

Notice of Application

NOVEMBER 17, 1964.

Take notice that on January 4, 1960, as amended on October 10, 1960, January

9, 1961 and May 12, 1961, Colorado Interstate Gas Co. (Applicant), Post Office Box 1087, Colorado Springs, Colo., filed in Docket No. CP60-2 an application pursuant to section 7(c) of the Natural Gas Act for a certificate of public convenience and necessity authorizing the construction and operation of additional compressor facilities at its existing 2,000 horsepower Borger Compressor Station, Hutchinson County, Tex., to increase the capacity of said station by 1,000 horsepower in order to purchase and receive an additional 20,000 Mcf of natural gas daily produced in the Panhandle Field, Hutchinson County, Tex., by J. M. Huber Corp. (Huber), all as more fully set forth in the application, as amended, which is on file with the Commission and open to public inspection.

The application states that the additional gas purchased through the proposed facilities will be transported through existing facilities to Applicant's Sanford Compressor Station where it will be recompressed, processed by Huber at Huber's nearby Sanford processing plant, and then transported to Natural Gas Pipeline Co. of America at Fritch Station where it will be delivered along with other gas purchased from Applicant. Huber received authorization to sell the additional volumes to Applicant in Docket No. CI61-644.

The estimated cost of the proposed facilities is \$302,500, which will be financed from current working funds.

Notice of the subject application was issued September 22, 1961, and published in the FEDERAL REGISTER on September 26, 1961 (26 F.R. 9182). A petition to intervene was filed by the City and County of Denver on September 29, 1961.

This matter is one that should be disposed of as promptly as possible under the applicable rules and regulations and to that end:

Take further notice that preliminary staff analysis has indicated that there are no problems which would warrant a recommendation that the Commission designate this application for formal hearing before an examiner and that, pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by sections 7 and 15 of the Natural Gas Act, and the Commission's rules of practice and procedure, a hearing may be held without further notice before the Commission on this application provided no further protest or petition to intervene is filed within the time required herein. Where a further protest or petition for leave to intervene is timely filed, or where the Commission on its own motion believes that a formal hearing is required, further notice of such hearing will be duly given.

Under the procedure herein provided for, unless otherwise advised, it will be unnecessary for Applicant to appear or be represented at the hearing.

Further protests or petitions to intervene may be filed with the Federal Power Commission, Washington, D.C., 20426, in accordance with the rules of practice and

procedure (18 CFR 1.8 or 1.10) on or before December 14, 1964.

JOSEPH H. GUTRIDE,
Secretary.

[F.R. Doc. 64-11960; Filed, Nov. 23, 1964;
8:46 a.m.]

COLORADO INTERSTATE GAS CO.

[Docket No. G-19394]

Notice of Application and Hearing ¹

NOVEMBER 17, 1964.

Take notice that on September 8, 1959, Colorado Interstate Gas Co. (Applicant), Colorado Springs National Bank Building, Colorado Springs, Colo., filed in Docket No. G-19394 an application for a certificate of public convenience and necessity pursuant to section 7(c) of the Natural Gas Act authorizing the construction and operation of facilities and the transportation of natural gas in interstate commerce, all as more fully set forth in the application on file with the Commission and open to public inspection.

The facilities for which authorization is sought have been constructed and placed in operation under temporary certificate authorization issued to Applicant on October 27, 1959. Said facilities consist of a 2,000 Hp Compressor Station, metering facilities and approximately 7 miles of 18-inch transmission pipeline extending from its Sanford Compressor Station in a southeasterly direction to terminate at the compressor station located in Section 28, Block Y, all in Hutchinson County, Tex., and are utilized in transporting natural gas from the J. M. Huber Corp. to Applicant's said Sanford Compressor Station for desulfurization and delivery into Applicant's present system.

The City and County of Denver, Colo., were granted leave to intervene by order of the Commission issued December 18, 1959; and by letter of stipulation dated January 25, 1961, agreed the hearing on the application should be postponed pending further order of the Commission.

This matter is now one that should be disposed of as promptly as possible under the applicable rules and regulations and to that end:

Take further notice that staff analysis has indicated that there are no problems which would warrant a recommendation that the Commission designate this application for formal hearing before an examiner and that, pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by sections 7 and 15 of the Natural Gas Act, and the Commission's rules of practice and procedure, a hearing may be held without further notice before the Commission on this application provided no protest or petition to intervene is filed within the time required herein.

¹ Notice of Application and Date of Hearing held December 22, 1959, published November 20, 1959 (24 F.R. 9378). Hearing postponed by the Presiding Examiner on January 26, 1961, until further order of the Commission.

Under the procedure herein provided for, unless otherwise advised it will be unnecessary for Applicant to appear or be represented at the hearing, and the matter will be disposed of in the absence of objection by parties of record on December 10, 1964.

JOSEPH H. GUTRIDE,
Secretary.

[F.R. Doc. 64-11961; Filed, Nov. 23, 1964;
8:46 a.m.]

[Docket No. CP65-109]

TRANSCONTINENTAL GAS PIPE LINE CORP. AND UNITED NATURAL GAS CO.

Notice of Application

NOVEMBER 17, 1964.

Take notice that Transcontinental Gas Pipe Line Corp. (Transco), a Delaware corporation, with its principal place of business in Houston, Tex., and United Natural Gas Co. (United), a Pennsylvania corporation, with its principal place of business in Oil City, Pa., filed a joint application on October 26, 1964, for a certificate of public convenience and necessity pursuant to section 7 of the Natural Gas Act, authorizing the exchange and delivery of natural gas as hereinafter described, subject to the jurisdiction of the Commission, all as more fully represented in the application which is on file with the Commission and open to public inspection.

Applicants seek authorization for the exchange of natural gas by means of existing points of interconnection between Transco's system and that of United. The systems presently interconnect in the Wharton Storage Pool, Potter County, Pa. Applicants do not presently propose to construct any additional facilities to carry out the exchange arrangement.

This matter is one that should be disposed of as promptly as possible under the applicable rules and regulations and to that end:

Take further notice that preliminary staff analysis has indicated that there are no problem which would warrant a recommendation that the Commission designate this application for formal hearing before an examiner and that, pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by section 7 and 15 of the Natural Gas Act, and the Commission's rules of practice and procedure, a hearing may be held without further notice before the Commission on this application provided no protest or petition to intervene is filed within the time required herein. Where a protest or petition for leave to intervene is timely filed, or where the Commission on its own motion believes that a formal hearing is required, further notice of such hearing will be duly given.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington, D.C., 20426, in accordance with the rules of practice and pro-

cedure (18 CFR 1.8 or 1.10) on or before December 10, 1964.

JOSEPH H. GUTRIDE,
Secretary.

[F.R. Doc. 64-11962; Filed, Nov. 23, 1964;
8:46 a.m.]

SECURITIES AND EXCHANGE COMMISSION

[File No. 70-4238]

COLONIAL UTILITIES CORP.

Notice of Proposed Reincorporation by Merger and Solicitation of Proxies

NOVEMBER 18, 1964.

Notice is hereby given that Colonial Utilities Corp., a Delaware corporation and a registered holding company ("Delaware"), and its wholly owned inactive subsidiary company, Colonial Utilities Corp., Post Office Box 236, Portsmouth, N.H., a New Hampshire corporation ("New Hampshire"), have filed with this Commission a joint application-declaration pursuant to the Public Utility Holding Company Act of 1935 ("Act"). The filing designates sections 5(d), 6(a), 7, 9(a), 10, 12(c), 12(d), 12(e), and 12(f) of the Act, and Rules 42, 43, 44, and 62 promulgated thereunder, as applicable to the transactions proposed therein. All interested persons are referred to the joint application-declaration, on file at the office of this Commission, for a statement of such transactions which are summarized hereinafter.

Delaware is solely a holding company, whose assets consist chiefly of the outstanding capital stock and a promissory note (in the principal amount of \$110,000 as at June 30, 1964) of its sole public-utility subsidiary company, Allied New Hampshire Gas Co. ("Allied"), a New Hampshire corporation engaged in the sale at retail of natural gas wholly within that State, and having total assets of \$2,215,410 as at December 31, 1963. Delaware proposes to change its corporate domicile from the State of Delaware to the State of New Hampshire. To effectuate such change, Delaware and New Hampshire have entered into a merger agreement under which, among other things, (a) New Hampshire will acquire all the assets and assume all the liabilities of Delaware; (b) New Hampshire's authorized capital stock will be increased to 150,000 shares with a par value of \$1 per share, and all of its presently outstanding \$1 par value common stock (consisting of 1,000 shares, all owned by Delaware) will be cancelled; and (c) certificates representing Delaware's presently outstanding 100,966 shares of \$1 par value common stock shall for all purposes represent an equal number of shares of common stock of New Hampshire, for which certificates for shares of Delaware may be, but are not required to be exchanged by the holders thereof.

In addition to its outstanding shares of common stock, Delaware has outstanding

\$15,145 principal amount of 6 percent Convertible Subordinated Debentures due 1966, for the conversion of which 2,726 shares of common stock of Delaware are reserved. These debentures, including the related conversion privilege, will be assumed by New Hampshire.

Upon consummation of the merger (1) New Hampshire's charter and by-laws, as amended by the proposed merger agreement, will be similar in all material respects with those of Delaware; (2) the present officers of Delaware will hold corresponding positions in New Hampshire, and Delaware's directors will continue as directors of New Hampshire, with the same terms of office; (3) New Hampshire's capital structure will be identical with Delaware's except to the extent, if any, that stockholders of Delaware exercise their appraisal rights referred to below; and (4) the accounts of New Hampshire will be identical in all material respects with those of Delaware.

The favorable vote of the holders of two-thirds of the outstanding common shares of Delaware and of New Hampshire is required to effectuate the proposed merger. As holder of all of New Hampshire's presently outstanding common stock, Delaware intends to vote such stock in favor of the merger; and Delaware proposes to solicit proxies from its stockholders for their approval of the merger at a meeting of the stockholders to be held for that purpose. The filing states that under the applicable law of the State of Delaware any stockholder of Delaware who dissents from the merger will be entitled to receive the appraised value of his shares upon the taking of certain procedural steps set forth in the proxy solicitation material submitted with the present filing. Any shares thus acquired by New Hampshire will be cancelled.

The filing states that as a result of the proposed merger, the surviving holding company (New Hampshire) will be domiciled in the same State as its public-utility subsidiary company, Allied; and that the merger, resulting in New Hampshire's becoming a wholly intrastate holding-company system, would enable New Hampshire to file with the Commission an exemption statement pursuant to paragraph (a) (1) of Rule 2 promulgated under section 3(a) (1) of the Act. It is further stated that Delaware, for Federal income tax purposes, has an accumulated deficit in earnings and profits amounting to at least \$322,000 and possibly as much as \$1,285,000, so that distributions made to Delaware's stockholders constitute returns of capital until the accumulated deficit is eliminated by future earnings and profits, and are tax-free to the stockholders until the tax basis of their stock is reduced to zero; and that such tax benefits, which are stated to be a "valuable asset" of Delaware's stockholders, would remain available to the successor corporation, New Hampshire, and its stockholders.

Delaware requests that the Commission, pursuant to section 5(d) of the Act, find and declare by order that upon Delaware's being merged into New Hampshire, Delaware will have ceased to be a holding company and that Delaware's

registration as such under the Act shall cease to be in effect. Delaware also requests that its declaration regarding its proposed proxy solicitation material be permitted to become effective pursuant to Rule 62 under the Act. Ordinary expenses of the proxy solicitation will be borne by Delaware, and its other solicitation expenses will not exceed \$1,000.

The filing states that no State or Federal commission, other than this Commission, has jurisdiction over the proposed transactions. The fees and expenses to be incurred in connection with the proposed transactions are estimated at \$16,000, including counsel fees of \$12,500.

Notice is further given that any interested person may, not later than December 7, 1964, request in writing that a hearing be held on the proposed transactions, stating the nature of his interest, the reasons for such request, and the issues of fact or law raised by said joint application-declaration which he desires to controvert; or he may request that he be notified if the Commission should order a hearing thereon. Any such request should be addressed: Secretary, Securities and Exchange Commission, Washington, D.C., 20549. A copy of such request should be served personally or by mail (air mail if the person being served is located more than 500 miles from the point of mailing) upon the applicants-declarants at the above-stated address, and proof of service (by affidavit or, in case of an attorney at law, by certificate) should be filed contemporaneously with the request. At any time after said date, the joint application-declaration, as filed or as it may be amended, may be granted and permitted to become effective as provided in Rule 23 of the general rules and regulations promulgated under the Act, or the Commission may grant exemption from such rules as provided in Rules 20(a) and 100 thereof or take such other action as it may deem appropriate.

For the Commission (pursuant to delegated authority).

[SEAL]

ORVAL L. DuBois,
Secretary.

[F.R. Doc. 64-11954; Filed, Nov. 23, 1964;
8:46 a.m.]

INTERSTATE COMMERCE COMMISSION

FOURTH SECTION APPLICATIONS FOR RELIEF

NOVEMBER 19, 1964.

Protests to the granting of an application must be prepared in accordance with Rule 1.40 of the general rules of practice (49 CFR 1.40) and filed within 15 days from the date of publication of this notice in the FEDERAL REGISTER.

LONG-AND-SHORT HAUL

FSA No. 29403: *T.O.F.C. Service—Class and commodity rates from and to points in Southwestern Territory.* Filed by Southwestern Freight Bureau, agent (No. B-8645), for interested rail carriers. Rates on various commodities moving on

class and commodity rates, loaded in trailers and transported on railroad flatcars, between points in southwestern territory; and between points in southwestern territory, on the one hand, and points in official, southern and western trunkline territories, on the other.

Grounds for relief: Short-line distance formula and grouping.

FSA No. 39409: *Cement from Cincinnati, Ohio.* Filed by Traffic Executive Association-Eastern Railroads, agent (E.R. No. 2753), for interested rail carriers. Rates on cement, common, hydraulic, masonry, mortar, natural or Portland and tile grout, also cement clinker and dry building mortar, in carloads, from Cincinnati, Ohio, to points in Indiana, Kentucky, and Ohio.

Grounds for relief: Motor-truck competition, short-line distance formula and grouping.

Tariff: Supplement 16 to Traffic Executive Association-Eastern Railroads, agent, tariff I.C.C. C-435.

FSA No. 39410: *Coarse grains from points in Texas.* Filed by Texas-Louisiana Freight Bureau, agent (No. 523), for interested rail carriers. Rates on coarse grains and articles taking same rates, also soybeans, in carloads, from specified points in Texas, to Beaumont, Corpus Christi, Freeport, Galveston, Houston, Orange, Port Arthur, and Texas City, Tex. (for export).

Grounds for relief: Motor-truck competition.

Tariff: Supplement 11 to Texas-Louisiana Freight Bureau, agent, tariff I.C.C. 1012.

FSA No. 39411: *Class and commodity rates from and to East Savannah, Ga.* Filed by O. W. South, Jr., agent (No. A4593), for interested rail carriers. Rates on property moving on class and commodity rates, in carloads and less-than-carloads, from or to East Savannah, Ga., on the one hand, and points in the United States and Canada, on the other.

Grounds for relief: New station and grouping.

FSA No. 39412: *Class and commodity rates from and to North Savannah, Ga.* Filed by O. W. South, Jr., agent (No. A4594), for interested rail carriers. Rates on property moving on class and commodity rates, in carloads and less-than-carloads, from or to North Savannah, Ga., on the one hand, and points in the United States and Canada, on the other.

Grounds for relief: New station and grouping.

By the Commission.

[SEAL]

HAROLD D. McCoy,
Secretary.

[F.R. Doc. 64-11989; Filed, Nov. 23, 1964;
8:49 a.m.]

[Notice 5]

FINANCE APPLICATIONS

NOVEMBER 19, 1964.

The following publications are governed by the Interstate Commerce Commission's general requirements governing notice of filing of applications under

sections 20a except (12) and 214 of the Interstate Commerce Act. The Commission's order of May 20, 1964, providing for such publication of notice, was published in the FEDERAL REGISTER issue of July 31, 1964 (29 F.R. 11126) and became effective October 1, 1964.

All hearings and prehearing conferences, if any, will be called at 9:30 a.m., U.S. standard time unless otherwise specified.

F.D. No. 23386: By application filed November 9, 1964, Chicago, Burlington and Quincy Railroad Co., 547 West Jackson Blvd., Chicago, Ill., 60606, seeks authority under section 20a of the Act to assume obligation and liability with respect to \$4,800,000 principal amount of certificates to be issued pursuant to Chicago, Burlington and Quincy Railroad Equipment Trust No. 4 of 1974. Applicant's attorney: Eldon Martin, Vice President and General Counsel, 547 West Jackson Blvd., Chicago, Ill., 60606. Protests must be filed no later than 15 days from date of publication in the FEDERAL REGISTER.

F.D. No. 23389: By application filed November 13, 1964, Chicago and North Western Railway Company, 400 West Madison St., Chicago, Ill., 60606, seeks authority under section 20a of the Act to issue additional shares of common and preferred stock, and to assume obligation and liability in respect of securities issued, assumed or guaranteed by Chicago Great Western Railway Co.

Applicant's attorneys: Edward K. Wheeler, Wheeler and Wheeler, Southern Building, 15th and H Streets NW., Washington, D.C., 20005 and Jordan Jay Hillman, General Counsel, 400 West Madison Street, Chicago, Ill., 60606. Protests must be filed no later than 15 days from the date of publication in the FEDERAL REGISTER.

NOTE: This matter is directly related to an application filed simultaneously seeking authority to merge the Chicago Great Western Railway Company into applicant.

F.D. No. 23391: By application filed November 16, 1964, The New York Central Railroad Co., 466 Lexington Avenue, New York, N.Y., 10017, seeks authority under section 20a of the Act to assume obligation and liability in respect of \$6,300,000 par value of New York Central Railroad Third Equipment Trust of 1964 Equipment Trust Certificates. Applicant's attorney: L. Thomas Houser, corporate attorney, 466 Lexington Avenue, New York, N.Y., 10017. Protests must be filed no later than 15 days from the date of publication in the FEDERAL REGISTER.

F.D. No. 23392: By application filed November 17, 1964, Southern California Freight Lines, Ltd., 2800 West Bayshore Road, Palo Alto, Calif., seeks authority to issue an unsecured promissory note in the sum of \$600,000 bearing interest at the rate of 5 percent per annum. Applicant's attorneys: Turney, Major,

Markham & Sherfy, 2001 Massachusetts Avenue NW., Washington, D.C., 20036 and John R. Turney, 342 West Vista Avenue, Phoenix, Ariz., 85021. Protests must be filed no later than 15 days from the date of publication in the FEDERAL REGISTER.

F.D. No. 23393: By application filed November 17, 1964, Norwalk Truck Lines, Inc., seeks authority under section 214 of the Act to issue its unsecured promissory note in the amount of \$425,000 bearing interest at the rate of 5 percent per annum and to assume the obligations of Valley Freight Lines, Inc. on three promissory notes in the amounts of \$35,000, \$19,520 and \$14,000 all bearing interest at the rate of 6 percent per annum. Applicant's attorneys: Eugene T. Lipfert, Suit 1035, Universal Building North, 1875 Connecticut Avenue NW., Washington, D.C., 20009 and Marion M. Emory, Executive Assistant to the Vice President, 180 Milan Avenue, Norwalk, Ohio. Protests must be filed no later than 15 days from the date of publication in the FEDERAL REGISTER.

NOTE: This is a matter directly related to MC-F-8913, which was published in FEDERAL REGISTER, issue of October 28 1964.

By the Commission.

[SEAL]

HAROLD D. MCCOY,
Secretary.

[F.R. Doc. 64-11990; Filed, Nov. 23, 1964;
8:49 a.m.]



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Phone 963-3261

Federal Register Act, approved July 26, 1935
Administrative Committee of the Federal Register, approved by the President (1 CFR Ch. I).

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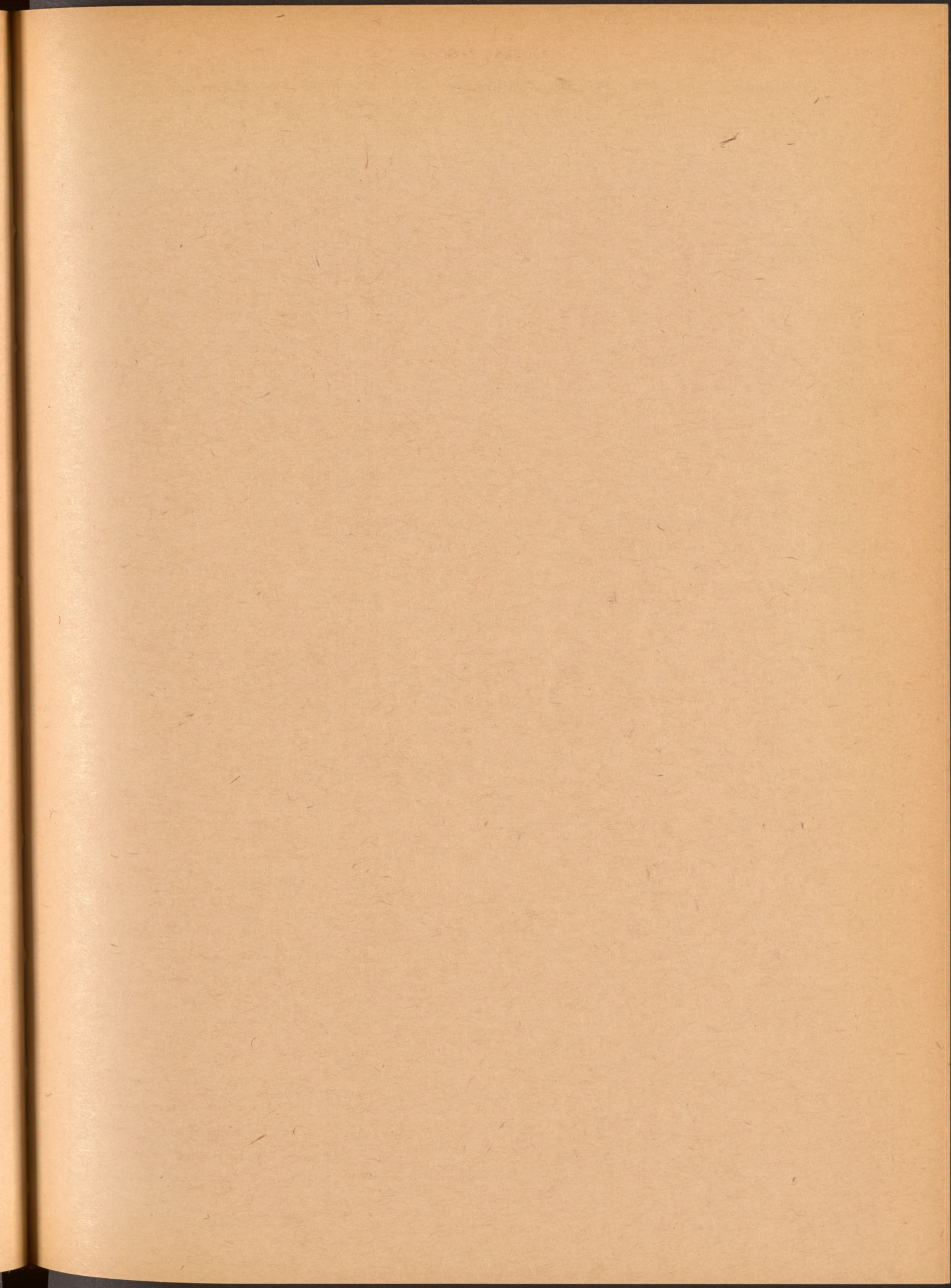
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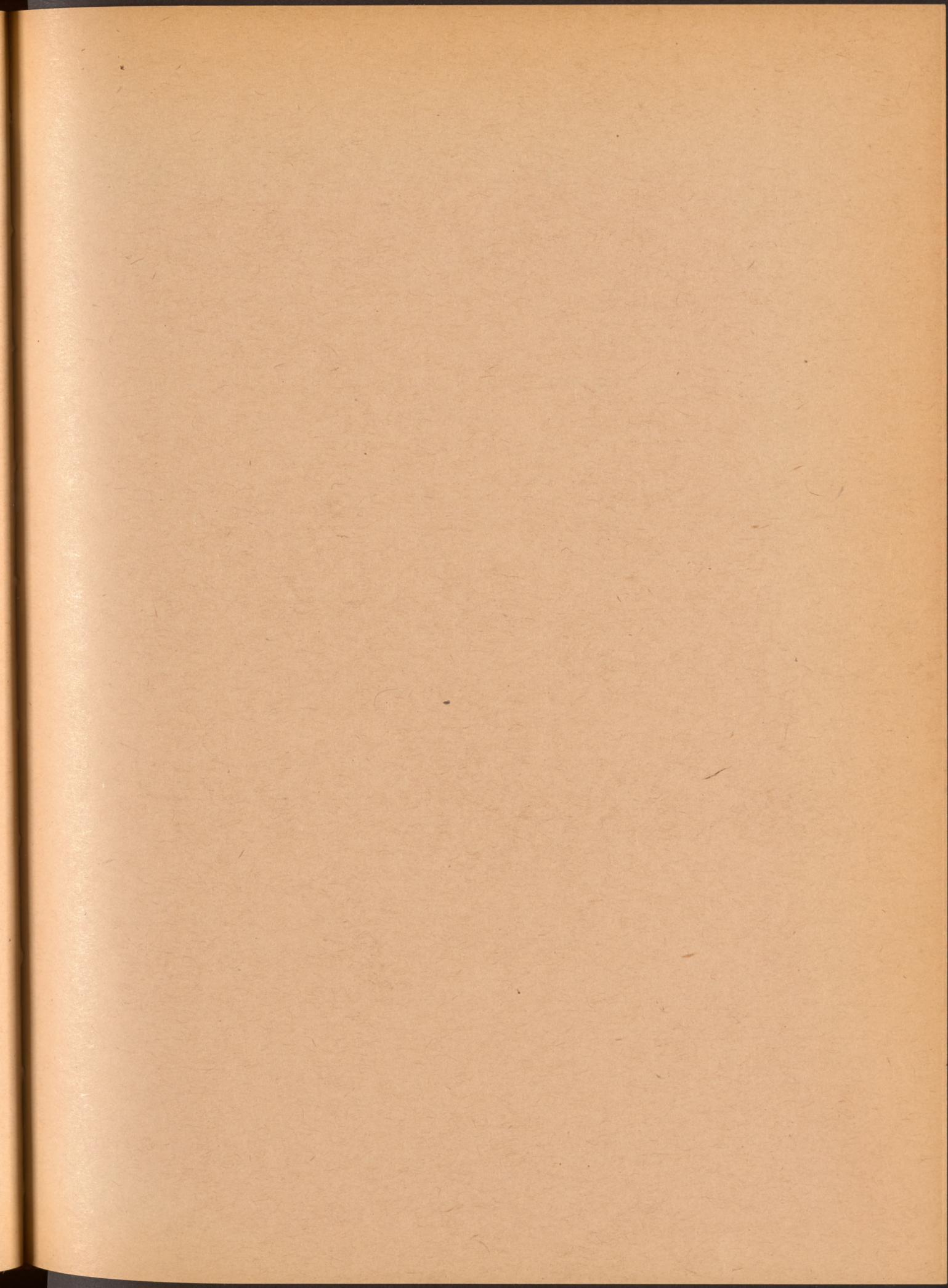
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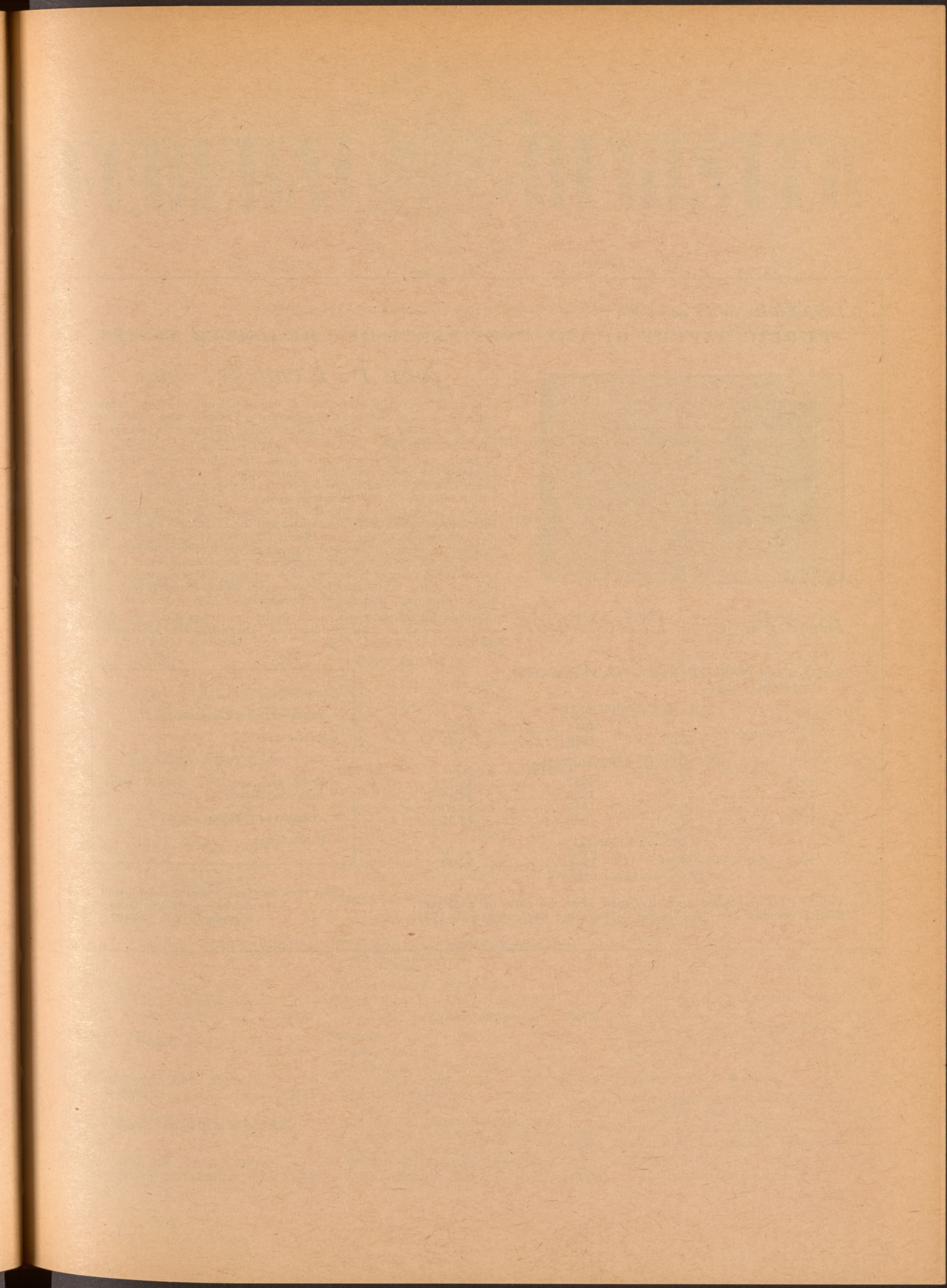
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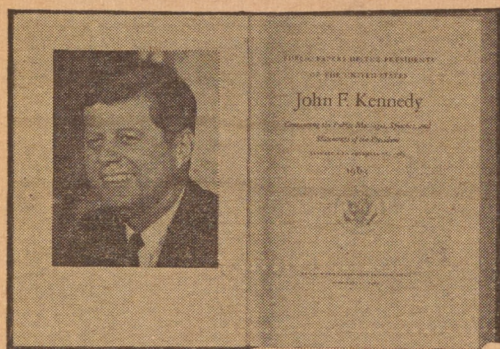




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