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Agricultural Adjustment Act of 1938, as amended (7 U. S. C. 1301, 1372 (c), 1401-1407) by the Price Adjustment Act of 1938, Title V of Public Law 122, 75th Congress, 52 Stat. 819, and by subsequent statutes authorizing payments to farmers. Its purpose is to state the conditions under which certain debts of persons owing to the Government of the United States on account of the indebtedness due and unpaid to any department, establishment, or independent agency of the Government, any corporation all the stock of which is owned by the United States, or any bureau, administration, or corporation in the Department of Agriculture, will be set off against any payments which may be payable to such persons under any of said statutes, consistent with protecting the interests of the United States and effectuating the purposes of said statutes.

Sec.	Text
718.1	Cases in which set-offs applicable.
718.2	Condition of set-offs.
718.3	Priority of set-offs.
718.4	Manner of notice.
718.5	Effect of this part.

AUTHORITY: §§ 718.1 to 718.5, inclusive, issued under 49 Stat. 1116, 1148, 50 Stat. 762, 909, 52 Stat. 45, 65, 70, 819, 60 Stat. 237; 16 U. S. C. 590g-590q, 7 U. S. C. and Sup. 1131-1137, 1303, 1372 (c), 1401-1407.

§ 718.1 *Cases in which set-offs applicable.* Subject to the provisos contained in § 718.2, set-offs shall be made, but limited to, the following cases, except that the chief of any creditor agency within the Department of Agriculture, or his authorized representative, may waive or subordinate the right of the creditor agency to a set-off of all or a part of the indebtedness if he deems such action in the interests of the program administered by such agency.

(a) The debtor has committed a fraud against the United States, or there is evidence establishing material misrepresentation of fact, in securing a loan from the United States, without which fraudulent act or material misrepresentation the loan would not have been made or would have otherwise been made in a smaller amount.

(b) A person is indebted to the Federal Crop Insurance Corporation for any unpaid premium payable to it under the terms of a crop insurance contract or on account of his having received an indemnity payment in excess of that finally determined to be due.

(c) A person who is indebted to the Farmers Home Administration has failed to use the borrowed funds for the purposes specified in the written loan document, or has, in bad faith, disposed of property covered by a mortgage, deed of trust, or lien instrument given to secure the loan.

(d) A person is indebted to the Field Service Branch, Production and Marketing Administration, or to any other agency of the Department of Agriculture by reason of any payments certified on vouchers or on sight-drafts by the Production and Marketing Administration State Offices or by the County Agricultural Conservation Associations.

(e) A person is indebted to the Commodity Credit Corporation in connection with a loan or purchase agreement with

respect to which there has been failure to comply with the terms.

(f) Any account or renewal thereof arising from the loan operations of the Farmers Home Administration (or predecessor agency) of Farm Credit Administration (1) becomes finally due on or after July 1, 1939, and (2) has not been finally settled by such creditor agency within a period of two years thereof, and, at the expiration of such two-year period, (i) the debtor is not a client of and does not have a current loan from such creditor agency (except for collection purposes) and (ii) such creditor agency considers a request for set-off in such case to be in the interest of its program.

(g) The United States or a corporation all the stock of which is owned by the United States has secured a judgment against the debtor which remains unsatisfied.

(h) A person is indebted to the Regional Agricultural Credit Corporation of Washington, D. C., on a limited liability advance made in furtherance of food production, and has failed to pay to the corporation, pursuant to written agreement, the amount paid or allowed to him as payments from funds appropriated by section 32 of Public Law No. 320, 74th Congress, under the 1943 Agricultural Conservation Program: *Provided, however* That any such set-off shall be limited to the amount paid or allowed as aforesaid.

§ 718.2 *Conditions of set-offs.* The following provisos shall apply in making set-offs, except that only paragraph (c) of this section shall apply to the case designated in § 718.1 (d) and paragraph (e) of this section shall not apply to the case designated in § 718.1 (h).

(a) Request for set-off shall be on Form AAA-402, "Request for Set-Off against Payments under Programs Administered by the Field Service Branch," and all the information required by such form must be included. Section II, "Certification," must be signed by an authorized representative of the department, establishment, or independent agency of the Government requesting the set-off. Requests for set-offs by agencies of the Government not within the Department of Agriculture coming within paragraph (g) of § 718.1 shall be submitted on Form AAA-396, "Request and Certification to the Field Service Branch for Allowance of Set-Off Pursuant to Classification (g) of the Order Governing Set-offs Revised by the Secretary of Agriculture August 18, 1939." Form AAA-396 may also be used by bureaus within the Department to file requests for set-offs coming within paragraph (g) of § 718.1.

(b) The amount of the indebtedness shall be stated separately as (1) principal and (2) interest (where applicable) computed to the date indicated on the request. If the creditor agency desires that additional interest be computed on the principal, a factor (daily or monthly) shall be furnished for computing such interest. The amount to be set off shall not exceed the principal sum(s) owed by the debtor and the interest charges com-

puted (in accordance with the procedure governing the program under which the indebtedness arose) to the date of preparation of the application for payment against which the set-off is to be made.

(c) Whenever a set-off is to be effected by means of a direct settlement, the amount of the indebtedness, insofar as this order is concerned, shall be reduced at the time the voucher is transmitted to the Claims Division of the General Accounting Office by the amount of payment administratively certified subject to deduction.

(d) In no case shall a payment be withheld for the purpose of making a set-off subsequent to the initial administrative certification for payment of the voucher.

(e) In no case shall any department, independent agency, bureau, or administration, other than the Field Service Branch of the Production and Marketing Administration, or corporation all the stock of which is owned by the United States, communicate with any officer or employee of any County Agricultural Conservation Association, or other association, or committee of producers, with a view to securing the set-off, or with a view to the withholding of any check issued pursuant to any of the above-cited acts which may be in, or come into, his or their hands awaiting delivery to the payee: *Provided, however* That with respect to cases coming within paragraph (g) of § 718.1 inquiry may be made at the office of the County Agricultural Conservation Association as to whether the judgment-debtor has filed with respect to a particular crop year an intention to participate in one or more of the programs administered by the Field Service Branch.

(f) Forms AAA-396 and AAA-402 executed by bureaus, administrations, or corporations within the Department of Agriculture, shall be filed with the applicable State offices of the Production and Marketing Administration. Forms AAA-396 and AAA-402 executed by agencies of the Government not within the Department of Agriculture shall be filed with the Director of the Field Service Branch, or, with the prior approval of the Director, may be filed with the applicable State office.

§ 718.3 *Priority of set-offs.* Irrespective of the time of recordation on the register of indebtedness in the office of the county agricultural conservation association, any claim to the right of set-off made by the Department of Agriculture shall have priority over any claim to such right made by any other department, independent agency, or establishment of the Government, and claims within the Department of Agriculture shall be satisfied in the following order of priority, namely: Field Service Branch, Sugar Branch, Commodity Credit Corporation, Federal Crop Insurance Corporation, Farmers Home Administration, and Farm Credit Administration.

§ 718.4 *Manner of notice.* The head of any department, independent agency, or establishment of the Government, including any administration or bureau of the Department of Agriculture, desiring

that set-offs be made in any cases coming within the terms of this part, shall give written notice to that effect to the Director of the Field Service Branch in order that the necessary procedure may be established and approved by him. The Director of the Field Service Branch is hereby authorized to revise such existing forms and to issue such new forms and procedures as may be required from time to time for the proper administration of this part.

§ 718.5 *Effect of this part.* This part supersedes the Revised Order Governing Set-Offs entered by the Secretary of Agriculture May 8, 1937 (as revised October 20, 1943).

Done at Washington, D. C., this 17th day of February 1947.

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

[F. R. Doc. 47-1658; Filed, Feb. 20, 1947; 8:45 a. m.]

TITLE 6—AGRICULTURAL CREDIT

Chapter I—Farm Credit Administration, Department of Agriculture

Subchapter A—Administrative Provisions

[FCA Order 446]

PART 3—FUNCTIONS OF ADMINISTRATIVE OFFICERS

AUTHORITY, AND DESIGNATION OF ORDER OF PRECEDENCE, OF DEPUTY INTERMEDIATE CREDIT COMMISSIONER, ASSISTANT INTERMEDIATE CREDIT COMMISSIONER, AND ASSISTANT DEPUTY INTERMEDIATE CREDIT COMMISSIONER TO ACT AS INTERMEDIATE CREDIT COMMISSIONER IN ABSENCE OF LATTER

Section 3.31 (9 F. R. 191) of Title 6, Code of Federal Regulations, is hereby amended to read as follows:

§ 3.31 *Authority, and designation of order of precedence, of Deputy Intermediate Credit Commissioner, Assistant Intermediate Credit Commissioner and Assistant Deputy Intermediate Credit Commissioner to act as Intermediate Credit Commissioner in the absence of the latter.* Arthur C. Sullivan, Deputy Intermediate Credit Commissioner, is hereby authorized to execute and perform all functions, powers, authority, and duties pertaining to the office of Intermediate Credit Commissioner in the event that the Intermediate Credit Commissioner is unavailable to act by reason of absence from the central office of the Farm Credit Administration or for any other cause.

Martin H. Uelsmann, Assistant Intermediate Credit Commissioner, is hereby authorized to execute and perform all functions, powers, authority, and duties pertaining to the office of Intermediate Credit Commissioner in the event that the Intermediate Credit Commissioner and Deputy Intermediate Credit Commissioner Arthur C. Sullivan are unavailable to act by reason of absence from the central office of the Farm Credit Administration or for any other cause.

Franklin D. Van Sant, Assistant Deputy Intermediate Credit Commissioner, is

hereby authorized to execute and perform all functions, powers, authority, and duties pertaining to the office of the Intermediate Credit Commissioner in the event that the Intermediate Credit Commissioner, Deputy Intermediate Credit Commissioner Arthur C. Sullivan, and Assistant Intermediate Credit Commissioner Martin H. Uelsmann are unavailable to act by reason of absence from the central office of the Farm Credit Administration or for any other cause.

(Sec. 80 (b) 48 Stat. 273; 12 U. S. C. 638 (b), E. O. 6084, Mar. 27, 1933, 6 F. R. 1.1 (m))

[SEAL] I. W. DUGGAN,
Governor

FEBRUARY 17, 1947.

[F. R. Doc. 47-1679; Filed, Feb. 20, 1947; 8:45 a. m.]

Subchapter F—Banks for Cooperatives
[FCA Order 447]

PART 70—LOAN INTEREST RATES AND SECURITY

INTEREST RATE ON CONTINENTAL COMMODITY LOANS

Section 70.81 (8 F. R. 12037) of Title 6 of the Code of Federal Regulations is hereby amended, effective March 1, 1947, to read as follows:

§ 70.81 *Interest rate on Continental Commodity Loans.* Except as specified in § 70.81-50, and except as provided in this section with respect to the Berkeley Bank for Cooperatives, the rate of interest on all loans upon the security of commodities made on or after February 24, 1939, by any district bank for cooperatives, the Central Bank for Cooperatives, or from the Revolving Fund authorized by the Agricultural Marketing Act (sec. 7, 46 Stat. 14; 12 U. S. C. 1141e) as amended, for the purposes specified in section 7 (a) (1) of that act, shall be 1½ per centum per annum. The rate of interest on all such loans made on or after March 1, 1947, by the Berkeley Bank for Cooperatives shall be 1¾ per centum per annum.

(Secs. 34, 41, 48, Stat. 262, 264, sec. 11, 49 Stat. 316; 12 U. S. C. 1134c, 1134j, 1141f)

[SEAL] I. W. DUGGAN,
Governor

FEBRUARY 17, 1947.

[F. R. Doc. 47-1680; Filed, Feb. 20, 1947; 8:47 a. m.]

TITLE 31—MONEY AND FINANCE

Chapter I—Monetary Offices, Department of the Treasury

[1947 Dept. Circ. No. 1]

PART 129—VALUES OF FOREIGN MONEYS

QUARTER BEGINNING JANUARY 1, 1947

JANUARY 1, 1947.

§ 129.10 *Calendar year 1947—(a) Quarter beginning January 1, 1947* Pursuant to section 522, Title IV, of the Tariff

Act of 1930, reenacting section 25 of the act of August 27, 1894, as amended, the following estimates by the Director of the Mint of the values of foreign monetary units are hereby proclaimed to be the values of such units in terms of the money of account of the United States that are to be followed in estimating the value of all foreign merchandise exported to the United States during the quarter beginning January 1, 1947, expressed in any such foreign monetary units: *Provided, however* That if no such value has been

[The value of foreign monetary units, as shown below in terms of United States money, is the ratio between the legal gold content of the foreign unit and the legal gold content of the United States dollar. It should be noted that this value, with respect to most countries, varies widely from the present exchange rates. Countries not having a legally defined gold monetary unit, or those for which current information is not available, are omitted]

Country	Monetary unit	Value in terms of U. S. money	Remarks
Brazil	Cruzeiro	\$. 2025	Decree law of Oct. 6, 1942, established the cruzeiro as the unit of currency, replacing the milreals. Conversion of notes into gold suspended Nov. 22, 1939.
Canada and Newfoundland	Dollar	1.6931	Redemption of notes into gold suspended. Export of gold prohibited except under license.
Colombia	Peso	. 5714	Present gold content of .56424 grams of gold 0/10 fine established by law of Nov. 19, 1933, effective Nov. 30, 1933. Obligation to sell gold suspended Sept. 24, 1931.
Cuba	Peso	1.0000	Gold content of .9873 gram 0/10 fine established by Law No. 244 of May 22, 1934, and confirmed by Law No. 410 of Aug. 10, 1934.
Egypt	Pound (100 piasters)	8.3652	Conversion of notes into gold suspended Sept. 21, 1931.
Ethiopia	Dollar	. 4023	New unit established by Proclamation of the Emperor on May 23, 1945, effective July 23, 1945.
Finland	Markka	. 0426	Conversion of notes into gold suspended Oct. 12, 1931.
Great Britain	Pound sterling	8.2397	Obligation to sell gold at legal monetary par suspended Sept. 21, 1931.
Guatemala	Quetzal	1.0000	Decree No. 203 of Dec. 10, 1945, defined the monetary unit as 15 5/8 grains gold 0/10 fine. Conversion of notes into gold suspended Mar. 6, 1933.
Haiti	Gourde	. 2000	National bank notes redeemable on demand in U. S. dollars.
Hungary	Forint	. 0852	New unit based on 13,210 forint per kilogram fine gold, effective July 1946.
Ireland	Pound	8.2397	Conversion of notes into gold suspended Sept. 21, 1931.
Nicaragua	Cordoba	1.6933	Embargo on gold exports Nov. 13, 1931.
Panama	Balboa	1.0000	U. S. money principal circulating medium.
Peru	Sol	. 4740	Conversion of notes into gold suspended May 18, 1932; exchange control established Jan. 23, 1945.
Rumania	Leu	. 0101	Exchange control established May 18, 1932.
Sweden	Krona	. 4537	Conversion of notes into gold suspended Sept. 29, 1931.
Union of South Africa	Pound	8.2397	Conversion of notes into gold suspended Dec. 23, 1932.
Union of Soviet Socialist Republics	Ruble	. 1981	On basis of 5.6807 rubles per gram of fine gold.
Uruguay	Peso	. 6583	Present gold content of 0.655018 grams fine established by law of Jan. 18, 1938. Conversion of notes into gold suspended Aug. 2, 1944; exchange control established Sept. 7, 1931.
Venezuela	Bolivar	. 3267	Exchange control established Dec. 12, 1930.

(Sec. 25, 28 Stat. 552, sec. 403, 42 Stat. 17, sec. 522, 42 Stat. 974, sec. 522, 46 Stat. 739; 31 U. S. C. 372)

[F. R. Doc. 47-1681; Filed, Feb. 20, 1947; 8:45 a. m.]

TITLE 14—CIVIL AVIATION

Chapter II—Administrator of Civil Aeronautics, Department of Commerce

PART 555—ACQUISITION BY PUBLIC AGENCIES FOR PUBLIC AIRPORT PURPOSES OF LANDS OWNED OR CONTROLLED BY THE UNITED STATES

COVENANTS IN INSTRUMENTS OF CONVEYANCE

Acting pursuant to the authority vested in me by section 16 of the Federal Airport Act (Pub. Law No. 377, 79th Cong., 60 Stat. 170) I hereby amend Part 555 of the regulations of the Administrator of Civil Aeronautics, as follows:

By amending § 555.11 (a) (1) (12 F. R. 145) to read as follows:

§ 555.11 *Covenants, reservation clause, and reverter clause in instruments of conveyance.* (a) * * *

proclaimed, or if the value so proclaimed varies by 5 per centum or more from a value measured by the buying rate in the New York market at noon on the day of exportation, conversion shall be made at a value measured by such buying rate as determined and certified by the Federal Reserve Bank of New York and published by the Secretary of the Treasury pursuant to the provisions of section 522, Title IV of the Tariff Act of 1930.

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

[The value of foreign monetary units, as shown below in terms of United States money, is the ratio between the legal gold content of the foreign unit and the legal gold content of the United States dollar. It should be noted that this value, with respect to most countries, varies widely from the present exchange rates. Countries not having a legally defined gold monetary unit, or those for which current information is not available, are omitted]

(1) *Covenants.* The Administrator will request the inclusion in the instrument of conveyance of such covenants as he may deem necessary in the specific case involved to assure that the lands requested will be used for the operation, or the development and operation, of a public airport, and in addition, a covenant to the effect that any subsequent transfer will be subject to all the covenants, conditions and limitations contained in said instrument of conveyance.

This amendment shall become effective upon publication in the FEDERAL REGISTER.

(Pub. Law No. 377, 79th Cong., 60 Stat. 170)

[SEAL] T. P. WRIGHT,
Administrator of Civil Aeronautics.

[F. R. Doc. 47-1665; Filed, Feb. 20, 1947; 8:46 a. m.]

TITLE 32—NATIONAL DEFENSE

Chapter IX—Office of Temporary Controls, Civilian Production Administration

AUTHORITY: Regulations in this chapter unless otherwise noted at the end of documents affected, issued under sec. 2 (a), 54 Stat. 676, as amended by 55 Stat. 236, 56 Stat. 177, 58 Stat. 827 and 59 Stat. 658, Public Laws 388 and 475, 79th Cong.; E. O. 9024, 7 F. R. 329; E. O. 9040, 7 F. R. 527; E. O. 9125, 7 F. R. 2719; E. O. 9599, 10 F. R. 10155; E. O. 9638, 10 F. R.

12591; C. P. A. Reg. 1, Nov. 5, 1945, 10 F. R. 13714; Housing Expediter's Priorities Order 1, Aug 27, 1946, 11 F. R. 9507; E. O. 9509, Dec. 12, 1946, 11 F. R. 14281; OTC Reg. 1, 11 F. R. 14311.

PART 3293—CHEMICALS

[General Allocation Order M-300, Appendices A, B and C, as Amended Feb. 20, 1947]

CHEMICAL AND ALLIED PRODUCTS

Appendices A, B and C of General Allocation Order M-300, § 3293.1000, are amended to read as follows:

APPENDIX A—ALLOCATION USING FORMS CPA-2945 AND CPA-2949

Note: Appendix A amended February 20, 1947.

No Materials Scheduled

APPENDIX B—ALLOCATION USING SUPPLIERS' FORM CPA-2947 WITH CUSTOMERS' USE CERTIFICATES

Note: Appendix B amended February 20, 1947.

Material	Schedule	Suppliers' filing date (CPA-2947)	Small order exemption per allocation period (or other specified period).—No certificate required	Report on Form CPA-3442	Initial allocation date and allocation period
(1)	(2)	(3)	(4)	(5)	(6)
Streptomycin	119 (issued 2-21-46)	20th.....	None (no certificates required).	On Form CPA-2947.	3-1-46; month.

APPENDIX C—ALLOCATION USING FORM CPA-2947 FOR SUPPLIERS WITH CUSTOMERS' FORM CPA-2945 FOR LARGE ORDERS AND USE CERTIFICATES FOR INTERMEDIATE ORDER

Note: Appendix C amended February 20, 1947.

Material	Schedule	Customers' applications	
		On Form CPA-2945, filing date and quantities per allocation period from all suppliers	Use certificate quantities per allocation period from all suppliers
(1)	(2)	(3)	(4)
Phenolic resin molding compounds.	121 (issued 8-6-46).....	5th.....	None.

Small order exemption per allocation period (or other specified period)	Suppliers' filing date (CPA-2947)	Report on Form CPA-3442	Initial allocation date and allocation period
(5)	(6)	(7)	(8)
50 pounds.....	10th.....	None.....	8-1-46; month.

Issued this 20th day of February 1947.

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

[F. R. Doc. 47-1732; Filed, Feb. 20, 1947; 11:34 a. m.]

TITLE 39—POSTAL SERVICE

Chapter I—Post Office Department

PART 22—TREATMENT OF MAIL MATTER RECEIVED FROM FOREIGN COUNTRIES INVOLVING THE CUSTOMS REVENUE

JOINT REGULATIONS ADOPTED BY SECRETARY OF TREASURY AND POSTMASTER GENERAL GOVERNING TREATMENT OF MAIL MATTER RECEIVED FROM FOREIGN COUNTRIES INVOLVING CUSTOMS REVENUE

In § 22.16 *Postmasters to collect duty and forward same to customs officer* (39 CFR, 10 F. R. 748, 11 F. R. 849) make the following changes:

Amend paragraph (d) to read as follows:

(d) Customs officers issuing mail entries shall review their records of such entries weekly and promptly request postmasters on form 3439 to account for entries not returned within 30 days after the date of issuance thereof accompanied by the duty or proper evidence of exemption from duty. Should the postmaster fail to make proper accounting within a reasonable time, the facts shall be reported to the Chief Inspector, Post Office Department, Washington, D. C., for investigation, unless the accountable sum involved is \$10 or less and the report of the postmaster or other circumstances indicate to the collector that an investigation by the chief inspector is not warranted. In the case of delinquencies arising at ports of entry other than headquarters ports, the report to the chief inspector shall be made through the headquarters port. The chief inspector shall promptly advise the collector of customs of the result of the investigation.

(R. S. 161, 336, secs. 304, 309, 42 Stat. 24, 25, Sec. 498, 46 Stat. 723; 5 U. S. C. 22, 369, 19 U. S. C. 1498)

E. H. FOLEY, Jr.,
Acting Secretary of the Treasury.

[SEAL] ROBERT E. HAINNEGAN,
Postmaster General.

[F. R. Doc. 47-1658; Filed, Feb. 20, 1947; 8:46 a. m.]

TITLE 42—PUBLIC HEALTH

Chapter I—Public Health Service, Federal Security Agency

PART 14—ALLOWANCES TO FILIPINO TRAINEES

Sec.

14.1 Definitions.

14.2 Allowances.

14.3 Additional provisions.

AUTHORITY: §§ 14.1 to 14.3, inclusive, issued under secs. 305, 311 (c) and (d), 60 Stat. 136, 139; 50 U. S. C., App. Sup. 1785, 1791.

§ 14.1 *Definitions.* As used in this part, terms shall have the following meanings:

(a) *Program.* The program carried on by and under the supervision of the Surgeon General of the Public Health Service (hereinafter referred to as the Service) for the training of Filipinos in public health methods and administration pursuant to the provisions of sections 305 and 311 (c) and (d) of the Philippine Rehabilitation Act of 1946.

(b) *Trainee.* A person receiving training or instruction under the program.

(c) *Baggage.* Public property, or private property to be used exclusively for official business, and wearing apparel needed by a trainee while engaged in travel or in receiving training, together with the necessary containers.

(d) *Excess baggage.* Baggage in excess of the weight or of a size greater than that carried free by persons engaged in transportation.

§ 14.2 *Allowances.* A trainee shall receive allowances with respect to the following:

(a) *Transportation.* First-class accommodations on steamship, airplane, railway, or other means of conveyance, from his home in the Philippines to the first place at which he is to study or receive training, and from such place, or other place to which he has been authorized to go, to his home; and reimbursement for necessary taxi fares.

(b) *Per diem in lieu of subsistence.* (1) Per diem of \$7.00, in lieu of subsistence and all incidental expenses, including gratuitous fees, et cetera, while traveling to and from the United States (except for the period spent on sea-going vessels) while on authorized or emergency stop-overs; and while in a travel status within the United States, which status shall terminate on the day a trainee arrives at the first place where he is to study or receive training and shall recommence on the day he leaves that place, or other place to which he has been authorized to go, to return to his home.

(2) Per diem of \$3.50, unless another rate not to exceed \$7.00 is authorized, in

lieu of subsistence and all incidental expenses including gratuitous fees, and the cost of steamer chairs, rugs and cushions, et cetera, while traveling on sea-going vessels outside the continental limits of the United States.

(c) *Baggage charges.* Reimbursement, upon presentation of receipts, or shipping charges for baggage, as follows:

(1) If travel is performed by air, for excess baggage not to exceed 50 pounds in weight, when shipped as excess baggage or by air express.

(2) If travel is performed by means other than air, for a total of 250 pounds in weight, including all baggage carried free.

(d) *Additional allowance.* An allowance of \$25 for the first month or fraction thereof while engaged in traveling from his home to the United States, commencing on the day of departure, in addition to all other allowances.

(e) *Books and equipment.* Not to exceed \$100 for books, equipment and related incidental expenses.

(f) *Tuition.* Actual tuition costs and related fees. Payment of such costs and fees shall be made by the Service directly to the institution or facility concerned upon presentation of an itemized voucher countersigned by the trainee.

(g) *Clothing.* Not to exceed \$200 for winter clothing not normally worn by a trainee but necessary to enable him to participate in the program, upon prior individual authorization.

(h) *Travel.* For travel from one place of study or training to another, or for travel in furtherance of study or training, lowest first-class transportation available on a common carrier or reimbursement for expenses not exceeding the minimum cost of such transportation; and, in either event, reimbursement for necessary taxi fares.

(i) *Maintenance.* An amount to be fixed individually for each trainee, but not to exceed \$180 per month, beginning with the day upon which a trainee arrives at his first place of study or training, and not to exceed twelve months of study or training. The allowance authorized by this paragraph shall be payable in semimonthly installments.

§ 14.3 *Additional provisions.* The foregoing provisions shall be subject to the following:

(a) *Computation of fractional days.* In computing per diem, allowances, and other payments which may become payable to a trainee, fractional days shall be counted as full days, the status at the

end of the calendar day determining the status for the whole day.

(b) *Emergency or additional authorization.* Any emergency or additional payment deemed necessary under the program, if allowable under existing law, may be authorized whether or not specifically provided for in this part.

(c) *Cancellation.* If, in the judgment of the Surgeon General or his authorized representative, a trainee has not maintained a satisfactory record of performance, or has otherwise become unfit to receive training or instruction, his training or instruction shall be terminated and he shall not thereafter receive any further allowances under paragraphs (e) (f) (g) (h) or (i) of § 14.2.

Effective date. The provisions of this part shall become effective upon the date of their publication in the FEDERAL REGISTER.

[SEAL]

THOMAS PARRAN,
Surgeon General.

Approved: February 18, 1947.

WATSON B. MILLER,
Federal Security Administrator

[F. R. Doc. 47-1690; Filed, Feb. 20, 1947;
8:46 a. m.]

PROPOSED RULE MAKING

FEDERAL SECURITY AGENCY

Food and Drug Administration

[21 CFR, Part 19]

[Docket No. FDC-46]

STANDARDS OF IDENTITY FOR CHEESES, PROCESSED CHEESES, CHEESE FOODS, CHEESE SPREADS, AND RELATED FOODS

NOTICE OF HEARING

In the matter of proposals to amend the definitions and standards of identity for cheddar cheese, washed curd cheese, and colby cheese and to establish definitions and standards of identity for other cheeses, processed cheeses, cheese foods, cheese spreads, and related foods.

Notice is hereby given that the Administrator of the Federal Security Agency on his own initiative, in accordance with the provisions of sections 401 and 701 of the Federal Food, Drug, and Cosmetic Act (52 Stat. 1046, 1055; 21 U. S. C. 341, 371) will hold a public hearing commencing at 10 o'clock in the morning of April 8, 1947 in Room 5541 Social Security Building, Independence Avenue between Third and Fourth Streets Southwest, Washington, D. C., for the purpose of receiving evidence upon the basis of which regulations may be promulgated amending the definitions and standards of identity for cheddar cheese, washed curd cheese, and colby cheese, and establishing reasonable definitions and standards of identity for cheddar cheese for manufacturing, washed curd cheese for manufacturing, colby cheese for manufacturing, granular cheese, granular cheese for

manufacturing, swiss cheese, swiss cheese for manufacturing, brick cheese, brick cheese for manufacturing, muenster cheese, edam cheese, gouda cheese, blue mold cheese, camembert cheese, limburg cheese, monterey cheese, high moisture jack cheese, provolone cheese, parmesan cheese, monte cheese, modena cheese, romano cheese, asiago fresh cheese, asiago medium cheese, asiago old cheese, gorgonzola cheese, cook cheese, hard cheese, semi-soft cheese, soft ripened cheese, noekkelost cheese, pasteurized process cheese, pasteurized process cheese with fruits, vegetables, and meats, pasteurized process pimento cheese, pasteurized process cheese foods, pasteurized process cheese foods with fruits, vegetables, and meats, pasteurized process cheese spreads, pasteurized process cheese spreads with fruits, vegetables, and meats, cold pack cheese, cold pack cheese foods, cold pack cheese foods with fruits, vegetables, and meats, and other related foods if the evidence so indicates.

Edward E. Turkel is hereby designated presiding officer to conduct the hearing, in the place of the Administrator, with full authority to administer oaths and affirmations and to do all other things appropriate to the conduct of the hearing. The presiding officer is required to certify the entire record of the proceedings to the Administrator for initial decision.

The hearing will be conducted in accordance with the rules of practice provided therefor.

At the hearing evidence will be restricted to testimony and exhibits that

are relevant and material to the issues contained in the proposals.

Proposed regulations, embodying in part suggestions of members of the affected industry, are set forth below. These proposals are subject to adoption, rejection, amendment, and modification, in whole or in part, as the evidence of record adduced at the hearing may require.

Proposed amendments to the definitions and standards of identity of cheddar cheese, cheese; washed curd cheese, soaked curd cheese; colby cheese: For convenience a definition and standard of identity for each of these foods which includes the proposed amendments follows. The proposed changes are set forth in brackets.

§ 19.500 *Cheddar cheese, cheese; identity.* (a) Cheddar cheese, cheese, is the food prepared from milk by the procedure set forth in paragraph (b) of this section, [or by another procedure: *Provided,* The chemical and physical properties of the finished cheese are the same as when the procedure set forth in paragraph (b) of this section is used]. It contains not more than 39 percent of moisture, and its solids contain not less than 50 percent of milk fat, as determined by the methods prescribed in paragraph (c) of this section.

(b) Milk, which may be pasteurized, and which may be warmed, is subjected to the action of harmless lactic-acid-producing bacteria, present in such milk or added thereto. [Purified calcium chloride may be added in a quantity of not more than 0.02 percent (calculated

as anhydrous calcium chloride) of the weight of such milk.] Harmless artificial coloring may be added. Sufficient rennet is added to set the milk to a semi-solid mass. The mass is so cut, stirred, and heated with continued stirring, as to promote [and regulate] the separation of whey and curd. The whey is drained off and the curd is matted into a cohesive mass. The mass is cut into slabs which are so piled and handled as to promote the drainage of whey and the development of acidity. The slabs are then cut into pieces, which may be rinsed by sprinkling or pouring water over them, with free and continuous drainage; but the duration of such rinsing is so limited that only the whey on the surface of such pieces is removed. The curd is salted, stirred, further drained, and pressed into forms. [A harmless enzyme preparation, containing one or more of the following enzymes, may be added at any time during the above described process: Amylase, catalase, erepsin, lipase, papain, pepsin, sucrase, trypsin, lactase, bromelin, zymase, chymotrypsin. The solids content of the enzyme preparation added does not exceed 0.1 percent of the weight of the milk used.]

[In case the milk used is not pasteurized, the curd made therefrom after being pressed into forms is held in storage at a temperature of not less than 35° F. for not less than ____ days. The pressed curd may be coated with paraffin or other similar material, but such paraffin or other similar material is not colored red or green.]

(c) Determine moisture by the method prescribed [on page 336, § 22.124 under "Moisture-Official"] and milk fat by the method prescribed [on page 337, § 22.130 under "Fat-Official"], of "Official and Tentative Methods of Analysis of the Association of Official Agricultural Chemists" [Sixth Edition, 1945]. Subtract the percent of moisture found from 100; divide the remainder into the percent of milk fat found; the quotient multiplied by 100 shall be considered to be the percent of milk fat contained in the solids.

(d) For the purposes of this section:

(1) The word "milk" means cows' milk.

(2) Such milk may be adjusted by the separation of part of the fat therefrom or the addition thereto of cream or skim milk, [concentrated skim milk and/or non-fat dry milk solids.]

(3) Milk shall be deemed to have been pasteurized if it has been held at a time and temperature of not less than 143° F. for a period of not less than 30 minutes, or at a time and temperature equivalent thereto in phosphatase destruction. Cheddar cheese shall be deemed not to have been made from pasteurized milk if 0.25 gm portion shows a phenol equivalent of more than ____ micrograms when tested by the method of Sanders and Sager as published in "Journal of Dairy Science," November 1946 Vol. XXIX No. 11, pages 737-749.]

§ 19.505 *Washed curd cheese, soaked curd cheese; identity.* (a) Washed curd cheese, soaked curd cheese, is the food prepared from milk by the procedure

set forth in paragraph (b) of this section [or by another procedure: *Provided*, The chemical and physical properties of the finished cheese are the same as when the procedure set forth in paragraph (b) of this section is used]. It contains not more than 42 percent of moisture, and its solids contain not less than 50 percent of milk fat, as determined by the methods prescribed in paragraph (c) of § 19.500.

(b) Milk, which may be pasteurized, and which may be warmed, is subjected to the action of harmless lactic-acid producing bacteria, present in such milk or added thereto. [Purified calcium chloride may be added in a quantity of not more than 0.02 percent (calculated as anhydrous calcium chloride) of the weight of such milk.] Harmless artificial coloring may be added. Sufficient rennet is added to set the milk to a semi-solid mass. The mass is so cut, stirred, and heated with continued stirring, as to promote [and regulate] the separation of whey and curd. The whey is drained off and the curd is matted into a cohesive mass. The mass is cut into slabs which are so piled and handled as to promote the drainage of whey and the development of acidity. The slabs are then cut into pieces, cooled in water, and soaked therein until the whey is partly extracted and water is absorbed. The curd is drained, salted, stirred, and pressed into forms.

[A harmless enzyme preparation, containing one or more of the following enzymes, may be added at any time during the above described process: amylase, catalase, erepsin, lipase, papain, pepsin, sucrase, trypsin, lactase, bromelin, zymase, chymotrypsin. The solids content of the enzyme preparation added does not exceed 0.1 percent of the weight of the milk used.]

In case the milk used is not pasteurized, the curd made therefrom after being pressed into forms is held in storage at a temperature of not less than 35° F. for not less than ____ days. The pressed curd may be coated with paraffin, or other similar material but such paraffin or other similar material is not colored red or green.]

(c) For the purpose of this section:

(1) The word "milk" means cows' milk.

(2) Such milk may be adjusted by the separation of part of the fat therefrom or the addition thereto of cream or skim milk, [concentrated skim milk and/or non-fat dry milk solids.]

(3) [Milk shall be deemed to have been pasteurized if it has been held at a time and temperature of not less than 143° F. for not less than 30 minutes, or at a time and temperature equivalent thereto in phosphatase destruction. Washed curd cheese shall be deemed not to have been made from pasteurized milk if 0.25 gm shows a phenol equivalent of more than ____ micrograms when tested by the method of Sanders and Sager published in "Journal of Dairy Science," November 1946 Vol. XXIX No. 11 pages 737-749.]

§ 19.510 *Colby Cheese; identity.* (a) Colby cheese is the food prepared from milk by the procedure set forth in paragraph (b) of this section, [or by another

procedure: *Provided*, The chemical and physical properties of the finished cheese are the same as when the procedure set forth in paragraph (b) of this section is used]. It contains not more than 40 percent of moisture, and its solids contain not less than 50 percent of milk fat, as determined by the methods prescribed in paragraph (c) of § 19.500.

(b) Milk, which may be pasteurized and which may be warmed, is subjected to the action of harmless lactic-acid-producing bacteria, present in such milk or added thereto. [Purified calcium chloride may be added in a quantity of not more than .02 percent (calculated as anhydrous calcium chloride) of the weight of such milk.] Harmless artificial coloring may be added. Sufficient rennet is added to set the milk to a semi-solid mass. The mass is so cut, stirred, and heated with continued stirring, as to promote [and regulate] the separation of whey and curd. A part of the whey is drained off and the curd is cooled by adding water, the stirring being continued so as to prevent the pieces of curd from matting. The curd is drained, salted, stirred, further drained, and pressed into forms.

[A harmless enzyme preparation, containing one or more of the following enzymes, may be added at any time during the above described process: amylase, catalase, erepsin, lipase, papain, pepsin, sucrase, trypsin, lactase, bromelin, zymase, chymotrypsin. The solids content of the enzyme preparation added does not exceed 0.1 percent of the weight of the milk used.]

In case the milk used is not pasteurized, the curd made therefrom after being pressed into forms is held in storage at a temperature of not less than 35° F. for not less than ____ days. The pressed curd may be coated with paraffin or other similar material but such paraffin or other similar material is not colored red or green.]

(c) For the purposes of this section:

(1) The word "milk" means cows' milk.

(2) Such milk may be adjusted by the separation of part of the fat therefrom or the addition thereto of cream or skim milk, [concentrated skim milk and/or non-fat dry milk solids.]

(3) Milk shall be deemed to have been pasteurized if it has been held at a time and temperature of not less than 143° F. for a period of not less than 30 minutes or at a time and temperature equivalent thereto in phosphatase destruction. Colby cheese shall be deemed not to have been made from pasteurized milk if 0.25 gm shows a phenol equivalent of more than ____ micrograms when tested by the method of Sanders and Sager published in "Journal Dairy Science," November 1946, Vol. XXIX No. 11, pages 737-749.]

Suggested definitions and standards for other cheeses for which standards have not heretofore been adopted, follow:

§ 19.502 *Cheddar cheese for manufacturing; identity.* (a) Cheddar cheese for manufacturing is the food prepared by the procedure set forth in paragraph (b) of this section, or by another procedure: *Provided*, The chemical and

physical properties of the finished cheese are the same as when the procedure set forth in paragraph (b) of this section is used. It contains not more than 39 percent of moisture and its solids contain not less than 50 percent of milk fat as determined by the methods prescribed in paragraph (c) of § 19.500.

(b) Milk, which may be warmed, is subjected to the action of harmless lactic-acid-producing bacteria, present in such milk or added thereto. Purified calcium chloride may be added in a quantity of not more than 0.02 percent (calculated as anhydrous calcium chloride) of the weight of such milk. Harmless artificial coloring may be added. Sufficient rennet is added to set the milk to a semi-solid mass. The mass is so cut, stirred, and heated with continued stirring, as to promote and regulate the separation of whey and curd. The whey is drained off and the curd is matted into a cohesive mass. The mass is cut into slabs which are so piled and handled as to promote the drainage of whey and the development of acidity. The slabs are then cut into pieces, which may be rinsed by sprinkling or pouring water over them, with free and continuous drainage; but the duration of such rinsing is so limited that only the whey on the surface of such pieces is removed. The curd is salted, stirred, further drained, and pressed into forms. A harmless enzyme preparation, containing one or more of the following enzymes, may be added at any time during the above described process: Amylase, catalase, erepsin, lipase, papain, pepsin, sucrase, trypsin, lactase, bromelin, zymase, chymotrypsin. The solids content of the enzyme preparation added does not exceed 0.1 percent of the weight of the milk used. The cheese is coated with green colored paraffin.

(c) For the purposes of this section:

(1) The word "milk" means cows' milk.

(2) Such milk may be adjusted by the separation of part of the fat therefrom or the addition thereto of cream or skim milk, concentrated skim milk and/or non-fat dry milk solids.

§ 19.507 *Washed curd cheese for manufacturing; identity.* (a) Washed curd cheese for manufacturing is the food prepared from milk by the procedure set forth in paragraph (b) of this section, or by another procedure: *Provided*, The chemical and physical properties of the finished cheese are the same as when the procedure set forth in paragraph (b) of this section is used. It contains not more than 42 percent of moisture, and its solids contain not less than 50 percent of milk fat, as determined by the methods prescribed in paragraph (c) of § 19.500.

(b) Milk, which may be warmed is subjected to the action of harmless lactic-acid-producing bacteria, present in such milk or added thereto. Purified calcium chloride may be added in a quantity of not more than 0.02 percent (calculated as anhydrous calcium chloride) of the weight of such milk. Harmless artificial coloring may be added. Sufficient rennet is added to set the milk to a semi-solid mass. The mass is so cut,

stirred, and heated with continued stirring, as to promote and regulate the separation of whey and curd. The whey is drained off and the curd is matted into a cohesive mass. The mass is cut into slabs which are so piled and handled as to promote the drainage of whey and the development of acidity. The slabs are then cut into pieces, cooled in water, and soaked therein until the whey is partly extracted and water is absorbed. The curd is drained, salted, stirred, and pressed into forms.

A harmless enzyme preparation, containing one or more of the following enzymes, may be added at any time during the above described process: Amylase, catalase, erepsin, lipase, papain, pepsin, sucrase, trypsin, lactase, bromelin, zymase, chymotrypsin. The solids content of the enzyme preparation added does not exceed 0.1 percent of the weight of the milk used. The cheese is coated with green colored paraffin.

(c) For the purposes of this section:

(1) The word "milk" means cows' milk.

(2) Such milk may be adjusted by the separation of part of the fat therefrom or the addition thereto of cream or skim milk, concentrated skim milk and/or non-fat dry milk solids.

§ 19.512 *Colby cheese for manufacturing; identity.* (a) Colby cheese for manufacturing is the food prepared from milk by the procedure set forth in paragraph (b) of this section, or by another procedure provided the chemical and physical properties of the finished cheese are the same as when the procedure set forth in paragraph (b) of this section is used. It contains not more than 40 percent of moisture, and its solids contain not less than 50 percent of milk fat, as determined by the methods prescribed in paragraph (c) of § 19.500.

(b) Milk, which may be warmed is subjected to the action of harmless lactic-acid-producing bacteria, present in such milk or added thereto. Purified calcium chloride may be added in a quantity of not more than 0.02 percent (calculated as anhydrous calcium chloride) of the weight of such milk. Harmless artificial coloring may be added. Sufficient rennet is added to set the milk to a semi-solid mass. The mass is so cut, stirred, and heated with continued stirring, as to promote and regulate the separation of whey and curd. A part of the whey is drained off and the curd is cooled by adding water, the stirring being continued so as to prevent the pieces of curd from matting. The curd is drained, salted, stirred, further drained, and pressed into forms.

A harmless enzyme preparation, containing one or more of the following enzymes, may be added at any time during the above described process: amylase, catalase, erepsin, lipase, papain, pepsin, sucrase, trypsin, lactase, bromelin, zymase, chymotrypsin. The solids content of the enzyme preparation added does not exceed 0.1 percent of the weight of the milk used. The cheese is coated with green colored paraffin.

(c) For the purposes of this section:

(1) The word "milk" means cows' milk.

(2) Such milk may be adjusted by the separation of part of the fat therefrom or the addition thereto of cream or skim milk, concentrated skim milk and/or non-fat dry milk solids.

§ 19.535 *Granular cheese, stirred curd cheese; identity.* (a) Granular cheese, stirred curd cheese, is the food prepared from milk by the procedure set forth in paragraph (b) of this section, or by another procedure: *Provided*, The chemical and physical properties of the finished cheese are the same as when the procedure set forth in paragraph (b) of this section is used. It contains not more than 39 percent of moisture and its solids contain not less than 50 percent of milk fat, as determined by the methods prescribed in paragraph (c) of § 19.500.

(b) Milk, which may be pasteurized and which may be warmed, is subjected to the action of harmless lactic-acid-producing bacteria, present in such milk or added thereto. Purified calcium chloride may be added in a quantity of not more than 0.02 percent (calculated as anhydrous calcium chloride) of the weight of such milk. Harmless artificial coloring may be added. Sufficient rennet is added to set the milk to a semi-solid mass. The mass is so cut, stirred, and heated with continued stirring, as to promote and regulate the separation of whey and curd. A part of the whey is drained off. The curd is then alternately stirred and drained to prevent matting and to remove whey from curd. The curd is then salted, stirred, drained, and pressed into forms. A harmless enzyme preparation containing one or more of the following enzymes may be added at any time during the above described process: Amylase, catalase, erepsin, lipase, papain, sucrase, trypsin, lactase, bromelin, pepsin, zymase, chymotrypsin. The solids content of the enzyme preparation added does not exceed 0.1 percent of the weight of the milk used. In case the milk used is not pasteurized the curd made therefrom after being pressed into forms is held in storage at a temperature of not less than 35° F. for not less than ----- days. The pressed curd may be coated with paraffin or other similar material, but such paraffin or other similar material is not colored red or green.

(c) For the purposes of this section:

(1) The word "milk" means cows' milk.

(2) Such milk may be adjusted by separation of part of the fat therefrom or the addition thereto of cream or skim milk, concentrated skim milk and/or non-fat dry milk solids.

(3) Milk shall be deemed to have been pasteurized if it has been held at a time and temperature of not less than 143° F. for a period of not less than 30 minutes, or at a time and temperature equivalent thereto in phosphatase destruction. Granular cheese shall be deemed not to have been made from pasteurized milk if 0.25 gm portion shows a phenol equivalent of more than ---- micrograms when tested by the method of Sanders and Sager, as published in "Journal of Dairy Science," November 1946, Vol. XXIX No. 11 pages 737-749.

§ 19.537 *Granular cheese for manufacturing; stirred curd cheese for manufacturing; identity.* (a) Granular cheese for manufacturing, stirred curd cheese for manufacturing is the food prepared from milk by the procedure set forth in paragraph (b) of this section, or by another procedure: *Provided*, The chemical and physical properties of the finished cheese are the same as when the procedure set forth in paragraph (b) of this section is used. It contains not more than 39 percent of moisture and its solids contain not less than 50 percent of milk fat, as determined by the methods prescribed in paragraph (c) of § 19.500.

(b) Milk, which may be warmed, is subjected to the action of harmless lactic-acid-producing bacteria, present in such milk or added thereto. Purified calcium chloride may be added in a quantity of not more than 0.02 percent (calculated as anhydrous calcium chloride) of the weight of such milk. Harmless artificial coloring may be added. Sufficient rennet is added to set the milk to a semi-solid mass. The mass is so cut, stirred, and heated with continued stirring, as to promote and regulate the separation of whey and curd. A part of the whey is drained off. The curd is then alternately stirred and drained to prevent matting and to remove whey from curd. The curd is then salted, stirred, drained, and pressed into forms. A harmless enzyme preparation containing one or more of the following enzymes may be added at any time during the above described process: Amylase, catalase, erepsin, lipase, papain, pepsin, sucrase, trypsin, lactase, bromelin, zymase, chymotrypsin. The solids content of the enzyme preparation added does not exceed 0.1 percent of the weight of the milk used. The cheese is coated with green colored paraffin.

(c) For the purposes of this section:

(1) The word "milk" means cows' milk.

(2) Such milk may be adjusted by the separation of part of the fat therefrom or the addition thereto of cream or skim milk, concentrated skim milk and/or non-fat dry milk solids.

§ 19.540 *Swiss cheese, gruyere cheese; identity.* (a) Swiss cheese, gruyere cheese, is the food prepared from milk by the procedure set forth in paragraph (b) of this section, or by another procedure: *Provided*, The chemical and physical properties of the finished cheese are the same as when the procedure set forth in paragraph (b) of this section is used. It is characterized by a mild somewhat sweetish flavor, and has holes or "eyes" developed throughout the entire cheese. It contains not more than 43 percent moisture and its solids contain not less than 45 percent milk fat, as determined by the methods prescribed in paragraph (c) of § 19.500.

(b) Milk, which may be pasteurized and which may be clarified, and which may be warmed, is subjected to the action of harmless lactic-acid-producing bacteria present in such milk or added thereto. Harmless propionic-acid-producing bacteria may be added. Purified calcium chloride may be added in a

quantity of not more than 0.02 percent (calculated as anhydrous calcium chloride) of the weight of such milk. Sufficient rennet is added to set the milk to a semi-solid mass. After coagulation the mass is divided into smaller portions and so handled by stirring, heating, dilution with water or salt brine, or salting, as to promote and regulate the separation of whey and curd. The curd is transferred to hoops or forms and pressed until the desired shape and firmness are obtained. The cheese is then salted by immersing the cheese in brine from 2 to 4 days, followed by the addition of salt to the surface of the cheese during the curing period (or by other salting methods giving same results). The cheese is held at a temperature of about 50° to 60° F. until it is not less than 10 days old, after which it is held at a higher temperature of about 75° F. until it is at least 30 days old, during which time the so-called "eyes" form. It is then held at a lower temperature for further aging, or until the cheese is at least 60 days old. Salt may be added to the cheese at any time.

When pasteurized milk is used, a harmless enzyme preparation, containing one or more of the following enzymes, may be added at any time during the above described process: Amylase, catalase, erepsin, lipase, papain, pepsin, sucrase; trypsin, lactase, bromelin, zymase, chymotrypsin. The solids content of the enzyme preparation added does not exceed 0.1 percent of the weight of the milk used.

(c) For the purposes of this section:

(1) The word "milk" means cows' milk.

(2) Such milk may be adjusted by the separation of part of the fat therefrom or the addition thereto of cream or skim milk, concentrated skim milk and/or non-fat dry milk solids.

§ 19.542 *Swiss cheese for manufacturing, gruyere cheese for manufacturing; identity.* (a) Swiss cheese for manufacturing, gruyere cheese for manufacturing, conforms to the definition and standard of identity for swiss cheese prescribed by § 19.540, except that, either the holes known as "eyes" have not developed throughout the entire cheese, or it has been held for 42 days but not for 60 days at a temperature of not less than 35° F., or differs in both these ways.

It is coated with a green colored paraffin.

§ 19.545 *Brick cheese; identity.* (a) Brick cheese is the food prepared by the procedure set forth in paragraph (b) of this section, or by another procedure: *Provided*, The chemical and physical properties of the finished cheese are the same as when the procedure set forth in paragraph (b) of this section is used. Brick cheese is made in rectangular or loaf form and each cheese weighs not less than 4 nor more than 6 pounds. It contains not more than 43 percent of moisture and its solids contain not less than 50 percent of milk fat, as determined by the methods described in paragraph (c) of § 19.500.

(b) Milk, which may be pasteurized and which may be warmed, is subjected

to the action of harmless lactic-acid-producing bacteria present in such milk or added thereto. Purified calcium chloride may be added in a quantity of not more than 0.02 percent (calculated as anhydrous calcium chloride) of the weight of such milk. Harmless artificial coloring may be added. Sufficient rennet is added to set the milk to a semi-solid mass. After coagulation the mass is divided into smaller portions and so handled by stirring, heating, dilution with water or salt brine, or salting as to promote and regulate the separation of whey and curd. When the desired curd is produced it is transferred to forms permitting drainage of the whey. During drainage the curd may be pressed and turned. After drainage the curd is removed from the forms and is usually salted, although salt may be applied at any time in the making or curing process. It is then cured under suitable conditions until ready for marketing.

A harmless enzyme preparation, containing one or more of the following enzymes may be added at any time during the above described process: Amylase, catalase, erepsin, lipase, papain, pepsin, sucrase, trypsin, lactase, bromelin, zymase, chymotrypsin. The solids content of the enzyme preparation added may not exceed 0.1 percent of the weight of the milk used.

In case the milk used is not pasteurized, the curd made therefrom after being shaped into forms is held in storage at a temperature of not less than 35° F. for not less than _____ days. The shaved curd may be coated with paraffin or other similar material, but such paraffin or other similar material is not colored red or green.

(c) For the purposes of this section:

(1) The word "milk" means cows' milk.

(2) Such milk may be adjusted by the separation of part of the fat therefrom or the addition thereto of cream or skim milk, concentrated skim milk and/or non-fat dry milk solids.

(3) Milk shall be deemed to have been pasteurized if it has been held at a time and temperature of not less than 143° F. for a period of not less than 30 minutes, or at a time and temperature equivalent thereto in phosphatase destruction. Brick cheese shall be deemed to have been made from pasteurized milk if 0.25 gm shows a phenol equivalent of more than _____ micrograms when tested by the method of Sanders and Sager published in "Journal of Dairy Science," November 1946 Vol. XXIX No. 11 pages 737-749.

§ 19.547 *Brick cheese for manufacturing; identity.* Brick cheese for manufacturing conforms to the definition and standard of identity prescribed for Brick Cheese by § 19.545 except that pasteurized milk is not used, and it is colored with green colored paraffin.

§ 19.550 *Muenster cheese; identity.* (a) Muenster cheese is the food prepared from milk by the procedure set forth in paragraph (b) of this section, or by another procedure: *Provided*, The chemical and physical properties of the finished cheese are the same as when the procedure set forth in paragraph (b) of this section is used. Muenster cheese is made

in cylindrical form and weighs not less than 4 nor more than 6 pounds. It contains not more than 44 percent of moisture and its solids contain not less than 50 percent of milk fat, as determined by the methods prescribed in paragraph (b) of § 19.500.

(b) Milk, which may be pasteurized and which may be warmed, is subjected to the action of harmless lactic-acid producing bacteria, present in such milk or added thereto. Purified calcium chloride may be added in a quantity of not more than 0.02 percent (calculated as anhydrous calcium chloride) of the weight of such milk. Harmless artificial coloring may be added. Sufficient rennet is added to set the milk to a semi-solid mass. After coagulation the mass is divided into smaller portions and so handled by stirring, heating, dilution with water or salt brine, or salting as to promote and regulate the separation of whey and curd. When the desired curd is produced, it is transferred to forms permitting drainage of the whey. During drainage the curd may be pressed and turned. After drainage the curd is removed from the forms and is usually salted, although salt may be applied at any time in the making or curing process. It is then cured under suitable conditions until ready for marketing.

A harmless enzyme preparation, containing one or more of the following enzymes may be added at any time during the above described process: Amylase, catalase, erepsin, lipase, papain, pepsin, sucrase, trypsin, lactase, bromelin, zymase, chymotrypsin. The solids content of the enzyme preparation added does not exceed 0.1 percent of the weight of the milk used.

In case the milk used is not pasteurized, the curd made therefrom after being shaped into forms is held in storage at a temperature of not less than 35° F for not less than ---- days.

The shaped curd may be coated with paraffin or other similar material, but such paraffin or other similar material is not colored red or green.

(c) For the purposes of this section:

(1) The word "milk" means cows' milk.

(2) Such milk may be adjusted by the separation of part of the fat therefrom or the addition thereto of cream or skim milk, concentrated skim milk and/or non-fat dry milk solids.

(3) Milk shall be deemed to have been pasteurized if it has been held at a time and temperature of not less than 143° F for a period of not less than 30 minutes, or at a time and temperature equivalent thereto in phosphatase destruction. Muenster cheese shall be deemed not to have been made from pasteurized milk if 0.25 gm shows a phenol equivalent of more than ---- micrograms when tested by the method of Sanders and Sager as published in "Journal of Dairy Science," November 1946, Vol. XXIX No. 11 pages 737-749.

§ 19.555 *Edam cheese; identity.* (a) Edam cheese is the food prepared from milk by the procedure set forth in paragraph (b) of this section, or by another procedure: *Provided*, The chemical and physical properties of the finished cheese

are the same as when the procedure set forth in paragraph (b) of this section is used. It contains not more than 45 percent moisture and its solids contain not less than 40 percent milk fat as determined by the methods prescribed in paragraph (c) of § 19.500. Edam cheese is made in ball or loaf shape in sizes not to exceed 10 pounds. The surface is colored red.

(b) Milk, which may be pasteurized and which may be warmed, is subjected to the action of harmless lactic-acid-producing bacteria present in such milk or added thereto. Harmless artificial coloring may be added. Purified calcium chloride may be added in a quantity of not more than 0.02 percent (calculated as anhydrous calcium chloride) of the weight of such milk. Sufficient rennet is added to set the milk to a semi-solid mass. After coagulation the mass is divided into smaller portions and so handled by stirring, heating, dilution with water or salt brine, or salting, as to promote and regulate the separation of whey and curd. When the desired curd is produced it is transferred to forms permitting drainage of the whey. During drainage the curd may be pressed and turned. After drainage the curd is removed from the forms and is usually salted, although salt may be applied at any time in the making or curing process. It is then cured under suitable conditions until ready for marketing.

A harmless enzyme preparation, containing one or more of the following enzymes, may be added at any time during the above described process: Amylase, catalase, erepsin, lipase, papain, pepsin, sucrase, trypsin, lactase, bromelin, zymase, chymotrypsin. The solids content of this enzyme preparation added does not exceed 0.10 percent of the weight of the milk used.

In case the milk used is not pasteurized, the curd made therefrom after being shaped into forms is held in storage at a temperature of not less than 35° F for not less than ----- days.

(c) For the purposes of this section:

(1) The word "milk" means cows' milk.

(2) Such milk may be adjusted by the separation of part of the fat therefrom or the addition thereto of cream or skim milk, concentrated skim milk and/or non-fat dry milk solids.

(3) Milk shall be deemed to have been pasteurized if it has been held at a time and temperature of not less than 143° F for a period of not less than 30 minutes, or at a time and temperature equivalent thereto in phosphatase destruction. Edam cheese shall be deemed not to have been made from pasteurized milk if a 0.25 gm portion shows a phenol equivalent of more than ----- micrograms when tested by the method of Sanders and Sager, as published in "Journal of Dairy Science," November 1946, Vol. XXIX, No. 11, pages 737-749.

§ 19.560 *Gouda cheese; identity.* (a) Gouda cheese is the food prepared from milk by the procedure set forth in paragraph (b) of this section, or by another procedure: *Provided*, The chemical and physical properties of the finished cheese is the same as when the procedure set forth in paragraph (b) of this section is

used. It contains not more than 45 percent of moisture and its solids contain not less than 40 percent of milk fat as determined by the methods prescribed in paragraph (c) of § 19.500. Gouda cheese is made in ellipsoid shape, in sizes not exceeding 5 pounds in weight. The surface is colored red.

(b) Milk; which may be pasteurized and which may be warmed, is subjected to the action of harmless lactic-acid-producing bacteria present in such milk or added thereto. Harmless artificial coloring may be added. Purified calcium chloride may be added in a quantity of not more than 0.02 percent (calculated as anhydrous calcium chloride) of the weight of such milk. Sufficient rennet is added to set the milk to a semi-solid mass. After coagulation the mass is divided into smaller portions and so handled by stirring, heating, diluting with water or salt brine, or salting, as to promote and regulate the separation of whey and curd. When the desired curd is produced it is transferred to forms permitting drainage of the whey. During drainage the curd is removed from the forms and is usually salted, although salt may be applied at any time in the making or curing process. It is then cured under suitable conditions until ready for marketing.

A harmless enzyme preparation, containing one or more of the following enzymes, may be added at any time during the above described process: Amylase, catalase, erepsin, lipase, papain, pepsin, sucrase, trypsin, lactase, bromelin, zymase, chymotrypsin. The solids content of the enzyme preparation added does not exceed 0.1 percent of the weight of the milk used.

In case the milk used is not pasteurized, the curd made therefrom, after being shaped into forms, is held in storage at a temperature of not less than 35° F for not less than --- days.

(c) For the purposes of this section:

(1) The word "milk" means cows' milk.

(2) Such milk may be adjusted by the separation of part of the fat therefrom or the addition thereto of cream or skim milk, concentrated skim milk and/or non-fat dry milk solids.

(3) Milk shall be deemed to have been pasteurized if it has been held at a time and temperature of not less than 143° F for a period of not less than 30 minutes, or at a time and temperature equivalent thereto in phosphatase destruction. Gouda cheese shall be deemed not to have been made from pasteurized milk if a 0.25 gm portion shows a phenol equivalent of more than -- micrograms when tested by the method of Sanders and Sager as published in "Journal of Dairy Science," November 1946, Vol. XXIX, No. 11, pages 737-749.

§ 19.565 *Blue mold cheese, blue cheese; identity.* (a) Blue mold cheese, blue cheese, is the food prepared from milk by the process set forth in paragraph (b) of this section, or by another procedure: *Provided*, The chemical and physical properties of the finished cheese are the same as when the procedure set forth in paragraph (b) of this section is used. It is characterized by visible blue green mold distributed throughout the cheese

body. It contains not more than 45 percent moisture and its solids contain not less than 50 percent milk fat, as determined by the methods prescribed in paragraph (c) of § 19.500.

(b) The milk used in the manufacture of blue mold cheese may be pasteurized and may be homogenized, or the fat may be separated and homogenized and then recombined, but in case the milk used is sheeps' milk or goats' milk, or a mixture of these, or a mixture of one or both these with cows' milk, it is pasteurized. Purified calcium chloride may be added in a quantity of not more than 0.02 percent (calculated as anhydrous calcium chloride) of the weight of the milk. The fat may be bleached by the use of benzoyl peroxide, or a mixture of one part of benzoyl peroxide by weight and not more than six parts of potassium alum or calcium sulphate and magnesium carbonate. In no case does the amount of benzoyl peroxide exceed 0.002 percent of the weight of milk used. The milk is then subjected to the action of harmless lactic-acid-producing bacteria present in such milk or added thereto. Sufficient rennet is added to set the milk to a semi-solid mass. After the curd has reached the desired degree of firmness, it is divided into smaller portions. The curd may remain in the whey until the proper condition is reached, after which the curd is removed from the whey and placed in forms. At some time during the manufacturing process, a culture of the penicillium group mold is added. The cheese is salted either by the use of dry salt and/or brine. The cheese is then perforated and cured until ready for sale.

A harmless enzyme preparation, containing one or more of the following enzymes, may be added at any time during the above described process: Amylase, catalase, erepsin, lipase, papain, pepsin, sucrase, trypsin, lactase, bromelin, zymase, chymotrypsin. The solids content of the enzyme preparation added does not exceed 0.1 percent of the weight of the milk used.

In case the milk used consists entirely of cows' milk and is not pasteurized, the curd therefrom, after being shaped into forms, is held in storage at a temperature of not less than 35° F. for not less than _____ days.

(c) For the purposes of this section:

(1) The word "milk" means cows' goats' or ewes' milk, or any mixture of them.

(2) Such milk may be adjusted by the separation of part of the fat therefrom or the addition thereto of cream or skim milk, concentrated skim milk and/or nonfat dry milk solids.

(3) Milk shall be deemed to have been pasteurized if it has been held at a time and temperature of not less than 143° F. for a period of not less than 30 minutes, or at a time and temperature equivalent thereto in phosphatase destruction. Blue mold cheese shall be deemed not to have been made from pasteurized milk if 0.25 gm shows a phenol equivalent of more than _____ micrograms when tested by the method of Sanders and Sager, as published in "Journal of

Dairy Science," November 1946, Vol. XXIX, No. 11, pages 737-749.

§ 19.570 *Camembert cheese; identity.*

(a) Camembert cheese is a soft cheese with a characteristic rind formed by the growth of typical white mold, with or without harmless ripening organisms, which produces a characteristic flavor. Camembert cheese is prepared from milk by the procedure set forth in paragraph (b) of this section, or by another procedure: *Provided*, The chemical and physical properties of the finished cheese are the same as when the procedure set forth in paragraph (b) of this section, is used. Its solids contain not less than 50 percent of milk fat, as determined by the method prescribed in paragraph (c) of § 19.500.

(b) Milk, which is pasteurized and which may be warmed, is subjected to the action of harmless lactic-acid-producing bacteria present in such milk or added thereto. Harmless artificial coloring may be added. Purified calcium chloride may be added in a quantity of not more than .02 percent (calculated as anhydrous calcium chloride) of the weight of such milk. Sufficient rennet is added to set the milk to a semi-solid mass. After coagulation the mass is divided into smaller portions and so handled by stirring, heating, dilution with water or salt brine, or salting, as to promote the separation of whey and curd. When the desired curd is produced it is transferred to forms permitting drainage of the whey. After drainage the curd is removed from the forms and is usually salted, although salt may be added at any time in the making or curing process. At some time in the process mold spores of a typical white penicillium are added. The cheese is held under suitable conditions for the spores to germinate and for the mold to develop upon the surface of the cheese. Curing progresses from the outer surface toward the center of the cheese. When this has advanced to a desirable point the cheese is packaged in suitable materials.

A harmless enzyme preparation, containing one or more of the following enzymes, may be added at any time during the above described process: Amylase, catalase, erepsin, lipase, papain, pepsin, sucrase, trypsin, lactase, bromelin, zymase, chymotrypsin. The solids content of this enzyme preparation added does not exceed 0.1 percent of the weight of the milk used.

(c) For the purposes of this section:

(1) The word "milk" means cows' milk.

(2) Such milk may be adjusted by the separation of part of the fat therefrom or the addition thereto of cream or skim milk, concentrated skim milk and/or non-fat dry milk solids.

(3) Milk shall be deemed to have been pasteurized if it has been held at a time and temperature of not less than 143° F. for a period of not less than 30 minutes, or at a time and temperature equivalent thereto in phosphatase destruction. Camembert cheese shall be deemed not to have been made from pasteurized milk if 0.25 gm portion shows

a phenol equivalent of more than _____ micrograms when tested by the method of Sanders and Sager as published in "Journal of Dairy Science," November 1946 Vol. XXIX No. 11 pages 737-749.

§ 19.575 *Limburger cheese; identity.*

(a) Limburger cheese is a surface ripened, semi-soft cheese with a strong characteristic odor and taste, prepared by the procedure set forth in paragraph (b) of this section, or by another procedure: *Provided*, The chemical and physical properties of the finished cheese are the same as when the procedure set forth in paragraph (b) of this section is used. It contains not more than 50 percent of moisture and its solids contain not less than 50 percent of milk fat as determined by the methods prescribed in paragraph (c) of § 19.500.

(b) Milk, which may be pasteurized and which may be warmed, is subjected to the action of harmless lactic-acid-producing bacteria, present in such milk or added thereto. Purified calcium chloride may be added in a quantity of not more than 0.02 percent (calculated as anhydrous calcium chloride) of the weight of such milk. Sufficient rennet is added to set the milk to a semi-solid mass. After coagulation, the mass is divided into smaller portions and so handled by stirring, heating, dilution with water or salt brine, or salting as to promote the separation of whey and curd. When the desired curd is produced it is transferred to forms permitting drainage of the whey. After drainage the curd is removed from the forms and is usually salted, although salt may be applied at any other time in the making or curing process. The cheese is then cured under suitable conditions to promote the development of the characteristic biological curing agents upon the surface.

A harmless enzyme preparation containing one or more of the following enzymes may be added at any time during the above described process: Amylase, catalase, erepsin, lipase, papain, pepsin, sucrase, trypsin, lactase, bromelin, zymase, chymotrypsin. The solids content of the enzyme preparation added does not exceed 0.1 percent of the weight of the milk used.

In case the milk used is not pasteurized, the curd made therefrom, after being shaped into forms, is held in storage at a temperature of not less than 35° F. for a period of not less than _____ days.

(c) For the purposes of this section:

(1) The word "milk" means cows' milk.

(2) Such milk may be adjusted by the separation of part of the fat therefrom or the addition thereto of cream or skim milk, concentrated skim milk and/or non-fat dry milk solids.

(3) Milk shall be deemed to have been pasteurized if it has been held at a time and temperature of not less than 143° F. for a period of not less than 30 minutes, or at a time and temperature equivalent thereto in phosphatase destruction. Limburger cheese shall be deemed not to have been made from pasteurized milk if a 0.25 gm portion shows a phenol equivalent of more than _____ micro-

grams when tested by the method of Sanders and Sager as published in "Journal of Dairy Science," November 1946 Vol. XXIX No. 11, pages 737-749.

§ 19.580 *Monterey cheese; identity.* (a) Monterey cheese is the food prepared from milk by the procedure set forth in paragraph (b) of this section, or by another procedure: *Provided*, The chemical and physical properties of the finished cheese are the same as when the procedure set forth in paragraph (b) of this section is used. It contains not more than 44 percent moisture and its solids contain not less than 50 percent fat, as determined by the methods prescribed in paragraph (c) of § 19.500.

(b) Milk, which may be pasteurized and which may be warmed, is subjected to the action of harmless lactic-acid-producing bacteria present in such milk or added thereto. Purified calcium chloride may be added in a quantity of not more than 0.02 percent (calculated as anhydrous calcium chloride) of the weight of such milk. Sufficient rennet is added to set the milk to a semi-solid mass. The mass is divided into smaller portions and so handled by stirring, heating, diluting with water or salt brine, or salting, as to promote and regulate the separation of whey and curd. The curd is then placed in muslin or sheeting cloths and formed into a ball, and pressed. The cloths are removed the following day and the cheese is placed on trucks or racks and turned frequently to prevent checking and to form a rind. The cheese may then be paraffined with clear or colored paraffin, but the color is not red or green, or it may be dipped in vegetable oil. Rice flour may then be sprinkled on the surface.

A harmless enzyme preparation, containing one or more of the following enzymes, may be added at any time during the above described process: Amylase, catalase, erepsin, lipase, papain, pepsin, sucrase, trypsin, lactase, bromelin, zymase, chymotrypsin. The solids content of the enzyme preparation added does not exceed 0.1 percent of the weight of the milk used.

In case the milk used is not pasteurized, the curd made therefrom, after being shaped into forms, is held in storage at a temperature of not less than 35° F. for not less than ---- days.

(c) For the purposes of this section:

(1) The word "milk" means cows' milk.

(2) Such milk may be adjusted by the separation of part of the fat therefrom or the addition thereto of cream or skim milk, concentrated skim milk and/or non-fat dry milk solids.

(3) Milk shall be deemed to have been pasteurized if it has been held at a time and temperature of not less than 143° F. for a period of not less than 30 minutes, or at a time and temperature equivalent thereto in phosphatase destruction. Monterey cheese shall be deemed not to have been made from pasteurized milk if a 0.25 gm portion shows a phenol equivalent of more than ----- micrograms when tested by the method of Sanders and Sager, as published in "Journal of Dairy Science," November 1946, Vol. XXIX No. 11, pages 737-749.

§ 19.585 *High moisture jack cheese; identity.* (a) High moisture jack cheese is the food prepared from milk by the procedure set forth in paragraph (b) of this section, or by another procedure: *Provided*, The chemical and physical properties of the finished cheese are the same as when the procedure set forth in paragraph (b) of this section is used. It contains more than 44 percent but not more than 50 percent moisture and its solids contain not less than 50 percent milk fat, as determined by the methods prescribed in paragraph (c) of § 19.500.

(b) Milk, which may be pasteurized and which may be warmed, is subjected to the action of harmless lactic-acid-producing bacteria present in such milk or added thereto. Purified calcium chloride may be added in a quantity of not more than 0.02 percent (calculated as anhydrous calcium chloride) of the weight of such milk. Sufficient rennet is added to set the milk to a semi-solid mass. The mass is divided into smaller portions and so handled by stirring, heating, diluting with water or salt brine, or salting, as to promote and regulate the separation of whey and curd. The curd is then placed in muslin or sheeting cloths and formed into a ball, and pressed. The cloths are removed the following day and the cheese is placed on trucks or racks and turned frequently to prevent checking and to form a rind. The cheese may then be paraffined with clear or colored paraffin, but the color is not red or green, or may be dipped in vegetable oil. Rice flour may then be sprinkled on the surface.

A harmless enzyme preparation, containing one or more of the following enzymes, may be added at any time during the above described process: Amylase, catalase, erepsin, lipase, papain, pepsin, sucrase, trypsin, lactase, bromelin, zymase, chymotrypsin. The solids content of the enzyme preparation added does not exceed 0.1 percent of the weight of the milk used.

In case the milk used is not pasteurized, the curd made therefrom, after being shaped into forms, is held in storage at a temperature of not less than 35° F. for not less than -- days.

(c) For the purposes of this section:

(1) The word "milk" means cows' milk.

(2) Such milk may be adjusted by the separation of part of the fat therefrom or the addition thereto of cream or skim milk, concentrated skim milk and/or non-fat dry milk solids.

(3) Milk shall be deemed to have been pasteurized if it has been held at a time and temperature of not less than 143° F. for a period of not less than 30 minutes, or at a time and temperature equivalent thereto in phosphatase destruction. High moisture jack cheese shall be deemed not to have been made from pasteurized milk if a 0.25 gm portion shows a phenol equivalent of more than ---- micrograms when tested by the method of Sanders and Sager, as published in "Journal of Dairy Science," November 1946, Vol. XXIX No. 11, pages 737-749.

§ 19.590 *Provolone cheese, pasta filata cheese; identity.* (a) Provolone Cheese,

pasta filata cheese, is the food prepared from milk by the procedure set forth in paragraph (b) of this section, or by another procedure: *Provided*, The chemical and physical properties of the finished cheese are the same as when the procedure set forth in paragraph (b) of this section is used. It is characterized by a stringy curd texture. It contains not more than 45 percent of moisture and its solids contain not less than 45 percent of milk fat, as determined by the methods prescribed in paragraph (c) of § 19.500.

(b) Milk, which may be pasteurized and which may be warmed, is subjected to the action of harmless lactic-acid-producing bacteria present in such milk or added thereto. Purified calcium chloride may be added in a quantity of not more than 0.02 percent (calculated as anhydrous calcium chloride) of the weight of such milk. Rennet paste or an extract of rennet paste is added in sufficient quantity to set the milk to a semi-solid mass. The mass is cut, stirred and heated so as to promote lactic-acid-development and to regulate the separation of the whey from the curd. The mass is heated and the whey is drained from the curd. To attain the proper degree of elasticity, the curd is then cut, matted in the vat or kettle, milled, immersed in hot water, kneaded, stretched and pulled, until it is smooth and free from lumps and brittleness, cut to size, and molded into characteristic forms and shapes. During the molding operation the mass is kept sufficiently warm to cause proper sealing of the surface. Thereafter the cheese is immersed in cold water for firming. It is then salted in brine, and may be encased in ropes or twine, and is dried. The cheese may be subjected to the action of natural hardwood smoke until a smoked flavor is developed. It is cured until at least 60 days old. At some time prior to 60 days from the date of manufacture, each cheese is paraffined by dipping all surfaces in liquified paraffin. The paraffin is not colored red or green.

A harmless enzyme preparation, containing one or more of the following enzymes, may be added at any time during the above described process: Amylase, catalase, erepsin, lipase, papain, pepsin, sucrase, trypsin, lactase, bromelin, zymase, chymotrypsin. The solids content of the enzyme preparation added does not exceed 0.1 percent of the weight of the milk used.

(c) For the purposes of this section:

(1) The word "milk" means cows' milk.

(2) Such milk may be adjusted by the separation of part of the fat therefrom or the addition thereto of cream or skim milk, concentrated skim milk and/or non-fat dry milk solids.

(3) Milk shall be deemed to have been pasteurized if it has been held at a time and temperature of not less than 143° F. for a period of not less than 30 minutes, or at a time and temperature equivalent thereto in phosphatase destruction. Provolone cheese shall be deemed not to have been made from pasteurized milk if a 0.25 gm portion shows a phenol equivalent of more than ---- micrograms when tested by the method of Sanders

and Sager, as published in the "Journal of Dairy Science," November 1946 Vol. XXIX No. 11 pages 737-749.

§ 19.595 *Parmesan cheese, reggiano cheese; identity.* (a) Parmesan cheese, reggiano cheese, is the food prepared from milk by the procedure set forth in paragraph (b) of this section, or by another procedure: *Provided*, The chemical and physical properties of the finished cheese are the same as when the procedure set forth in paragraph (b) of this section is used. The cheese is characterized by a granular texture, a mellow nutty flavor, and a rind which is hard, resistant, and brittle. It grates readily. It contains not more than 32 percent of moisture and its solids contain not less than _____ percent of milk fat, as determined by the methods prescribed in paragraph (c) of § 19.500.

(b) Milk, which may be pasteurized and which may be warmed, is subjected to the action of harmless lactic-acid-producing bacteria present in such milk or added thereto. Purified calcium chloride may be added in a quantity of not more than 0.02 percent (calculated as anhydrous calcium chloride) of the weight of such milk. Harmless artificial coloring may be added. Rennet is added in sufficient quantity to set the milk to a semi-solid mass. The mass is cut and heated while being stirred. The cutting of the curd during the stirring and heating process is continued until the particles are no larger than wheat kernels. The final cooking temperature is approximately 125° F. The curd is allowed to precipitate to the bottom of the kettle or vat, then removed, drained for a short time, and then packed in hoops and pressed. About 3 days after pressing, the cheese is brine salted for a period of at least one day for each two pounds of cheese in the loaf, or dry salted for a period of at least three days for each two pounds of cheese in the loaf. After salting, the cheese is held on shelves in a cool ventilated room until at least 14 months old. During this period the cheese is frequently turned, buffed and rubbed with vegetable oil. The rind of the cheese may be coated or artificially colored, but is not colored red or green.

A harmless enzyme preparation containing one or more of the following enzymes may be added at any time during the above described process: Amylase, catalase, erepsin, lipase, papain, pepsin, sucrase, trypsin, lactase, bromelin, zymase, chymotrypsin. The solids content of the enzyme preparation added does not exceed 0.1 percent of the weight of the milk used.

(c) For the purposes of this section:

(1) The word "milk" means cows' milk.

(2) Such milk may be adjusted by the separation of part of the fat therefrom or the addition thereto of cream or skim milk, concentrated skim milk and/or non-fat dry milk solids.

§ 19.600 *Monte cheese; identity.* (a) Monte cheese is the food prepared from milk by the procedure set forth in paragraph (b) of this section, or by another procedure: *Provided*, The chemical and physical properties of the finished cheese

are the same as when the procedure set forth in paragraph (b) of this section is used. The cheese is characterized by a grainy texture, a moderately sharp flavor, and a rind which is hard, resistant and brittle. It grates readily. It contains not more than 32 percent of moisture and its solids contain not less than 24 percent of milk fat, as determined by the methods prescribed in paragraph (c) of § 19.500.

(b) Milk, which may be pasteurized and which may be warmed, is subjected to the action of harmless lactic-acid-producing bacteria present in such milk or added thereto. Purified calcium chloride may be added in a quantity of not more than 0.02 percent (calculated as anhydrous calcium chloride) of the weight of such milk. Harmless artificial coloring may be added. Rennet paste or extract of rennet paste is added in sufficient quantity to set the milk to a semi-solid mass. The mass is cut and heated while being stirred. The cutting of the curd while stirring and heating is continued until the particles are no larger than wheat kernels. The final cooling temperature is approximately 125° F. The cut curd is allowed to settle to the bottom of the kettle or vat, then removed, drained for a short time, and then packed in hoops and pressed. About 3 days after pressing, the cheese is brine salted for a period of at least one day for each two pounds of cheese in the loaf, or dry salted for a period of at least three days for each two pounds of cheese in the loaf. After salting, the cheese is held on shelves in a cool ventilated room until at least 8 months old. During this period the cheese is frequently turned, buffed, and rubbed with vegetable oil.

A harmless enzyme preparation containing one or more of the following enzymes may be added at any time during the above described process: Amylase, catalase, erepsin, lipase, papain, pepsin, sucrase, trypsin, lactase, bromelin, zymase, chymotrypsin. The solid content of the enzyme preparation added does not exceed 0.1 percent of the weight of the milk used.

(c) For the purposes of this section:

(1) The word "milk" means cows' milk.

(2) Such milk may be adjusted by the separation of part of the fat therefrom or the addition thereto of cream or skim milk, concentrated skim milk and/or non-fat dry milk solids.

§ 19.605 *Modena cheese; identity.* Modena Cheese conforms to the definition and standard of identity prescribed for Monte Cheese by § 19.600 except that rennet is used, the fat content of its solids is not less than 20 percent and it is cured for not less than 12 months.

§ 19.610 *Romano cheese; identity.*

(a) Romano cheese is the food prepared from milk by the procedure set forth in paragraph (b) of this section, or by another procedure: *Provided*, The chemical and physical properties of the finished cheese are the same as when the method set forth in paragraph (b) of this section is used. The cheese is characterized by a granular texture, piquant flavor, and a

hard, resistant and brittle rind. It grates readily. It contains not more than 34 percent moisture and its solids contain not less than 38 percent milk fat as determined by the methods prescribed in paragraph (c) of § 19.500.

(b) Milk, which may be pasteurized and which may be warmed, is subjected to the action of harmless lactic-acid-producing bacteria present in such milk or added thereto. Purified calcium chloride may be added in a quantity of not more than 0.02 percent (calculated as anhydrous calcium chloride) of the weight of such milk. Rennet paste or an extract of rennet paste is added in sufficient quantity to set the milk to a semi-solid mass. The mass is cut and heated while being stirred. The cutting of the curd during the stirring and heating process is continued until the particles are no larger than corn kernels. The final cooling temperature is approximately 120° F. The curd is allowed to settle to the bottom of the kettle or vat and is then removed from the kettle, drained for a short time, and then packed in cloth lined hoops or in forms and pressed. It is then salted by immersing in brine for about 24 hours. The cheese is then removed to a dry room where it is held for 2 or 3 days until the surface is dry. The cheese is then rubbed with salt, washed at intervals of from 3 to 6 days. During this time the cheese may be perforated with needles. The loaves are then washed, dried, and held on shelves for periods of at least 5 months for 5 to 7 pound loaves; 8 months for 7 to 12 pound loaves; 10 months for loaves weighing over 12 pounds. During this curing period the cheese is regularly turned, scraped, and may be rubbed with vegetable oil. Prior to shipping, the cheese may be coated, but such coating is not colored red or green.

A harmless enzyme preparation, containing one or more of the following enzymes, may be added at any time during the above described process: Amylase, catalase, erepsin, lipase, papain, pepsin, sucrase, trypsin, lactase, bromelin, zymase, chymotrypsin. The solids content of the enzyme preparation added does not exceed 0.1 percent of the weight of the milk used.

(c) For the purposes of this section:

(1) The word "milk" means cows' milk, ewes' milk, goats' milk, or any mixture thereof.

(2) Such milk may be adjusted by the separation of part of the fat therefrom or the addition thereto of cream or skim milk, concentrated skim milk and/or non-fat dry milk solids.

§ 19.615 *Asiago fresh cheese; identity.* (a) Asiago fresh cheese is the food prepared from milk by the procedure set forth in paragraph (b) of this section, or by another procedure: *Provided*, The chemical and physical properties of the finished cheese are the same as when the method set forth in paragraph (b) of this section is used. It contains not more than 39 percent moisture and its solids contain not less than 50 percent milk fat, as determined by the methods prescribed in paragraph (c) of § 19.500.

(b) Milk, which may be pasteurized and which may be warmed, is subjected

to the action of harmless lactic-acid-producing bacteria present in such milk or added thereto. Purified calcium chloride may be added in a quantity of not more than 0.02 percent (calculated as anhydrous calcium chloride) of the weight of such milk. Rennet is added in sufficient quantity to set the milk to a semi-solid mass. The mass is cut, stirred and heated so as to promote lactic-acid development and to permit separation of the whey from the curd. The mass is heated, after which the curd is drained from the whey. When the curd is sufficiently firm, it is removed from the kettle or vat, drained for a short time and then packed in hoops for pressing. After pressing, the cheese is salted in brine and moved to a cool well-ventilated room where it is held on shelves until at least 60 days old. The surface of the cheese during this curing period is occasionally rubbed with vegetable oil.

A harmless enzyme preparation, containing one or more of the following enzymes, may be added at any time during the above described process: Amylase, catalase, erepsin, lipase, papain, pepsin, sucrase, trypsin, lactase, bromelin, zymase, chymotrypsin. The solids content of the enzyme preparation added does not exceed 0.1 percent of the weight of the milk used.

(c) For the purposes of this section:

(1) The word "milk" means cows' milk.

(2) Such milk may be adjusted by the separation of part of the fat therefrom or the addition thereto of cream or skim milk, concentrated skim milk and/or non-fat dry milk solids.

(3) Milk shall be deemed to have been pasteurized if it has been held at a time and temperature of not less than 143° F. for a period of not less than 30 minutes, or at a time and temperature equivalent thereto in phosphatase destruction. Asiago fresh cheese shall be deemed not to have been made from pasteurized milk if a 0.25 gm portion shows a phenol equivalent of more than ----- micrograms when tested by the method of Sanders and Sager, as published in "Journal of Dairy Science," November 1946 Vol. XXIX No. 11 pages 737-749.

§ 19.620 *Asiago medium cheese; identity.* Asiago medium cheese conforms to the definition and standard of identity for Asiago fresh cheese prescribed by § 19.615 except that it contains not more than 35 percent moisture and its solids contain not less than 45 percent milk fat and it is cured not less than six months.

§ 19.625 *Asiago old cheese; identity.* Asiago old cheese conforms to the definition and standard of identity for Asiago fresh cheese prescribed by § 19.615 except that it contains not more than 32 percent moisture, its solids contain not less than 42 percent milk fat, and it is cured for not less than one year.

§ 19.630 *Gorgonzola cheese; identity.* (a) Gorgonzola cheese is the food prepared from milk by the procedure set forth in paragraph (b) of this section, or by another procedure, providing, the chemical and physical properties of the finished cheese are the same as when the

procedure set forth in paragraph (b) of this section is used. It contains not more than 42 percent moisture and its solids contain not less than 50 percent milk fat, as determined by the methods prescribed in paragraph (c) of § 19.500.

(b) The milk is pasteurized. It may be homogenized, or the fat of such milk may be separated and homogenized and then recombined. Purified calcium chloride may be added in a quantity of not more than 0.02 percent (calculated as anhydrous calcium chloride) of the weight of the milk. The fat may be bleached by the use of benzoyl peroxide, or a mixture of one part of benzoyl peroxide by weight and not more than 6 parts of potassium alum or calcium sulfate and magnesium carbonate. In no case does the amount of benzoyl peroxide exceed 0.002 percent of the weight of milk used. The milk is subjected to the action of harmless lactic-acid-producing bacteria present in such milk or added thereto. Sufficient rennet is added to set the milk to a semi-solid mass. After the curd has reached the desired degree of firmness it is divided into smaller portions. These remain in whey until proper condition is reached. They are then removed from whey and placed in forms. At some time during this procedure a culture of penicillium glaucum is added. The cheese is salted either by use of dry salt and/or brine. The cheese is then perforated and cured until ready for sale.

A harmless enzyme preparation, containing one or more of the following enzymes, may be added at any time during the above described process: Amylase, catalase, erepsin, lipase, papain, pepsin, sucrase, trypsin, lactase, bromelin, zymase, chymotrypsin. The solids content of the enzyme preparation added does not exceed 0.1 percent of the weight of the milk used.

(c) For the purposes of this section:

(1) The word "milk" means cows' goats' or ewes' milk, or any mixture of them.

(2) Such milk may be adjusted by the separation of part of the fat therefrom or the addition thereto of cream or skim milk, concentrated skim milk and/or non-fat dry milk solids.

(3) Milk shall be deemed to have been pasteurized if it has been held at a time and temperature of not less than 143° F. for a period of not less than 30 minutes or at a time and temperature equivalent thereto in phosphatase destruction. Gorgonzola cheese shall be deemed not to have been made from pasteurized milk if a 0.25 gm portion shows a phenol equivalent of more than -- micrograms when tested by the method of Sanders and Sager, as published in "Journal of Dairy Science," November 1946 Vol. XXIX No. 11 pages 737-749.

§ 19.635 *Cook cheese, koch kaese; identity.* (a) Cook cheese, koch kaese is the food prepared from skim milk by the procedure set forth in paragraph (b) of this section, or by another procedure: *Provided*, The chemical and physical properties of the finished cheese are the same as when the procedure set forth in paragraph (b) of this section is used. It contains not more than 80 percent mois-

ture, and its solids contain not less than ---- percent of milk fat, as determined by the methods prescribed in paragraph (c) of § 19.500.

(b) Skim milk, which may be pasteurized and which may be warmed, is subjected to the action of harmless lactic-acid-producing bacteria, present in such milk or added thereto. Purified calcium chloride may be added in a quantity of not more than 0.02 percent (calculated as anhydrous calcium chloride) of the weight of such milk. Sufficient rennet may be added to aid in setting the milk to a semi-solid mass. The mass is cut, stirred and heated with continued stirring so as to separate the curd. The whey is drained from the curd and the curd cured in trays for two to three days, depending on the temperature. It is then heated in a kettle to a temperature of not less than 180° F until the hot curd drops from a ladle with a consistency like honey. The cheese is run into packages and cooled. Milk fat, salt or caraway seed or a mixture thereof may be added.

(c) For the purposes of this section:

(1) The word "milk" means cow's milk.

(2) Such milk may be adjusted by the separation of part of the fat therefrom or the addition thereto of cream or skim milk, concentrated skim milk and/or non-fat dry milk solids.

(3) A 0.25 gm portion of cook cheese shows a phenol equivalent of not more than ---- micrograms when tested by the method of Sanders and Sager, as published in "Journal of Dairy Science," November 1946, Vol. XXIX, No. 11, pages 737-749.

§ 19.650 *Hard cheese; identity.* (a) The cheeses for which definitions and standards of identity are prescribed by this section are hard cheeses for which specifically applicable definitions and standards of identity are not prescribed by another section of the regulations of this part. They are made from milk by the procedure set forth in paragraph (b) of this section, and contain not more than 39 percent of moisture, and their solids contain not less than 50 percent of milk fat, as determined by the methods prescribed in paragraph (c) of § 19.500.

(b) Milk, which may be pasteurized and which may be warmed, is subjected to the action of harmless lactic-acid-producing bacteria present in such milk or added thereto. Purified calcium chloride may be added in a quantity of not more than 0.02 percent (calculated as anhydrous calcium chloride) of the weight of the milk. Harmless coloring may be added. The milk is set into a semi-solid mass by the addition of sufficient rennet or by other means. After coagulation the mass is divided into small portions and so handled as to promote and regulate the separation of the curd from the whey. The whey is drained to a greater or less extent, from the curd, and the curd is collected and shaped. It may be salted, and may be placed in forms, and may be pressed. It is cured until ready for marketing. At any time during manufacture a harmless enzyme preparation containing one or more of the following enzymes may be added: Amylase, catalase, erepsin, lipase, papain, pepsin, sucrase, trypsin, lactase, bromelin,

zymase, chymotrypsin. The solids content of the enzyme preparation added does not exceed 0.1 percent of the weight of the milk used.

In case the milk used is not pasteurized, the curd made therefrom is held in storage at a temperature of not less than 35° F. for not less than _____ days. The shaped curd may be coated with paraffin or other similar material but such coating is not colored red or green.

(c) For the purposes of this section:

(1) The word "milk" means cows' milk.

(2) Such milk may be adjusted by the separation of part of the fat therefrom or the addition thereto of cream or skim milk, concentrated skim milk, and/or non-fat dry milk solids.

(3) Milk shall be deemed to have been pasteurized if it has been held at a time and temperature of not less than 143° F. for a period of not less than 30 minutes, or at a time and temperature equivalent thereto in phosphatase destruction. A hard cheese shall be deemed not to have been made from pasteurized milk if a 0.25 gm portion shows a phenol equivalent of more than _____ micrograms, when tested by the method of Sanders and Sager, as published in "Journal of Dairy Science," November 1946 Vol. XXIX No. 11 pages 737-749.

(d) The name of each hard cheese for which a definition and standard of identity is prescribed by this section is "Hard Cheese" preceded or followed by (1) the specific common or usual name of such hard cheese, if such name has become generally recognized therefor; or (2) if no such name has become so recognized, an arbitrary or fanciful name which is not false or misleading in any particular.

§ 19.655 *Semi-soft cheese; identity.*

(a) The semi-soft cheeses for which definitions and standards of identity are prescribed by this section are semi-soft cheeses for which specifically applicable definitions and standards of identity are not prescribed by another section of the regulations of this part. They are made from milk by the procedure set forth in paragraph (b) of this section and contain more than 39 percent but not more than 50 percent of moisture, and their solids contain not less than 50 percent of milk fat, as determined by methods prescribed by paragraph (c) of § 19.500.

(b) Milk is pasteurized and is subjected to the action of harmless lactic-acid-producing bacteria present in such milk or added thereto. Purified calcium chloride may be added in a quantity of not more than 0.02 percent (calculated as anhydrous calcium chloride) of the weight of the milk. Harmless coloring may be added. The milk is set into a semi-solid mass by the addition of sufficient rennet or by other means. After coagulation the mass is divided into small portions and so handled as to promote and regulate the separation of the curd from the whey. The whey is drained, to a greater or less extent, from the curd, and the curd is collected and shaped. It may be salted, and may be placed in forms, and may be pressed. It is cured until ready for marketing. At any time during manufacture a harmless enzyme preparation containing one or more of the following enzymes may

be added: Amylase, catalase, erepsin, lipase, papain, pepsin, sucrase, trypsin, lactase, bromelin, zymase, chymotrypsin. The solids content of the enzyme preparation added does not exceed 0.1 percent of the weight of the milk used.

(c) For the purposes of this section:

(1) The word "milk" means cows' milk.

(2) Such milk may be adjusted by the separation of part of the fat therefrom or the addition thereto of cream or skim milk, concentrated skim milk, and/or non-fat dry milk solids.

(3) Milk shall be deemed to have been pasteurized if it has been held at a time and temperature of not less than 143° F. for a period of not less than 30 minutes, or at a time and temperature equivalent thereto in phosphatase destruction. A semi-soft cheese shall be deemed not to have been made from pasteurized milk if a 0.25 gm portion shows a phenol equivalent of more than _____ micrograms, when tested by the method of Sanders and Sager, as published in "Journal of Dairy Science," November 1946, Vol XXIX No. 11, pages 737-749.

(d) The name of each semi-soft cheese for which a definition and standard of identity is prescribed by this section is "Semi-Soft Cheese" preceded or followed by (1) the specific common or usual name of such semi-soft cheese, if such name has become generally recognized therefor; or (2) if no such name has become so recognized, an arbitrary or fanciful name which is not false or misleading in any particular.

§ 19.660 *Soft ripened cheese; identity.*

(a) The soft ripened cheeses for which definitions and standards of identity are prescribed by this section are soft ripened cheeses for which specifically applicable definitions are not prescribed by another section of the regulations of this part. They are made from milk by the procedure set forth in paragraph (b) of this section, and their solids contain not less than 50 percent of milk fat, as determined by the method prescribed in paragraph (c) of § 19.500.

(b) Milk is pasteurized and is subjected to the action of harmless lactic-acid-producing bacteria present in such milk or added thereto. Purified calcium chloride may be added in a quantity of not more than 0.02 percent (calculated as anhydrous calcium chloride) of the weight of the milk. Harmless coloring may be added. The milk is set into a semi-solid mass by the addition of sufficient rennet or by other means. The mass is divided into small portions and so handled as to promote and regulate the separation of the curd from the whey. The whey is drained, to a greater or less extent, from the curd, and the curd is collected and shaped. It may be salted, and may be placed in forms, and may be pressed. Soft ripened cheese is cured under suitable conditions for the development of biological curing agents upon the surface which aid in bringing about a progressive-curing or softening of the curd from the outside surface of the cheese toward the center. At any time during manufacture a harmless enzyme preparation containing one or more of the following enzymes may be added: Amylase, catalase, erepsin, lipase, papain,

pepsin, sucrase, trypsin, lactase, bromelin, zymase, chymotrypsin. The solids content of the enzyme preparation added does not exceed 0.1 percent of the weight of the milk used.

(c) For the purposes of this section:

(1) The word "milk" means cows' milk.

(2) Such milk may be adjusted by the separation of part of the fat therefrom or the addition thereto of cream or skim milk, concentrated skim milk, and/or non-fat dry milk solids.

(3) Milk shall be deemed to have been pasteurized if it has been held at a time and temperature of not less than 143° F. for a period of not less than 30 minutes, or at a time and temperature equivalent thereto in phosphatase destruction. A soft ripened cheese shall be deemed not to have been made from pasteurized milk if a 0.25 gm portion shows a phenol equivalent of more than _____ micrograms, when tested by the method of Sanders and Sager, as published in "Journal of Dairy Science," November 1946, Vol. XXIX, No. 11 pages 737-749.

(d) The name of each soft-ripened cheese for which a definition and standard of identity is prescribed by this section is "Soft Ripened Cheese" preceded or followed by (1) the specific common or usual name of such soft ripened cheese, if such name has become generally recognized therefor; or (2) if no such name has become so recognized, an arbitrary or fanciful name which is not false or misleading in any particular.

§ 19.665 *Noekkelost cheese, kummest cheese; identity.*

(a) Noekkelost cheese, kummest cheese is the food prepared from milk by the procedure set forth in paragraph (b) of this section, or by another procedure: *Provided*, The chemical and physical properties of the finished cheese are the same as when the procedure set forth in paragraph (b) of this section is used. It contains not more than 45 percent of moisture and its solids contain not less than 20 percent of milk fat, as determined by the methods prescribed in paragraph (c) of § 19.500. It is made in loaf shape and each cheese weighs more than 5 and less than 7 pounds. It may be coated with paraffin or other similar material but such paraffin or other similar material is not colored red or green.

(b) Milk, which may be pasteurized and which may be warmed, is subjected to the action of harmless lactic-acid-producing bacteria present in such milk or added thereto. Harmless artificial coloring may be added. Purified calcium chloride may be added in a quantity of not more than 0.02 percent (calculated as anhydrous calcium chloride) of the weight of such milk. Sufficient rennet is added to set the milk to a semi-solid mass. After coagulation the mass is divided into smaller portions and so handled by stirring, heating, diluting with water or salt brine, or salting, as to promote and regulate the separation of whey and curd. When the desired curd is produced it is transferred to forms permitting drainage of the whey. During drainage the curd is removed from the forms and is usually salted, although salt may be applied at any time in the making or curing process. It is then cured

under suitable conditions until ready for marketing. At some time during the manufacturing process there is added not less than 1½ ounces of spices per one hundred pounds of cheese. The spices added are two or more of the following in any combination: Caraway, clove, cumin.

A harmless enzyme preparation, containing one or more of the following enzymes, may be added at any time during the above described process: Amylase, catalase, erepsin, lipase, papain, pepsin, sucrase, trypsin, lactase, bromelin, zymase, chymotrypsin. The solids content of the enzyme preparation added does not exceed 0.1 percent of the weight of the milk used.

In the case the milk used is not pasteurized, the curd made therefrom, after being shaped in forms, is held in storage at a temperature of not less than 35° F for not less than ____ days.

(c) For the purposes of this section: (1) The word "milk" means cows' milk.

(2) Such milk may be adjusted by the separation of part of the fat therefrom or the addition thereto of cream or skim milk, concentrated skim milk and/or non-fat dry milk solids.

(3) Milk shall be deemed to have been pasteurized if it has been held at a time and temperature of not less than 143° F for a period of not less than 30 minutes, or at a time and temperature equivalent thereto in phosphatase destruction. Nockelost cheese shall be deemed not to have been made from pasteurized milk if a 0.25 gm portion shows a phenol equivalent of more than ____ micrograms, when tested by the method of Sanders and Sager, as published in "Journal of Dairy Science," November 1946 Vol. XXIX No. 11 pages 737-749.

§ 19.750 *Pasteurized process cheese; identity; label statement of optional ingredients.* (a) Pasteurized process cheese is a food prepared by comminuting and mixing one or more individual cheeses of the same or two or more varieties, except cream cheese and neufchatel cheese, into a homogeneous, plastic mass with the aid of heat, and with or without the addition of water, salt, and harmless coloring. For the purposes of this section cheddar cheese for manufacturing, washed curd cheese for manufacturing, and colby cheese for manufacturing, swiss cheese for manufacturing, and granular cheese for manufacturing, shall be regarded as cheddar cheese, washed curd cheese, colby cheese, and swiss cheese, respectively.

One or a mixture of two or more of the following named emulsifying agents, subparagraphs (1) to (8) inclusive, may be used but the total weight thereof is not more than 3 percent of the total weight of the finished pasteurized process cheese:

- (1) Disodium or dipotassium phosphate.
- (2) Sodium metaphosphate.
- (3) Sodium or potassium citrate.
- (4) Sodium tartrate.
- (5) Rochelle salt.
- (6) Trisodium phosphate.

- (7) Sodium pyrophosphate, acid.
- (8) Tetrasodium pyrophosphate.

One or a mixture of two or more of the following named acids, (9) to (13) inclusive, may be used in such quantity that the pH of the finished cheese is not less than 4.5:

- (9) Lactic acid.
- (10) Citric acid.
- (11) Acetic acid.
- (12) Hydroxy acetic acid.
- (13) Phosphoric acid.

Sweet cream may be used in such quantity that the weight of the fat therefrom is less than 5% of the weight of the finished pasteurized process cheese.

During mixing all ingredients are heated for not less than _____ minutes at not less than _____° F

Pasteurized process cheese may be smoked, or it may contain substances prepared by condensing or precipitating wood smoke. It may contain spices or flavorings other than any which singly or in combination with other ingredients simulate the flavor of a cheese or aged cheese of any variety.

(b) When tested for phosphatase by the method of Sanders and Sager ("Journal of Dairy Science," November 1946, Vol. XXIX, No. 11, pages 737-749) the phenol equivalent of 0.25 gm of pasteurized process cheese is less than 5 micrograms.

(c) Unless a definition and standard of identity specifically applicable to a pasteurized process cheese is prescribed by another paragraph of this section or another section of the regulations in this part:

(1) The moisture content of a pasteurized process cheese made from a single variety of cheese is not more than 1 percent greater than the maximum moisture content prescribed by the definition and standard of identity, if any there be, for such variety of cheese in such regulations, but, in case of washed curd cheese or colby cheese is not more than 40 percent, and in no case is more than 43 percent, except that the moisture content of pasteurized process Swiss cheese (Gruyere cheese) is not more than ____ percent, and the moisture content of pasteurized process Limburger cheese is not more than 51 percent; the fat content of its solids is not less than the minimum so prescribed for such variety of cheese but in no case is less than 47 percent, except that the fat content of the solids of Swiss cheese (Gruyere cheese) is not less than ____ percent.

(2) The moisture content of a pasteurized process cheese made from two or more varieties of cheese is not more than 1 percent greater than the arithmetical average of the maximum moisture contents so prescribed for such varieties of cheeses, but in case of mixtures of washed curd cheese and colby cheese or mixtures of cheddar cheese with one or both of these the moisture content is not more than 40 percent and in no case is the moisture content of a pasteurized process cheese made from a mixture of two or more cheeses more than 43 percent; its fat content, on a dry basis, is not less than the arithmetical average of the minimum fat contents so prescribed but in no case is less than 47 percent. If it

is made from two varieties of cheese the weight of each is not less than 25 percent of the total weight of both and if from three or more varieties the weight of each is not less than 15 percent of the total weight of all; except that the weight of limburger cheese or blue cheese may be not less than 10 percent of such total weight where two varieties are used and not less than 5 percent where more than two varieties are used.

(d) Moisture and fat are determined by the methods prescribed in § 19.500 (c)

(e) (1) If it is made from a single variety of cheese its name is "Pasteurized Process _____ Cheese" the blank being filled in with the name of such variety of cheese.

(2) If it is made from two or more varieties of cheese its name is "Pasteurized Process _____ and _____ Cheese", the blanks being filled in with the names of such varieties of cheese in order of predominance by weight.

(3) Where the cheese ingredients of a pasteurized process cheese is cheddar cheese, washed curd cheese, colby cheese, or granular cheese, or any mixture of these, and its moisture content is not more than 40 percent and the fat content of its solids not less than 50 percent, it may be called "Pasteurized Process American Cheese"

(f) (1) If it is smoked the word "smoked" precedes or follows the name of the pasteurized process cheese.

(2) If it contains an optional ingredient prepared by condensing or precipitating wood smoke its label shall bear the words "Contains _____", the blank being filled with the common name of such ingredient.

(3) If it contains spice the label shall bear the word "Spiced" or "Spice Added" or "With Added Spice", or in lieu of the word "Spice" the common name of the spice.

(4) If it contains flavoring the label shall bear the words "Flavoring" (or "Artificial Flavoring", if such be used) "Added" or "With Added Flavoring" (or "Artificial Flavoring", if such be used) or in lieu of the term "Flavoring" or "Artificial Flavoring" the common name of the flavoring or artificial flavoring.

(5) Wherever the name of the food appears on the label of the pasteurized process cheese so conspicuously as to be easily seen under customary conditions of purchase, the words and statements herein specified showing the optional ingredients used shall immediately and conspicuously precede or follow such name, without intervening written, printed, or graphic matter.

§ 19.755 *Pasteurized process cheese with fruits, vegetables and meats; identity; label statement of optional ingredients.* (a) A pasteurized process cheese with fruits, vegetables, and meats is a food which conforms to the definition and standard of identity and is subject to the requirements for label statement of optional ingredients prescribed for pasteurized process cheeses by § 19.750, except that it contains one or any mixture of the following ingredients:

- (1) Any properly prepared cooked, canned or dried fruit,

(2) Any properly prepared cooked, canned or dried vegetable.

(3) Any properly prepared cooked or canned meat.

(Evidence will be taken as to need for special requirements as to the use of fruits, vegetables and meats) and its moisture content may be 1 percent more, and the fat content of its solids 1 percent less, than the limits for moisture and fat prescribed for the corresponding pasteurized process cheese without fruits, vegetables, and meats.

(b) (1) The name of a pasteurized process cheese made with fruits, vegetables, and meats is "Pasteurized Process _____ Cheese With _____" the first blank being filled in with the name or names of varieties of cheese in order of predominance by weight and the second blank with the common name or names of any fruits, vegetables, or meats used in order of predominance by weight.

(2) For the purposes of this section cheddar cheese for manufacturing, washed curd cheese for manufacturing, colby cheese for manufacturing, Swiss cheese for manufacturing, and granular cheese for manufacturing shall be regarded as cheddar cheese, washed curd cheese, colby cheese, and Swiss cheese, and granular cheese, respectively.

(3) Where the cheese ingredient is cheddar cheese, washed curd cheese, colby cheese, or granular cheese or any mixture of these, and the moisture content is not more than 41 percent and fat content of solids not less than 49 percent, the food may be called "Pasteurized Process American Cheese With _____", the blank being filled in with the name or names of any fruits, vegetables, and meats used.

§ 19.760 *Pasteurized process pimento cheese, pasteurized process pimento cheese; identity.* Pasteurized process pimento cheese, pasteurized process pimento cheese conforms to the definition and standard of identity and is subject to label requirements for optional ingredients for pasteurized process cheese with fruits, vegetables, and meats, except that the name specified is "Pasteurized Process Pimento Cheese" or "Pasteurized Process Pimiento Cheese" the cheese ingredient is cheddar cheese, cheddar cheese for manufacturing, washed curd cheese, washed curd cheese for manufacturing, colby cheese, colby cheese for manufacturing, granular cheese, granular cheese for manufacturing, or any combination of these; the moisture content is not more than 41 percent and the fat content of its solids is not less than 49 percent; the only fruit, vegetable or meat ingredient is pimentos or pimientos, and the finished food contains not less than 0.2 percent of the solids of such pimentos or pimientos.

§ 19.765 *Pasteurized process cheese foods; identity.* (a) A pasteurized process cheese food is a food prepared by comminuting and mixing with the aid of heat one of the optional cheese ingredients specified in paragraph (b) of this section with one or more of the optional dairy foods specified in paragraph (c) of this section into a homogeneous,

plastic mass with or without water, salt, and coloring. The cheese ingredient constitutes not less than 51 percent by weight of the finished food. One or two or more of the optional emulsifying substances listed in paragraph (d) of this section may be used in such quantity that the total weight of emulsifying substances does not exceed 3 percent of the weight of the finished food. One or a mixture of two or more of the acids listed in paragraph (e) of this section may be used to adjust the pH to not less than 4.5. One or a mixture of two or more of the sweetening agents listed in paragraph (f) of this section may be used for seasoning. A pasteurized process cheese food may be smoked or it may contain an ingredient prepared by condensing or precipitating wood smoke. It may contain spice or flavoring other than any which singly or in combination with other ingredients simulate the flavor of a cheese or aged cheese of any variety.

(b) The cheese ingredient referred to in paragraph (a) of this section is:

(1) One or more cheeses of the same variety,

(2) A mixture of two or more cheeses of different varieties, but if two varieties are used the weight of each is not less than 25 percent of the total weight of both and if three or more varieties are used, the weight of each is not less than 15 percent of the total weight of all; except that the weight of limburger cheese or blue cheese may be not less than 10 percent of the total weight of cheeses where two varieties are used and not less than 5 percent where more than two varieties are used.

(c) The optional dairy foods referred to in paragraph (a) of this section are cream, milk, skim milk, or whey, or any of these foods from which part of water has been removed.

(d) The emulsifying substance referred to in paragraph (a) of this section is:

- (1) Disodium or dipotassium phosphate.
- (2) Sodium metaphosphate.
- (3) Sodium or potassium citrate.
- (4) Sodium tartrate.
- (5) Rochelle salt.
- (6) Trisodium phosphate.
- (7) Sodium pyrophosphate, acid.
- (8) Tetra sodium pyrophosphate.

(e) The acids referred to in paragraph (a) are:

- (1) Lactic acid.
- (2) Citric acid.
- (3) Acetic acid.
- (4) Hydroxy acetic acid.
- (5) Phosphoric acid.

(f) The sweetening agents referred to in paragraph (a) of this section are:

- (1) Dextrose.
- (2) Sucrose.
- (3) Maltose.
- (4) Corn sirup solids.
- (5) Lactose.
- (6) Hydrolyzed lactose.

(g) During mixing all ingredients are heated for not less than _____ minutes at a temperature of not less than _____° F. When tested for phosphatase by the method of Sanders and Sager ("Journal of Dairy Science," November 1946, Vol. XXIX, No. 11, pages 737-749),

the phenol equivalent of 0.25 gm of pasteurized process cheese food is less than _____ micrograms.

(h) A pasteurized process cheese food contains not more than 44 percent moisture and not less than 23 percent milk fat, as determined by methods prescribed in paragraph (c) of § 19.530.

(i) The common names of the optional ingredients specified in paragraphs (b) (c), (d), (e) and (f) of this section shall appear on the label when used. When spice, flavoring, artificial flavoring, coloring, or artificial coloring is used, the label shall bear a statement of that fact or in lieu thereof the names of such ingredients. If a pasteurized process cheese food is smoked the name is preceded or followed by the word "Smoked." If an optional ingredient prepared by condensing or precipitating wood smoke is used, the label shall bear the common name of such ingredient.

(j) Evidence will be taken as to whether shape or form of pasteurized processed cheese foods shall be restricted.

(k) Whenever the name of the food appears on the label of a pasteurized process cheese food so conspicuously as to be easily seen under customary conditions of purchase, the words and statements herein specified showing the optional ingredients used shall immediately and conspicuously precede or follow such name, without intervening written, printed, or graphic matter.

§ 19.770 *Pasteurized process cheese foods with fruits, vegetables, and meats; identity; label statement of optional ingredients.* (a) A pasteurized process cheese food with fruits, vegetables, and meats is a food which conforms to the definition and standard of identity and is subject to requirements for label statements of optional ingredients prescribed for pasteurized process cheese foods by § 19.765, except that it contains one or any mixture of the following ingredients.

- (1) Any properly prepared cooked, canned, or dried fruit,
- (2) Any properly prepared cooked, canned, or dried vegetable,
- (3) Any properly prepared cooked or canned meat.

(Evidence will be taken as to need for special requirements on the use of any fruits, vegetables, and meats) and its moisture content is not more than 45 percent and its milk fat content not less than 22 percent.

(b) The name of a pasteurized process cheese food with fruits, vegetables, or meats, is "Pasteurized Process Cheese Food With _____" the blank being filled in with the name of fruits, vegetables, and meats used.

§ 19.775 *Pasteurized process cheese spreads; identity; label statement of optional ingredients.* (a) A pasteurized process cheese spread is a food which conforms to the definition and standard of identity and is subject to the requirements for label statement of optional ingredients prescribed for Pasteurized Process Cheese Foods by § 19.765, except that it contains more than 44 percent but not more than 65 percent of moisture and its fat content is not less than 20 percent; and it may contain one or a mixture of two or more of the water-

retaining substances named in paragraph (b) of this section in a quantity not to exceed 0.8 percent of the weight of the finished food; and when one or more of such water-retaining substances is used, the common name or names shall appear on label along with names of optional ingredients stated on label in conformity with requirements of § 19.765.

(b) The water-retaining ingredients referred to in paragraph (a) of this section are:

- (1) Carob bean gum.
- (2) Gum karaya.
- (3) Gum tragacanth.
- (4) Gelatin
- (5) Carboxymethyl cellulose.
- (6) Algin.
- (7) Guar gum.
- (8) Carrageenin.
- (9) Oat gum.

§ 19.780 *Pasteurized process - cheese spreads with fruits, vegetables, and meats; identity; label statement of optional ingredients.* (a) A pasteurized process cheese spread with fruits, vegetables, and meats is a food which conforms to the definition and standard of identity and is subject to requirements for label statement of optional ingredients prescribed for pasteurized process cheese spreads by § 19.775, except that it contains one or any mixture of the following:

(1) Any properly prepared cooked, canned or dried fruit,

(2) Any properly prepared cooked, canned or dried vegetable,

(3) Any properly prepared cooked or canned meat; and

(b) The name of a pasteurized process cheese spread with fruits, vegetables, and meats is "Pasteurized Process Cheese Spread with _____" the blank being filled in with the name of the fruits, vegetables, and meats used.

§ 19.785 *Cold pack cheese, club cheese, comminuted cheese; identity; label statement of optional ingredients.* (a) Cold pack cheese, club cheese, comminuted cheese, is the food prepared by comminuting and mixing without the aid of heat one or more cheeses of the same or two or more varieties, except cream

cheese, neufchatel cheese, cottage cheese, and creamed cottage cheese, into a homogeneous mass with or without water, salt and coloring. The cheeses used were made from pasteurized milk or were held for not less than _____ days at a temperature of not less than _____ F. If made from two varieties of cheese the weight of each is not less than 25 percent of the total weight of both; if made from three or more varieties the weight of each is not less than 15 percent of the total weight of all; except that the weight of limburger cheese or blue cheese may be not less than 10 percent of such total weight where two varieties of cheese are used and not less than 5 percent where more than two varieties are used. Cold pack cheese may be smoked, or it may contain as an optional ingredient a substance prepared by condensing or precipitating wood smoke.

(b) (1) The moisture content of a cold pack cheese made from a single variety of cheese is not more than the maximum moisture content prescribed for such variety by a definition and standard of identity in this part, if any there be; if there is no applicable definition and standard of identity or if such standard contains no provision as to maximum moisture content, no water is used in the preparation of the cold pack, cheese. The fat content of its solids is not less than the minimum fat so prescribed for such variety of cheese.

(2) The moisture content of a cold pack cheese made from two or more varieties of cheese is not more than the arithmetical average of the maximum moisture contents prescribed for such varieties by definitions and standards of identity in this part, if any there be, but in no case is more than 42 percent; and the fat content of its solids is not less than the arithmetical average of the fat contents so prescribed but in no case less than 48 percent.

(3) Moisture and fat are determined by the methods prescribed therefor in § 19.500 (c)

(c) (1) The name of a cold pack cheese is "Cold Pack _____ Cheese", or "_____ Club Cheese" or "Comminuted

_____ Cheese" the blank being filled in with the name or names of cheeses used in order of predominance by weight if any.

(2) If a cold pack cheese is smoked the word "Smoked" precedes or follows the prescribed name.

If an optional ingredient prepared by condensing or precipitating wood smoke is used, the label shall bear the words "Contains _____" the blank being filled in with the name of the substance used.

§ 19.790 *Cold pack cheese foods; identity; label statement of optional ingredients.* A cold pack cheese food conforms to the definition and standard of identity and is subject to requirements for label statements of optional ingredients prescribed for Pasteurized Process Cheese Foods by § 19.765, except that cheddar cheese for manufacturing, washed curd cheese for manufacturing, colby cheese for manufacturing, and granular cheese for manufacturing are not used; and heat is not used in its preparation.

§ 19.795 *Cold pack cheese foods with fruits, vegetables, and meats; identity; label statement of optional ingredients.*

(a) A cold pack cheese food with fruits, vegetables, and meats conforms to the definition and standard of identity and is subject to requirements for label statement of optional ingredients prescribed for pasteurized process cheese foods with fruits, vegetables, and meats by § 19.770, except that cheddar cheese for manufacturing, washed curd cheese for manufacturing, and colby cheese for manufacturing are not used and heat is not used in mixing.

(b) The name of a cold pack cheese food with fruits, vegetables, and meats, is "Cold Pack Cheese Food With _____", the blank being filled in with the name or names of fruits, vegetables, and meats used.

Dated: February 18, 1947.

[SEAL]

MAURICE COLLINS,
Acting Administrator

[F. R. Doc. 47-1689; Filed, Feb. 20, 1947; 8:48 a. m.]

NOTICES

DEPARTMENT OF JUSTICE

Office of Alien Property

[Vesting Order 8187]

KARL REICHERT

In re: Estate of Karl Reichert, deceased. File D-28-10706; E. T. sec. 15064.

Under the authority of the Trading with the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Elsa Benz and Mrs. Lana Tegmeier, whose last known address is Germany, are residents of Germany and nationals of a designated enemy country (Germany),

2. That all right, title, interest and claim of any kind or character whatsoever of the persons named in subparagraph 1 hereof in and to the Estate of Karl Reichert, deceased, is property payable or deliverable to, or claimed by, the aforesaid nationals of a designated enemy country (Germany)

3. That such property is in the process of administration by Karl Reichert, Jr., Denison, Iowa, as Administrator w. w. a., acting under the judicial supervision of the District Court of the State of Iowa, Crawford County

and it is hereby determined:

4. That to the extent that the persons named in subparagraph 1 hereof are not within a designated enemy country, the

national interest of the United States requires that such persons be treated as nationals of a designated enemy country (Germany)

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

(40 Stat. 411, 55 Stat. 839, Pub. Law 322, 79th Cong., 60 Stat. 50, Pub. Law 671, 79th Cong., 60 Stat. 925; 50 U. S. C. and Supp. App. 1, 616; E. O. 9193, July 6, 1942, 3 CFR, Cum. Supp., E. O. 9567, June 8, 1945, 3 CFR, 1945 Supp., E. O. 9788, Oct. 14, 1946, 11 F. R. 11931)

Executed at Washington, D. C., on February 11, 1947.

For the Attorney General.

[SEAL] DONALD C. COOK,
Director.

[F. R. Doc. 47-1643; Filed, Feb. 19, 1947; 8:57 a. m.]

[Vesting Order 8188]

ROBERT E. WEGENER

In re: Estate of Robert E. Wegener, deceased. File D-28-10046; E. T. sec. 14258.

Under the authority of the Trading with the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Waldemar R. G. Lischke and Elvira F. E. Lischke, whose last known address is Germany, are residents of Germany and nationals of a designated enemy country (Germany)

2. That the surviving issue, names unknown, of Waldemar R. G. Lischke and the surviving issue, names unknown, of Elvira F. E. Lischke, who there is reasonable cause to believe are residents of Germany, are nationals of a designated enemy country (Germany)

3. That all right, title, interest and claim of any kind or character whatsoever of the persons identified in subparagraphs 1 and 2 hereof, and each of them, in and to the Estate of Robert E. Wegener, deceased, and in and to the Trust created under the Will of Robert E. Wegener, deceased, is property payable or deliverable to, or claimed by, the aforesaid nationals of a designated enemy country (Germany)

4. That such property is in the process of administration by C. A. Schneider, as Executor, acting under the judicial supervision of the Superior Court of the State of Washington, in and for the County of King;

and it is hereby determined:

5. That to the extent that the above named persons and the surviving issue, names unknown, of Waldemar R. G. Lischke, and the surviving issue, names unknown, of Elvira F. E. Lischke, are not within a designated enemy country, the national interest of the United States requires that such persons be treated as nationals of a designated enemy country (Germany)

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt

with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

(40 Stat. 411, 55 Stat. 839, Pub. Law 322, 79th Cong., 60 Stat. 50, Pub. Law 671, 79th Cong., 60 Stat. 925; 50 U. S. C. and Supp. App. 1, 616; E. O. 9193, July 6, 1942, 3 CFR, Cum. Supp., E. O. 9567, June 8, 1945, 3 CFR, 1945 Supp., E. O. 9788, Oct. 14, 1946, 11 F. R. 11931)

Executed at Washington, D. C., on February 11, 1947.

For the Attorney General.

[SEAL] DONALD C. COOK,
Director.

[F. R. Doc. 47-1644; Filed, Feb. 19, 1947; 8:57 a. m.]

[Vesting Order 8189]

DAIKICHI YAMACHIKA

In re: Estate of Daikichi Yamachika, deceased. File D-39-13974; E. T. sec. 15592; H-407.

Under the authority of the Trading with the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Mrs. Kimiyo Sato and Hideo Yamachika, whose last known address is Japan, are residents of Japan and nationals of a designated enemy country (Japan)

2. That all right, title, interest and claim of any kind or character whatsoever of the persons named in subparagraph 1 hereof in and to the estate of Daikichi Yamachika, deceased, is property payable or deliverable to, or claimed by, the aforesaid nationals of a designated enemy country (Japan),

3. That such property is in the process of administration by Takeo Yamachika, as Administrator, acting under the judicial supervision of the Circuit Court, First Judicial Circuit, Territory of Hawaii;

and it is hereby determined:

4. That to the extent that the persons named in subparagraph 1 hereof are not within a designated enemy country, the national interest of the United States requires that such persons be treated as nationals of a designated enemy country (Japan)

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

(40 Stat. 411, 55 Stat. 839, Pub. Law 322, 79th Cong., 60 Stat. 50, Pub. Law 671, 79th Cong., 60 Stat. 925, 50 U. S. C. and Supp. App. 1, 616; E. O. 9193, July 6, 1942, 3 CFR, Cum. Supp., E. O. 9567, June 8, 1945, 3 CFR, 1945 Supp., E. O. 9788, Oct. 14, 1946, 11 F. R. 11931)

Executed at Washington, D. C., on February 11, 1947.

For the Attorney General.

[SEAL] DONALD C. COOK,
Director.

[F. R. Doc. 47-1645; Filed, Feb. 19, 1947; 8:57 a. m.]

CIVIL AERONAUTICS BOARD

[Docket No. 2301]

FLORIDA AIRWAYS, INC.¹

NOTICE OF HEARING

In the matter of the petition of Florida Airways, Inc., under section 406 of the Civil Aeronautics Act of 1938, as amended, for an order temporarily fixing and determining the fair and reasonable rates of compensation for the transportation of mail by aircraft, the facilities used and useful therefor, and the services connected therewith over its route No. 75.

Notice is hereby given that hearing in the above-entitled proceeding is assigned to be held on February 24, 1947, 10:00 a. m. (eastern standard time) in Room 1302, Temporary "T" Building, 14th Street and Constitution Ave. NW., Washington, D. C., before Examiner Richard A. Walsh.

Dated Washington, D. C., February 18, 1947.

By the Civil Aeronautics Board.

[SEAL] M. C. MULLIGAN,
Secretary.

[F. R. Doc. 47-1678; Filed, Feb. 20, 1947; 8:47 a. m.]

[Docket No. SA-140]

ACCIDENT AT DENVER, COLO.

NOTICE OF HEARING

In the matter of investigation of accident involving aircraft of United States Registry NC 59486 which occurred at Denver, Colorado, on February 14, 1947.

Notice is hereby given, pursuant to the Civil Aeronautics Act of 1938, as amended, particularly section 702 of said act, in the above-entitled proceeding that hearing is hereby assigned to be held on Friday, February 21, 1947, at 9:30 a. m. (local time) in Room 337, Post Office Building, 18th and Stout Streets, Denver, Colorado.

Dated at Washington, D. C., February 17, 1947.

[SEAL] R. W. CHRISP,
Presiding Officer.

[F. R. Doc. 47-1675; Filed, Feb. 20, 1947; 8:45 a. m.]

¹Formerly Thomas E. Gordon, d. b. a. Orlando Airlines.

FEDERAL TRADE COMMISSION

[Docket No. 5411]

AR-EX COSMETICS, INC., AND JULIUS B. KAHN

ORDER APPOINTING TRIAL EXAMINER AND FIXING TIME AND PLACE FOR TAKING TESTIMONY

At a regular session of the Federal Trade Commission, held at its office in the City of Washington, D. C., on the 17th day of February A. D. 1947.

In the matter of Ar-Ex Cosmetics, Inc., a corporation, and Julius B. Kahn, individually and as an officer of said corporation.

This matter being at issue and ready for the taking of testimony and the receipt of evidence, and pursuant to authority vested in the Federal Trade Commission,

It is ordered, That W W Sheppard, a trial examiner of this Commission, be and he hereby is designated and appointed to take testimony and receive evidence in this proceeding and to perform all other duties authorized by law.

It is further ordered, That the taking of testimony and the receipt of evidence begin on Wednesday, April 2, 1947, at ten o'clock in the forenoon of that day (central standard time) in Room 1123, New Post Office Building, Chicago, Illinois.

Upon completion of the taking of testimony and the receipt of evidence in support of the allegations of the complaint, the trial examiner is directed to proceed immediately to take testimony and receive evidence on behalf of the respondents. The trial examiner will then close the taking of testimony and evidence and, after all intervening procedure as required by law, will close the case and make and serve on the parties at issue a recommended decision which shall include recommended findings and conclusions, as well as the reasons or basis therefor, upon all the material issues of fact, law, or discretion presented on the record, and an appropriate recommended order; all of which shall become a part of the record in said proceeding.

By the Commission.

[SEAL] OTIS B. JOHNSON,
Secretary.

[F. R. Doc. 47-1676; Filed, Feb. 20, 1947; 8:45 a. m.]

INTERSTATE COMMERCE COMMISSION

[S. O. 396, Special Permit 120]

RECONSIGNMENT OF GRAPEFRUIT AT PHILADELPHIA, PA.

Pursuant to the authority vested in me by paragraph (f) of the first ordering paragraph of Service Order No. 396 (10 F. R. 15008) permission is granted for any common carrier by railroad subject to the Interstate Commerce Act;

To disregard entirely the provisions of Service Order No. 396 insofar as it applies to the reconsignment at Philadelphia, Pa., February 13, 1947, by Wm. G. Roe & Son, of car PFE 45051, grapefruit,

now on the Pennsylvania R. R., to Wm. G. Roe & Son, New York, N. Y. (P. R. R.), account of railroad error.

The waybill shall show reference to this special permit.

A copy of this special permit has been served upon the Association of American Railroads, Car Service Division, as agent of the railroads subscribing to the car service and per diem agreement under the terms of that agreement; and notice of this permit shall be given to the general public by depositing a copy in the office of the Secretary of the Commission at Washington, D. C., and by filing it with the Director, Division of the Federal Register.

Issued at Washington, D. C., this 13th day of February 1947.

V. C. CLINGER,
Director
Bureau of Service.

[F. R. Doc. 47-1669; Filed, Feb. 20, 1947; 8:46 a. m.]

[S. O. 396, Special Permit 121]

RECONSIGNMENT OF GRAPEFRUIT AT ST. LOUIS, MO.

Pursuant to the authority vested in me by paragraph (f) of the first ordering paragraph of Service Order No. 396 (10 F. R. 15008) permission is granted for any common carrier by railroad subject to the Interstate Commerce Act:

To disregard entirely the provisions of Service Order No. 396 insofar as it applies to the reconsignment at St. Louis, Mo., Feb. 14, 1947, by Gentile Bros., of car MDT 7111, grapefruit, now on the Mo. Pac. R. R., to Cincinnati, O. (Sou)

The waybill shall show reference to this special permit.

A copy of this special permit has been served upon the Association of American Railroads, Car Service Division, as agent of the railroads subscribing to the car service and per diem agreement under the terms of that agreement; and notice of this permit shall be given to the general public by depositing a copy in the office of the Secretary of the Commission at Washington, D. C., and by filing it with the Director, Division of the Federal Register.

Issued at Washington, D. C., this 14th day of February 1947.

V. C. CLINGER,
Director
Bureau of Service.

[F. R. Doc. 47-1670; Filed, Feb. 20, 1947; 8:46 a. m.]

[No. 29677]

MINIMUM RATES ON RAIL TRAFFIC BETWEEN NORTH AND SOUTH

At a session of the Interstate Commerce Commission, Division 2, held at its office in Washington, D. C., on the 11th day of February A. D. 1947.

The Commission having under consideration the matter of tariff minimum rates on all interterritorial class-rate

traffic between the North and the South, both carload and less carload, applicable to the transportation by railroad and partly by railroad and partly by water, in interstate or foreign commerce, of various commodities, and the reasonableness and otherwise lawfulness of such minimum rates, including the propriety of the border points selected to govern their application:

It is ordered, That the Commission, upon its own motion, enter upon an investigation into and concerning the reasonableness and otherwise lawfulness of such tariff minimum rates on interterritorial class-rate traffic between the North and the South, both carload and less carload, which have been established by the carriers, or have been prescribed or approved by the Commission, or result from decisions of the Commission, with a view to determining whether such tariff minimum rates, or any of them, are in violation of any provision of the Interstate Commerce Act, and of making such findings and entering such order or orders as may be warranted;

It is further ordered, That all common carriers by railroad and by water operating within official classification territory and southern classification territory or between those territories, subject to the Interstate Commerce Act, be, and they are hereby, made respondents to this proceeding;

It is further ordered, That a copy of this order be served upon each of the respondents to this proceeding and that notice of this proceeding be given to the public by posting a copy of this order in the office of the Secretary of the Commission at Washington, D. C.,

And it is further ordered, That this proceeding be assigned for hearing at such time and place as the Commission may hereafter direct.

By the Commission, Division 2.

[SEAL] W. P. BARTEL,
Secretary.

[F. R. Doc. 47-1668; Filed, Feb. 20, 1947; 8:46 a. m.]

[S. O. 695]

UNLOADING OF WHISKY AT COLUMBIA, S. C.

At a session of the Interstate Commerce Commission, Division 3, held at its office in Washington, D. C., on the 14th day of February A. D. 1947.

It appearing, that car CBQ 29367, containing whisky at Columbia, South Carolina, on the Southern Railway Company, shipped by Cherokee Distilling Company, Louisville, Ky., has been on hand under load for an unreasonable length of time and that the delay in unloading said car is impeding its use; in the opinion of the Commission an emergency exists requiring immediate action; it is ordered, that;

(a) *Whisky at Columbia, S. C., be unloaded.* The Southern Railway Company, its agents or employees, shall unload immediately car CBQ 29367, loaded with whisky, now on hand at Columbia, South Carolina, consigned to shipper's order, notify Richland wholesale liquor dealers.

(b) *Demurrage.* No common carrier by railroad subject to the Interstate Commerce Act shall charge or demand or collect or receive any demurrage or storage charges, for the detention under load of any car specified in paragraph (a) of this order, for the detention period commencing at 7:00 a. m., February 18, 1947 and continuing until the actual unloading of said car is completed.

(c) *Provisions suspended.* The operation of any or all rules, regulations, or practices, insofar as they conflict with the provisions of this order, is hereby suspended.

(d) *Notice of expiration.* Said carrier shall notify V. C. Clinger, Director, Bureau of Service, Interstate Commerce Commission, Washington, D. C., when it has completed the unloading required by paragraph (a) hereof, and such notice shall specify when, where, and by whom such unloading was performed. Upon receipt of that notice this order shall expire.

It is further ordered, that this order shall become effective immediately; that a copy of this order and direction be served upon the Association of American Railroads, Car Service Division, as agent of the railroads subscribing to the car service per diem agreement under the terms of that agreement; and that notice of this order be given to the general public by depositing a copy in the office of the Secretary of the Commission, at Washington, D. C., and by filing it with the Director, Division of the Federal Register.

(40 Stat. 101, sec. 402, 41 Stat. 476, sec. 4; 54 Stat. 901, 911, 49 U. S. C. 1 (10)-(17) 15 (2))

By the Commission, Division 3.

[SEAL] W. P. BARTEL,
Secretary.

[F. R. Doc. 47-1667; Filed, Feb. 20, 1947; 8:46 a. m.]

[S. O. 686]

UNLOADING OF DIPPER LIPS AT SEATTLE, WASH.

At a session of the Interstate Commerce Commission, Division 3, held at its office in Washington, D. C., on the 14th day of February A. D. 1947.

It appearing, that car C&NW 69897, containing dipper lips, at Seattle, Washington, on the Union Pacific Railroad Company, shipped by American Manganese Division, Oakland, Calif., has been on hand for an unreasonable length of time and that the delay in unloading said car is impeding its use; in the opinion of the Commission an emergency exists requiring immediate action; it is ordered, that:

(a) *Dipper lips at Seattle, Wash., be unloaded.* The Union Pacific Railroad Company, its agents or employees, shall unload immediately car C&NW 69897, containing dipper lips, on hand at Seattle, Washington, consigned care of Alaskan Steamship Company.

(b) *Demurrage.* No common carrier by railroad subject to the Interstate

Commerce Act shall charge or demand or collect or receive any demurrage or storage charges, for the detention under load of any car specified in paragraph (a) of this order, for the detention period commencing at 7:00 a. m., February 17, 1947, and continuing until the actual unloading of said car or cars is completed.

(c) *Provisions suspended.* The operation of any or all rules, regulations, or practices, insofar as they conflict with the provisions of this order, is hereby suspended.

(d) *Notice and expiration.* Said carrier shall notify V. C. Clinger, Director, Bureau of Service, Interstate Commerce Commission, Washington, D. C., when it has completed the unloading required by paragraph (a) hereof, and such notice shall specify when, where, and by whom such unloading was performed. Upon receipt of that notice this order shall expire.

It is further ordered, that this order shall become effective immediately; that a copy of this order and direction be served upon the Association of American Railroads, Car Service Division, as agent of the railroads subscribing to the car service and per diem agreement under the terms of that agreement; and that notice of this order be given to the general public by depositing a copy in the office of the Secretary of the Commission, at Washington, D. C., and by filing it with the Director, Division of the Federal Register.

(40 Stat. 101, sec. 402, 41 Stat. 476, sec. 4; 54 Stat. 901, 911, 49 U. S. C. 1 (10)-(17) 15 (2))

By the Commission, Division 3.

[SEAL] W. P. BARTEL,
Secretary.

[F. R. Doc. 47-1668; Filed, Feb. 20, 1947; 8:46 a. m.]

SECURITIES AND EXCHANGE
COMMISSION

[File Nos. 54-137, 59-58, 70-1178]

MIDLAND UTILITIES CO. ET AL.

SUPPLEMENTAL ORDER APPROVING AMENDED
PLAN

At a regular session of the Securities and Exchange Commission, held at its office in the City of Philadelphia, Pa., on the 14th day of February 1947.

In the matters of Midland Utilities Company, File No. 54-137; Indiana Service Corporation, File No. 59-58; American Gas and Electric Company, File No. 70-1178.

Midland Utilities Company, a registered holding company, having filed an application and amendments thereto pursuant to section 11 (e) of the Public Utility Holding Company Act of 1935 and other applicable sections of the act for approval of an amended plan of corporate simplification of its subsidiary, Indiana Service Corporation, such plan providing, in general, for the recapitalization of Indiana Service Corporation, resulting in a new issue of common stock and the sale of that common stock to American Gas and Electric Company,

an unaffiliated registered holding company, the proceeds of such sale to be allocated among certain classes of existing securities of Indiana Service which are to be cancelled; and

The Commission by order dated December 18, 1946 having approved said amended plan and granted and permitted to become effective applications and declarations with respect to the related transactions; and

Indiana Service Corporation having requested the Commission to enter an order supplemental to its order dated December 18, 1946, conforming to the pertinent provisions and requirements of section 1808 (f) of the Internal Revenue Code and containing the recitals, specifications, itemizations and orders required of said section 1808 (f).

It is found, recited and ordered, That, pursuant to and in exercise of the power and authority vested in the Commission by section 11 (b) of the Public Utility Holding Company Act of 1935, (1) all the steps and transactions involved in the consummation of the amended plan, as amended, and particularly those specified and itemized in subdivisions (i) to (iii) both inclusive, of section (2) below, are necessary and appropriate to effectuate the provisions of section 11 (b) of the Public Utility Holding Company Act of 1935, and are hereby authorized, approved and directed; (2) the securities which are ordered to be issued, transferred and exchanged under and in accordance with the amended plan, as amended, are specified and itemized as follows:

(i) The issuance and transfer of 200,000 shares of new common stock without par value and having a stated value of \$20.00 per share, in accordance with the terms and provisions contained in the amended plan, as amended;

(ii) The cancellation, retirement and replacement by the said 200,000 shares of new common stock of the following outstanding securities of Indiana Service Corporation, all in accordance with the amended plan, as amended, to-wit:

(a) \$2,739,000 principal amount of demand notes, together with all interest accrued thereon, which, under the amended plan, as amended, is to be cancelled in part by the payment of, and in an amount equal to, the entire portion of the purchase price allocable to Midland Utilities Company and without consideration as to the balance;

(b) 13,706 shares of 7% cumulative preferred stock of the par value of \$100.00 per share, together with all dividends accumulated thereon;

(c) 16,622 shares of 6% cumulative preferred stock of the par value of \$100.00 per share, together with all dividends accumulated thereon;

(iii) The cancellation and retirement of the 730,000 shares of presently outstanding common stock of Indiana Service Corporation without par value and having a stated value of \$10.00 per share, with no new securities to be issued in lieu thereof, all in accordance with the amended plan, as amended;

and (3) such issuance, transfer and exchange shall be made in obedience to, and in accordance with, this supple-

mental order and the order of this Commission, dated December 18, 1946, in the above-entitled matters.

It is further ordered, That this order is supplemental to and a part of the said order of this Commission issued herein under date of December 18, 1946, and that they shall stand as and be a part of the same order.

By the Commission.

[SEAL] ORVAL L. DuBOIS,
Secretary.

[F R. Doc. 47-1653; Filed, Feb. 20, 1947;
8:47 a. m.]

[File No. 54-51]

NATIONAL POWER AND LIGHT CO. ET AL.
NOTICE OF FILING OF PLAN AND ORDER FOR
HEARING

At a regular session of the Securities and Exchange Commission, held at its office in the City of Philadelphia, Pennsylvania, on the 14th day of February A. D. 1947.

In the matter of National Power & Light Company, Lehigh Valley Transit Company, Lehigh Valley Transportation Company, Easton Transit Company, Easton & South Bethlehem Transportation Company, File No. 54-51, (Application No. 10, Part B)

The Commission having on August 23, 1941 entered an order pursuant to section 11 (b) (2) of the Public Utility Holding Company Act of 1935 requiring that the existence of National Power & Light Company ("National") a registered holding company subsidiary of Electric Bond and Share Company ("Bond and Share"), also a registered holding company, be terminated and that said company be dissolved and requiring further that National proceed with due diligence to submit to the Commission a plan or plans for its prompt dissolution pursuant to section 11 (b) (2) of the act; and

National having filed an application for approval of a "Plan Dated as of May 7, 1942 for Compliance with section 11 (b) (2) of the Public Utility Holding Company Act of 1935" which plan and amendments thereto outlined a program for the dissolution of National and proposed, among other things, such revisions and adjustments in accounts and capital structure of Lehigh Valley Transit Company ("Transit"), "as may be deemed necessary" and

The Commission having on November 9, 1942 entered an order pursuant to section 11 (c) of the act requiring National, among other things, to amend its aforementioned plan of May 7, 1942 to set forth the extent and manner in which it is proposed that Transit (a) restate its plant, surplus, capital and other accounts so as to segregate, dispose of or eliminate write-ups and intangibles in such plant account; (b) set up adequate reserves for depreciation of plant and property (c) make such other accounting adjustments as may be deemed necessary to meet the requirements of the act and (d) revise and simplify its capital structure and take such other steps as may be deemed necessary to effectuate a fair and

equitable redistribution of voting power among its security holders.

Notice is hereby given that National, its subsidiary, Transit, and Transit's wholly owned operating subsidiaries, Lehigh Valley Transportation Company ("Lehigh") Easton Transit Company ("Easton") and Easton & South Bethlehem Transportation Company ("Bethlehem") have filed pursuant to section 11 (e) of the act a joint application designated herein as Application No. 10, Part B. All interested persons are referred to said documents which are on file in the offices of this Commission for a statement of the transactions therein proposed which may be summarized as follows:

1. Transit will retire all of its \$4,915,000 principal amount of outstanding Refunding and Improvement Mortgage 5% Bonds due 1960, and redeemable prior thereto at 110, at not in excess of the principal amount thereof plus accrued interest thereon, through the use of Treasury cash, the proceeds from the proposed sale of its holdings of Pennsylvania Power & Light Company 4½% Preferred Stock, as described in paragraph 4 below, and the proceeds from the prior sale of the Allentown generating station and related properties to Pennsylvania Power & Light Company.

2. Transit has issued and outstanding 98,491 shares (exclusive of 1103 shares reacquired and held in treasury) of 5% Preferred Stock of the par value of \$50 per share. 98,350 shares of such stock are held by National and 141 shares are held by the public. Accumulated and unpaid dividends on this stock, as of September 30, 1946, amounted to \$78.71 per share, aggregating \$7,752,211 of which \$7,741,094 is applicable to shares held by National, and \$11,117 to shares held by the public. Transit proposes to discharge all claims with respect to the preferred stock and arrearages thereon, and to retire such stock by (a) exchanging the 98,350 shares of such stock held by National for 545,610 shares of new common stock of a par value of \$4 per share; and (b) paying the holders of the publicly held preferred stock cash in the amount of \$90 per share.

3. Transit has outstanding 58,709 shares (exclusive of 1,238 shares reacquired and held in treasury) of common stock of the par value of \$50 per share. 58,255 shares of such stock are owned by National, and 454 shares are owned by the public. National will surrender to Transit for cancellation its shares of the latter's common stock. The owners of the publicly held common stock of Transit will receive in exchange therefor Transit's new common stock on a share for share basis.

4. Transit will sell at the best price obtainable therefor its holding of 13,769 shares of Pennsylvania Power & Light Company 4½% Preferred Stock, the proceeds from such sale to be used in the retirement of Transit's outstanding bonds as described in paragraph 1 above.

5. Lehigh, Easton and Bethlehem will be merged with Transit, such mergers to be effected in whole or in part prior to consummation of the plan or to be left in whole or in part to be done after consummation of the plan.

6. Transit proposes to restate its property account to eliminate therefrom approximately \$7,260,000 which is stated to be the excess of the carrying value of Transit's property over its estimated historical cost. Transit will create a "Reserve for Proposed Railway Abandonments and Possible Loss on Investments" in the amount of approximately \$3,800,000. In making the foregoing adjustments Transit will utilize its earned surplus and capital surplus created by the transactions described in paragraphs 2 and 3 above.

7. National proposes to distribute to its common stockholders the 545,610 shares of new common stock of Transit to be issued under the plan.

The Commission is requested in the event it approves the plan to apply to an appropriate District Court of the United States for an order of enforcement.

The plan states that its consummation is subject to receipt of a closing agreement or ruling as to the tax consequences to National and Transit, which agreement or ruling shall be satisfactory to National and Transit. National and Transit request that the order approving the plan recite that the relevant transactions of the plan are necessary or appropriate to effectuate the provisions of section 11 (b) of the act, within the meaning and requirements of the Internal Revenue Code, as amended including section 1808 (f) and Supplement R thereof.

The Commission being required by the provisions of section 11 (e) of the act, before approving any plan thereunder to find after notice and opportunity for hearing that the plan, as submitted, or as modified, is necessary to effectuate the provisions of subsection (b) of section 11 of the act, and is fair and equitable to the persons affected thereby, and it appearing appropriate to the Commission that a hearing be held upon the amended plan to afford all interested persons an opportunity to be heard with respect thereto;

It is ordered, That a hearing under the applicable provisions of the act and the rules thereunder be held on March 3, 1947, at 10:00 a. m., e. s. t., at the offices of the Securities and Exchange Commission, 18th and Locust Streets, Philadelphia 3, Pennsylvania. On such date the hearing room clerk in Room 318 will advise as to the room in which such hearing will be held. All persons desiring to be heard or otherwise wishing to participate in the proceedings shall notify the Commission in the manner prescribed by Rule XVII of the rules of practice on or before March 3, 1947.

It is further ordered, That William W. Swift or any officer or officers of the Commission designated by it for that purpose shall preside at the hearing in such matter. The officer so designated to preside at the hearing is hereby authorized to exercise all powers granted to the Commission under section 18 (c) of the act and to a hearing officer under the Commission's rules of practice.

The Public Utilities Division of the Commission having advised the Commission that it has made a preliminary examination of the plan and that, upon

the basis thereof, the following matters and questions are presented for consideration without prejudice to its specifying additional matters or questions upon further examination:

(1) Whether the plan, as submitted or as hereafter modified, is necessary to effectuate the provisions of section 11 (b) (2) of the act, and constitutes an appropriate step in compliance with the order of this Commission dated August 23, 1941 thereunder.

(2) Whether the proposed retirement of the bonds of Transit at a price not in excess of the principal amount thereof is fair and equitable to the holders of such bonds.

(3) Whether the proposed payment of \$90 per share to the holders of Transit's publicly held preferred stock in full satisfaction of their claims is fair and equitable to the holders of such stock.

(4) Whether the issuance of new common stock as proposed in the plan is fair and equitable to the holders of the present common stock of Transit.

(5) Whether the proposed acquisitions and security issuances meet the applicable standards of the act, particularly sections 7, 10 and 12 thereof.

(6) Whether the accounting adjustments proposed to be made by Transit are appropriate, and whether any other accounting adjustments should be made in connection with the proposed transactions.

(7) Whether the plan, as filed, or as modified, makes appropriate provision for the payment of expenses, fees and remuneration in connection with the reorganization, in what amounts such expenses, fees and remuneration should be paid, and the fair and equitable allocation thereof.

(8) Generally, whether the proposed transactions are in all respects in the public interest and in the interest of investors and consumers, and consistent with all applicable requirements of the act and the rules thereunder, and, if not, what modification should be required to be made therein and what terms and conditions should be imposed to satisfy the applicable statutory standards.

It is further ordered, That at said hearing evidence shall be adduced with respect to the foregoing matters and questions.

It is further ordered, That notice of this hearing be given to Electric Bond and Share Company, National, Transit, Lehigh, Easton and Bethlehem, the Public Utility Commission of the State of Pennsylvania, the Interstate Commerce Commission, and the Lehigh Valley Trust Company as trustee under Transit's Refunding and Improvement Mortgage, by registered mail, and to all other persons by publication of this notice and order in the FEDERAL REGISTER and by a general release of the Commission distributed to the press and mailed to the mailing list for releases issued under the Public Utility Holding Company Act of 1935.

It is further ordered, That Transit shall give notice of this hearing to all its security holders (insofar as the identity of such security holders is known or available to it) by mailing to each of

said persons a copy of this notice and order for hearing at his last known address at least ten days prior to date of said hearing.

By the Commission.

[SEAL] ORVAL L. DUBOIS,
Secretary.

[F. R. Doc. 47-1654; Filed, Feb. 20, 1947;
8:47 a. m.]

[File Nos. 54-142, 53-84]

AMERICAN WATER WORKS AND ELECTRIC
Co., Inc., ET AL.

ORDER APPROVING MODIFIED PLANS

At a regular session of the Securities and Exchange Commission, held at its offices in the City of Philadelphia, Pa., on the 17th day of February 1947.

In the matters of American Water Works and Electric Company, Inc., American Water Works Company, Inc. (formerly American Communities Company) Community Water Service Company, Ohio Cities Water Corporation, West Penn Railways Company, The West Penn Electric Company, File No. 54-142; American Water Works and Electric Company, Inc., and Subsidiary Companies, File No. 53-84.

American Water Works and Electric Company, Incorporated (American) a registered holding company, having filed with the Commission plans under section 11 (e) of the act proposing, among other things, (i) that substantially all of the water works business of American's holding company system be segregated from the electric, gas, transportation and other businesses conducted by such system through the placing of the ownership of the system's security interests in such water works business in a separate water works holding company system, (ii) that the corporate structure of this water works holding company system be simplified through the elimination of two intermediate water works holding companies, and (iii) that, upon the completion of such segregation, American be dissolved and liquidated; and American having made application for approval of such plans under section 11 (e) in which application certain of American's subsidiary companies, namely American Water Works Company, Inc. (Waterworks Holding Company), Community Water Service Company (Community) Ohio Cities Water Corporation (Ohio Cities) West Penn Railways Company (Railways), and The West Penn Electric Company (West Penn Electric) have joined as parties; and

The Commission having instituted a proceeding under sections 11 (b) (1) and 11 (b) (2) of the act directed to American and its subsidiary companies, and such proceeding having been consolidated with the foregoing proceeding pursuant to section 11 (e), and

The Commission having issued its notice of filing and notice of and order for hearing in said consolidated proceedings, notice of such hearing having been duly given to all interested persons, public hearings having been held and all such persons having been given an op-

portunity to be heard with respect to all matters pertaining to said proceedings, briefs having been filed, and the Commission having issued on December 23, 1946 its findings and opinion (Holding Company Act Release No. 7091) finding that certain modifications should be made in such plans as filed and that, if so modified, such plans would be fair and equitable and would be approved and allowing a period of 30 days for the filing of appropriate amendments thereto; and

American having filed, on January 22, 1947, modified plans, dated January 21, 1947; notice of the filing thereof having been given to all interested parties; and the Commission having thus day issued its supplemental findings and opinion with respect to said plans as amended; and

American having requested that the order of the Commission approving such modified plans conform to the requirements of, and contain the recitals, specification and itemization required by, Supplement R and section 1803 (f) of the Federal Internal Revenue Code and section 270-c (10) of the Tax Law of the State of New York;

I. It is hereby ordered and recited, Pursuant to section 11 (e) of the act, that the plans, dated and filed herein by American on February 21, 1946, as modified on January 21, 1947, including Plan I, parts 1 and 2, and Plan II, and all steps and transactions involved in the consummation thereof, including all issues, transfers, sales, exchanges, conversions, expenditures, payments, loans, investments, contributions, assumptions, deposits, acquisitions, receipts, purchases, distributions, deliveries, retirements, cancellations and offerings, be and they hereby are found to be necessary or appropriate to effectuate the provisions of section 11 (b) of the Public Utility Holding Company Act of 1935 and necessary or appropriate to the simplification of the American holding company system and in all respects fair and equitable to the persons affected thereby. Accordingly, the modified plans are approved, subject to the terms and conditions set forth in section V of this order.

II. It is further ordered, Without prejudice to the generality of the provisions of section I of this order, that the following transactions set forth in part 1 of Plan I are approved and authorized by the Commission, subject to the terms and conditions set forth in section V of this order:

(1) The sale, transfer and delivery by Railways to American of the 53 shares of Common Stock of American owned by Railways and the purchase thereof by American for the sum of \$1,219 in cash;

(2) The transfer and delivery by American to Waterworks Holding Company, as a contribution to the capital or paid-in surplus of said Company, of the 5,000 shares of Preferred Stock and \$175,000 principal amount of open-account indebtedness of Waterworks Holding Company owned by American; and the receipt and retirement of such indebtedness and shares of Preferred Stock and corresponding reduction of

its capital by Waterworks Holding Company;

(3) The amendment by Waterworks Holding Company of its charter so as to provide for an authorized capital stock consisting of 5,000,000 shares of Common Stock of the par value of \$5 each; the conversion of the 6,000 shares of Common Stock, without par value, of Waterworks Holding Company, owned by American, into the same number of shares of Common Stock of the par value of \$5 each; and the transfer and delivery to Waterworks Holding Company of certificates for such shares without par value, and the issue and delivery to American of certificates for such shares of the par value of \$5 each in connection therewith;

(4) The payment by Waterworks Holding Company of its bank loan of \$160,000;

(5) The issue by Waterworks Holding Company of \$15,000,000 principal amount of its Ten-Year 3% Collateral Trust Bonds and the sale and delivery thereof to John Hancock Mutual Life Insurance Company for a consideration equal to the principal amount of such bonds, together with interest accrued thereon to the delivery date;

(6) The sale, transfer and delivery by American to Waterworks Holding Company of the stocks and securities of and long-term advances to the waterworks companies specified in Exhibit A to this order and of the 4,471 shares of \$7 Cumulative First Preferred Stock of Community, now owned by American; and the payment by Waterworks Holding Company of the consideration therefor specified in step 6 of said part 1, which consideration is to consist of cash (in an amount determined as provided in said step 6) and the assumption of the liabilities of American (exclusive of income tax liabilities) related to the assets so transferred (including the guaranty by American of the payment of the principal of and interest on the \$726,000 principal amount of First Mortgage 5½% Gold Bonds, Series A, of Monongahela Valley Water Company) and may include the issue, sale and delivery by Waterworks Holding Company to American of Subscription Warrants described in said step 6 to purchase to total of 2,343,105 shares of Common Stock of Waterworks Holding Company.

(7) The distribution, transfer and delivery by American to the holders of record of shares of its Common Stock, without the surrender by such stockholders of the shares of such Common Stock held by them, of any Subscription Warrants issued by Waterworks Holding Company as provided in paragraph (6) above; the receipt, upon such distribution, by such stockholders of such Subscription Warrants entitling them to purchase one share of Common Stock of Waterworks Holding Company for each share of Common Stock of American held by them, respectively the exercise of such Subscription Warrants by such stockholders by the purchase of shares of Common Stock of Waterworks Holding Company and the sale, transfer and delivery of Subscription Warrants of foreign stockholders as specified in step 7

of said part 1 for the account of such stockholders;

(8) The offering by Waterworks Holding Company to the holders of the 12,369 outstanding shares of \$7 Cumulative First Preferred Stock of Community owned by others than Waterworks Holding Company of the privilege of exchanging their shares for shares of Common Stock of Waterworks Holding Company having a market value, as defined in the plans, at the time of Exchange equal to the sum of \$180 per share of Community Preferred Stock, plus \$7 per share of such Preferred Stock per annum from October 31, 1945 to the final date for making such exchanges and minus the amount per share of any dividends paid on such Preferred Stock during such period; the offering by Waterworks Holding Company to the holders of the 228,055 outstanding shares of Common Stock of Community owned by others than Waterworks Holding Company of the privilege of exchanging their shares for shares of Common Stock of Waterworks Holding Company at the rate of 1/20th of one share of common stock of Waterworks Holding Company for each share of Common Stock of Community and the exchange by such public holders of such Preferred and Common Stock of Community of their stock for shares of Common Stock (and/or scrip certificates therefor) of Waterworks Holding Company and the transfer and delivery of their certificates to Waterworks Holding Company for the purpose of effecting such exchanges;

(9) The offering by Waterworks Holding Company to the holders of the 2,257 outstanding shares of \$6 Cumulative Preferred Stock, Series A, of Ohio Cities owned by others than Community of the privilege of exchanging their shares for shares of Common Stock of Waterworks Holding Company having a market value, as defined in the plans, at the time of exchange equal to the sum of \$159 per share of Ohio Cities Preferred Stock, plus \$6 per share of such Preferred Stock per annum from October 31, 1945, to the final date for making such exchanges and minus the amount per share of any dividends paid on such Preferred Stock during such period; and the exchange by such public holders of such Preferred Stock of Ohio Cities of their stock for shares of Common Stock (and/or scrip certificates therefor) of Waterworks Holding Company, and the transfer and delivery of their certificates to Waterworks Holding Company for the purpose of effecting such exchanges;

(10) The issue by Waterworks Holding Company and the delivery to the persons entitled thereto of shares of its Common Stock (and scrip certificates therefor of the character described in step 8 of part 1 in settlement of fractional share interests) upon exercise of the Subscription Warrants specified in paragraph (6) above, upon exchange for shares of \$7 Cumulative First Preferred Stock and Common Stock of Community and \$6 Cumulative Preferred Stock, Series A, of Ohio Cities as specified in paragraphs (8) and (9) above, upon sale to underwriters pursuant to competitive bidding as provided in step 10 of said part 1, and

with respect to scrip certificates as provided in step 8 of said part 1, and

(11) The loan by Waterworks Holding Company to Community of the sum of \$2,600,000 in cash and the issue and delivery by Community to Waterworks Holding Company of its demand promissory notes bearing interest at the rate of 3% per annum to evidence such loan; and the application by Community of such funds to the payment in full of its outstanding promissory note in like amount.

III. *It is further ordered*, Without prejudice to the generality of the provisions of section I of this order, that the following transactions set forth in part 2 of plan I are approved and authorized by the Commission, subject to the terms and conditions set forth in section V of this order:

(1) The issue, sale and delivery by Waterworks Holding Company to Community and the acquisition thereof by Community, at the initial public offering price of shares of such stock issued to underwriters under step 10 of part 1, of such number of shares of Common Stock of Waterworks Holding Company (and scrip certificates therefor) as may be required for distribution by Community to its public Common Stockholders pursuant to paragraph (2) below; the loan by Waterworks Holding Company to Community of cash in an amount sufficient, together with other available funds of Community, to provide for the cash payments to public Preferred Stockholders of Community pursuant to paragraph (2) below and the issue and delivery by Community to Waterworks Holding Company of its demand promissory note bearing interest at the rate of 3% per annum to evidence such loan;

(2) The dissolution and liquidation of Community the investment by Community as a contribution to the capital or as paid-in surplus of its subsidiary companies, prior to such dissolution, of all open-account indebtedness owing by such companies to Community; and, pursuant to such liquidation, (i) the distribution to the holders of the \$7 Cumulative First Preferred Stock of Community (other than Waterworks Holding Company) of cash in an amount equal to \$180 per share of such Preferred Stock, plus \$7 per share of such Preferred Stock per annum from October 31, 1945 to the final date for making exchanges of such Preferred Stock pursuant to paragraph (8) of section II of this order and minus the amount per share of any dividends paid on such Preferred Stock after October 31, 1945, and (ii) the distribution to the holders of the Common Stock of Community (other than Waterworks Holding Company) of shares of Common Stock (and/or scrip certificates therefor) of Waterworks Holding Company at the rate of 1/20th of 1 share of Common Stock of Waterworks Holding Company for each share of Common Stock of Community together with any dividends paid on such shares of Common Stock of Waterworks Holding Company subsequent to the initial date for making exchanges of Common Stock of Community pursuant to paragraph (8) of section II of this order and prior to the liquidation of Community; the assumption by

Waterworks Holding Company of any remaining obligations and liabilities of Community; the transfer and delivery by Waterworks Holding Company and the acquisition by Community of all indebtedness and stock of Community held by Waterworks Holding Company and the transfer and delivery by Community, in exchange therefor, and the acquisition by Waterworks Holding Company of all remaining assets of Community. The assets of Community so to be acquired by Waterworks Holding Company will consist of the stocks of subsidiary companies of Community specified in Exhibit B to this order. Such distribution to the public Preferred and Common stockholders of Community shall be in full satisfaction of all rights of such stockholders and, upon such dissolution, such public Preferred and Common stockholders shall cease to have any rights or interests in Community or its assets or any rights or interests whatsoever except the right to receive such distributions with respect to the shares of stock of Community held by them;

(3) The loan by Community to Ohio Cities of cash in an amount sufficient, together with other available funds of Ohio Cities, to provide for the cash payments to public Preferred stockholders of Ohio Cities pursuant to paragraph (4) below and the issue and delivery by Ohio Cities to Community of its demand promissory notes bearing interest at the rate of 3% per annum to evidence such loans;

(4) The dissolution and liquidation of Ohio Cities, and, pursuant to such liquidation, the distribution to the holders of the \$6 Cumulative Preferred Stock, Series A, of Ohio Cities (other than Community) of cash in an amount equal to \$159 per share of such Preferred Stock, plus \$6 per share of such Preferred Stock per annum from October 31, 1945 to the final date for making exchanges of such Preferred Stock pursuant to paragraph (9) of section II of this order and minus the amount per share of any dividends paid on such Preferred Stock after October 31, 1945; the assumption by Community of any remaining obligations and liabilities of Ohio Cities; the transfer and delivery by Community and the acquisition by Ohio Cities of all indebtedness and shares of stock of Ohio Cities held by Community and the transfer and delivery by Ohio Cities, in exchange therefor, and the acquisition by Community of all remaining assets of Ohio Cities. The assets of Ohio Cities so to be acquired by Community will consist of the stocks of subsidiary companies of Ohio Cities specified in Exhibit C to this order. Such distribution to the public Preferred stockholders of Ohio Cities shall be in full satisfaction of all rights of such stockholders and, upon such dissolution, such public Preferred stockholders of Ohio Cities shall cease to have any rights or interests in Ohio Cities or its assets or any rights or interests whatsoever except the right to receive such distribution with respect to the shares of stock of Ohio Cities held by them.

IV It is further ordered, Without prejudice to the generality of the provi-

sions of section I of this order, that the following transactions set forth in plan II are approved and authorized by the Commission, subject to the terms and conditions set forth in section V of this order:

(1) The dissolution of American and the liquidation of its affairs in accordance with paragraphs (2) through (6) below;

(2) The payment and retirement by American, at their principal amounts and accrued interest, of its notes to banks outstanding in the aggregate principal amount of \$10,000,000;

(3) The retirement by American of all of its \$6 Series, First Preferred Stock, of which 199,868 shares are outstanding with the public, and, pursuant to such retirement, the distribution to the holders of such Preferred Stock, in cancellation of such stock, of the amount which they are entitled to receive upon the liquidation of American pursuant to plan II, as finally determined by an order of the Commission or a decision of a court having jurisdiction, which distribution is to be effected as follows:

(a) If the amount to which the preferred stockholders are so entitled shall have been finally so determined by the Commission or a court prior to the date fixed for the distribution, American will distribute, on such distribution date, to the preferred stockholders, in cash, the full amount to which they are entitled as so determined; or

(b) If the amount to which the Preferred stockholders are so entitled shall not have been finally so determined by the Commission or a court prior to the date fixed for the distribution, American will distribute, on such distribution date, to the preferred stockholders (i) an amount in cash equal to \$100 per share, plus accrued and unpaid dividends thereon to such distribution date, and (ii) a certificate evidencing the obligation of American to pay in cash to such preferred stockholders, or their assigns, such additional amount, if any, as it may later be finally so determined that the preferred stockholders are entitled to receive; and, if certificates are to be so distributed, the issue thereof by American and the deposit by American in escrow with a bank or trust company, as security for the payment of the amounts, if any, which may become payable upon such certificates and of expenses in connection with such escrow and payment, cash or demand non-interest bearing promissory notes of West Penn Electric in the aggregate principal amount of \$2,200,000. The making of such delivery to and deposit with such bank or trust company shall be in full cancellation and satisfaction of the Preferred Stock and, upon the making thereof, all rights of the preferred stockholders as such shall terminate except the right to receive from such bank or trust company the cash and certificates, if any, so delivered and deposited with respect to the shares of Preferred Stock held by them, and from and after such distribution date dividends as such as the Preferred stock shall cease to accrue. The amendment by American of plan II so as to

provide for such method of retirement of its \$6 Series, First Preferred Stock and the approval of the plan, as so amended, by the Commission shall be without prejudice to the right of American by appropriate proceedings to contest any order of the Commission or decision of a court which shall determine that such preferred stockholders are entitled, upon the liquidation of American, to receive an amount in excess of \$100 per share plus accrued and unpaid dividends thereon;

(4) The sale, transfer and delivery by American of all of the 6,000 shares of Common Stock of Waterworks Holding Company owned by American.

(5) The lending by American to West Penn Electric, upon West Penn Electric's promissory notes, but without interest, of such amount of cash held by American as its Board of Directors shall determine from time to time to be in excess of the amounts required to effectuate the liquidation of American, including the retirement of the debt and Preferred Stock of American as provided in paragraphs (2) and (3) above; the investment, transfer and delivery by American, prior to its final liquidation, as a contribution to the capital or as paid-in surplus of West Penn Electric, and the acquisition thereof by West Penn Electric, of any cash then held by American (including its right in any escrow fund provided under paragraph (3) above) together with all indebtedness of West Penn Electric owed by it to American and all shares of stock of West Penn Electric (other than Common Stock) then held by American; and the assumption by West Penn Electric of all remaining liabilities of American up to the amount of the capital contribution so made; and

(6) The distribution by American, in completion of its liquidation, after effecting the transactions set forth in paragraphs (2) through (5) above and after the liabilities of American have been determined and liquidated or otherwise provided for, to the holders of its Common Stock and in exchange therefor of all shares of Common Stock of West Penn Electric then held by American.

V. It is further ordered That the foregoing approvals and authorizations are subject to the following terms and conditions:

(1) That the authority hereby conferred shall be subject to the terms and conditions prescribed in Rule U-24.

(2) That the proposed issuance and sale of common stock by Waterworks Holding Company shall not be consummated until the results of the competitive bidding have been made a matter of record in this proceeding and a further order shall have been entered by this Commission in the light of the record so completed, which order shall contain such further terms and conditions, if any, as may then be deemed appropriate, jurisdiction being reserved for the imposition thereof;

(3) That jurisdiction is generally reserved to the Commission to entertain such further proceedings, to make such supplemental findings, and to take such further action as it may deem appropri-

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ate in connection with said plans, as modified, the transactions incident thereto and the consummation thereof, and to take such further action as it may deem necessary or appropriate to effectuate the provisions of section 11 (b) of the act; and that jurisdiction is specifically reserved to consider and determine the following matters;

(a) The reasonableness and appropriate allocation of all fees, expenses, and other remunerations incurred or to be incurred in connection with said plans, as modified, and the transactions incident thereto;

(b) The terms and provisions of any application or declaration that may be filed by American concerned with a proposal to eliminate from plan I the issuance by Waterworks Holding Company of transferable subscription warrants;

(c) The terms and provisions of the proposed sale by American, pursuant to plan II, of 6,000 shares of common stock of Waterworks Holding Company

(d) The terms and provisions of any and all promissory notes to be issued by any of the subsidiaries of American in connection with the carrying out of plans I and II,

(e) The material and methods that may be used in connection with any solicitations of the public holders of the capital stocks of Community or the preferred stock of Ohio Cities in connection with plan I,

(f) The terms and provisions of any escrow agreement that may be entered into in the effectuation of plan II,

(g) The terms and provisions of any distribution to the common stockholders of American of the common stock of West Penn Electric (or any successor company to West Penn Electric)

(4) That the transactions provided in sections II and III of this order shall be effected within the period of four months following the date on which this order, or any order of a court enforcing the plans, becomes final in accordance with law, and the transactions provided in section IV of this order shall be effected within the period of six months following such date, which periods may be extended by supplemental order or orders of the Commission upon appropriate application by American, except that the transactions specified in paragraphs (5) and (6) of section IV of this order may be effected at such later date or dates as may be required in order to permit the liabilities of American to be determined and liquidated or otherwise provided for prior to effecting such transactions;

It is further ordered, That this order shall not be operative to authorize the consummation of any of the transactions proposed in the modified plans until an appropriate United States District Court shall, upon application thereto, enter an order enforcing such modified plans.

By the Commission.

[SEAL] ORVAL L. DuBOIS, Secretary.

EXHIBIT A

Stocks, securities and long-term advances to be transferred to Waterworks Holding Co. by American (see note)

	Par value per share	Number of shares
COMMON STOCKS		
The Alexandria Water Co.....	\$50	4,000
Alton Water Co.....	No par	16,000
Armstrong Water Co.....	No par	30,000
The Ashtabula Water Works Co.....	No par	5,000
Atlantic County Water Co. of New Jersey.....	\$25	4,380
The Birmingham Water Works Co.....	\$100	25,017
The Butler Water Co.....	\$30	8,430
City Water Co. of Chattanooga.....	\$35	20,000
Clinton Water Works Co.....	\$100	3,210
Commonwealth Water & Light Co.....	No par	10,000
The Connellsville Water Co.....	\$50	7,120
Davenport Water Co.....	No par	25,000
East St. Louis & Interurban Water Co.....	\$100	47,500
Huntington Water Corp.....	No par	10,000
Joplin Water Works Co.....	No par	10,000
Kokomo Water Works Co.....	\$70	2,000
City Water Works Co. of Merrill, Wis.....	\$100	1,250
Monmouth Consolidated Water Co.....	No par	26,000
Menongahela Valley Water Co.....	\$100	2,500
The Morgantown Water Co.....	No par	24,000
Muncia Water Works Co.....	\$35	7,500
The City of New Castle Water Co.....	\$100	7,217
The Noroton Water Co.....	\$25	7,485
North Little Rock Water Co.....	No par	5,000
Ocean County Water Co.....	No par	7,245
Old Dominion Water Corp.....	No par	8,000
Richmond Water Works Corp.....	\$10	37,500
The St. Joseph Water Co.....	No par	40,000
South Pittsburgh Water Co.....	\$10	349,767
The Terre Haute Water Works Corp.....	\$10	66,100
Texarkana Water Corp.....	No par	5,200
The Warren Water Co.....	\$50	7,480
Water Works Service Co., Inc.....	\$100	1,500
The Wichita Water Co.....	\$100	22,720

	Annual dividend rate	Par value per share	Number of shares
PREFERRED STOCKS			
The Ashtabula Water Works Company.....	6%	\$100	2,500
Atlantic County Water Co. of New Jersey.....	6%	\$100	1,000
Huntington Water Corp.....	6%	\$100	1,667
Joplin Water Works Co.....	6%	\$100	31
Monmouth Consolidated Water Co.....	\$7	No par	1,831
The City of New Castle Water Co.....	6%	\$100	3,897

LONG-TERM DEBT

The Ashtabula Water Works Co., Ten-Year 5% Note (dated Mar. 1, 1933; due Mar. 1, 1948).....	Principal amount	\$140,000
Joplin Water Works Co., Ten-Year 5% Notes (dated Dec. 1, 1937; due Dec. 1, 1947).....		107,000
North Little Rock Water Co., Twenty-Year 5% Debentures (dated June 15, 1937; due June 15, 1957).....		75,000
The Warren Water Co., Gold Mortgage Bonds (5%; dated July 1, 1908; due July 1, 1948)....		79,000
		401,000

LONG-TERM ADVANCES

The Alexandria Water Co.....	\$170,000
Alton Water Co.....	26,000
The Ashtabula Water Works Co.....	101,000
Atlantic County Water Co. of New Jersey.....	100,000
The Bernards Water Co.....	80,500
The Butler Water Co.....	133,000
Clinton Water Works Co.....	71,000
The Connellsville Water Co.....	70,000
Davenport Water Co.....	30,000
East St. Louis & Interurban Water Co.....	430,000
Huntington Water Corp.....	278,000
Joplin Water Works Co.....	200,000
Monmouth Consolidated Water Co.....	456,000
Monongahela Valley Water Co.....	151,000
The Morgantown Water Co.....	99,000
The City of New Castle Water Co.....	140,000
The Noroton Water Co.....	42,000
North Little Rock Water Co.....	63,000

LONG-TERM ADVANCES—CON.

	Principal amount
Ocean County Water Co.....	\$139,000
Old Dominion Water Corp.....	387,000
South Pittsburgh Water Co.....	270,000
The Wichita Water Co.....	663,000
	4,279,000

NOTE: The stocks, securities and long-term advances to be transferred to Waterworks Holding Company by American pursuant to step 6 of part 1 of plan I will be as set forth above in this Exhibit A except as follows:

- The 1,250 shares of common stock of the par value of \$100 per share of City Water Works Company of Merrill, Wisconsin, are subject to a contract on the part of said City to purchase such shares. If such sale is made prior to effecting said step 6, such shares will not be included in the stocks to be transferred.
- Prior to effecting said step 6, American may, in normal course of its business, make additional long-term advances to subsidiary companies listed in this Exhibit A or certain of the long-term advances listed herein may be repaid in whole or in part. The long-term advances to be transferred pursuant to such step 6 will be all those owed to American by subsidiary companies listed in this Exhibit A on the date of such transfer.

EXHIBIT B

Stocks to be acquired by Waterworks Holding Company from Community

	Par value per share	Number of shares
COMMON STOCKS		
The Cairo Water Co.....	No par	7,000
The Citizens Water Co. of Washington, Pa.....	No par	10,000
Greenwich Water System, Inc.....	No par	100,000
Lexington Water Co.....	No par	18,000
The Marlon Water Co.....	No par	5,000
The Ohio Cities Water Co.....	No par	5,000
Pennsylvania State Water Corp.....	No par	60,000
Peoria Water Works Co.....	No par	5,000

	Annual dividend rate	Par value per share	Number of shares
Preferred stocks: The Cairo Water Co.....	7%	\$100	1,000

EXHIBIT C

Stocks to be acquired by Community from Ohio Cities

	Par value per share	Number of shares
Common stocks:		
The Marlon Water Co.....	No par	5,000
The Ohio Cities Water Co.....	No par	5,000

[F. R. Doc. 47-1655; Filed, Feb. 20, 1947; 8:46 a. m.]

FEDERAL POWER COMMISSION

[Docket No. G-173]

EQUITABLE GAS CO.

NOTICE OF ORDER AUTHORIZING IN PART AND DENYING IN PART GROUPING OF NATURAL GAS PLANT FOR EXPENSE ACCOUNTING PURPOSES

FEBRUARY 18, 1947.

Notice is hereby given that, on February 17, 1947, the Federal Power Commission issued its order entered February 13, 1947, authorizing in part and denying in part the grouping of natural gas plant for expense accounting purposes in the above-designated matter.

[SEAL] LEON M. FUQUAY, Secretary.

[F. R. Doc. 47-1672; Filed, Feb. 20, 1947; 8:45 a. m.]

[Docket No. G-783]

CENTRAL NEW YORK POWER CORP.

NOTICE OF FINDINGS AND ORDER ISSUING CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY

FEBRUARY 18, 1947.

Notice is hereby given that, on February 18, 1947, the Federal Power Commission issued its findings and order entered February 13, 1947, issuing a certificate of public convenience and necessity in the above-designated matter.

[SEAL]

LEON M. FUQUAY,
Secretary.[F. R. Doc. 47-1673; Filed, Feb. 20, 1947;
8:46 a. m.]

[Docket No. G-853]

HOME GAS CO. ET AL.

NOTICE OF APPLICATION

FEBRUARY 17, 1947.

In the matter of Home Gas Company, The Manufacturers Light and Heat Company, Cumberland and Alleghany Gas Company and Natural Gas Company of West Virginia. Docket No. G-853.

Notice is hereby given that on January 27, 1947, Home Gas Company (Home), a New York corporation, authorized to do business in the States of New York and Pennsylvania; The Manufacturers Light and Heat Company (Manufacturers) a Pennsylvania corporation, authorized to do business in the States of Pennsylvania, Ohio and West Virginia; Cumberland and Alleghany Gas Company (Cumberland) a West Virginia corporation, authorized to do business in the States of West Virginia and Maryland; and Natural Gas Company of West Virginia (Natural Gas Company), a West Virginia corporation, authorized to do business in the States of West Virginia, Ohio and Pennsylvania, all hereinafter sometimes referred to as Applicants, and all having a principal place of business at Pittsburgh, Pennsylvania, filed an application for a certificate of public convenience and necessity pursuant to section 7 of the Natural Gas Act, as amended, to authorize Applicants to construct, acquire, retire, replace, sell and operate certain natural gas facilities subject to the jurisdiction of the Commission.

The facilities proposed to be constructed, acquired, retired, replaced, sold and operated by each of the Applicants are described as follows:

By Home Gas Company

Job No.

1. Construct approximately five miles of 14-inch O. D. gas transmission line beginning at a point on the existing pipe lines of Home in Deer Park Town, Orange County, New York, near the town of Port Jervis, and extending southwestward to the New York bank of the Delaware River;
2. Construct a portion of the Delaware River crossing in Orange County, New York, by installing therein one 10-inch and one 12-inch pipe line from the north bank of the river to a point in midstream defined as the New York-Pennsylvania state boundary;

By The Manufacturers Light and Heat Company

Job No.

3. Construct the balance of said Delaware River crossing in Pike County, Pennsylvania, by installing therein one 10-inch and one 12-inch line from the mid-point of said stream, where Home's construction ends, to the south bank of said river in Westfall Township, Pike County, Pennsylvania; also install one 10-inch and one 12-inch gas line across the Lehigh River in Northampton County, Pennsylvania, and the Schuylkill River in Montgomery and Chester Counties, Pennsylvania;
4. Construct approximately 12½ miles of 14-inch O. D. gas transmission line commencing at the south bank of the Delaware River in Westfall Township, Pike County, Pennsylvania, and extending southwestward to a point on the Washington Farm east of Coatesville, West Bradford Township, Chester County, Pennsylvania, at which point it will form a junction with Manufacturers' existing two 8-inch lines No. 138 and an existing 20-inch line No. 1278;
5. Install a gas measuring station, with the necessary structure, on the south side of the Delaware River in Westfall Township, Pike County, Pennsylvania;
6. Install three 118 horsepower rotary compressors near the community of Millway, Warwick Township, Lancaster County, Pennsylvania;
7. Construct 3.2 miles of 20-inch O. D. gas transmission line in North Fayette Township, Alleghany County, Pennsylvania, from a point of connection with Line No. 1 on the Sam Walker Farm in a westerly direction to connect with 16-inch line No. 1360 on the Moore Farm;
8. Install four 130-horsepower compressors at the Hickory Mixing Station in Mount Pleasant Township, Washington County, Pennsylvania;
9. Install compressors totaling 800 horsepower at the proposed Brinker Compressor Station on the Haag Farm in Fairfield Township, Columbiana County, Ohio;
10. Install storage measuring station at the proposed Brinker Compressor Station;
11. Install an inter-company measuring station at the proposed Brinker Compressor Station;
12. Replace the present 500-pound working pressure pipe, valves and fittings in Brinker Storage Field in Fairfield and Elk Run Townships, Columbiana County, Ohio, with 1,000-pound working pressure material;
13. Dismantle and retire from operation the 360-horsepower compressor station at the existing Brinker Compressor Station in Salem Township, Columbiana County, Ohio;
14. Dismantle the storage measuring station at the existing Brinker Compressor Station;
15. Dismantle the inter-company measuring station at the existing Brinker Compressor Station;
16. Retire all pipe, valves and fittings in the Brinker Storage Field;
17. Purchase 10.5 miles of 8-inch transmission line No. 6023 in Fairfield and Unity Townships, Columbiana County, Ohio, from the Natural Gas Company of West Virginia;
18. Install an inter-company measuring station for the community of New Waterford, Columbiana County, Ohio, at the junction between the New Waterford 2-inch line in Unity Township, Columbiana County, Ohio, and the 8-inch line No. 6023;

Job No.

19. Construct 1,400 feet of 12-inch transmission line in West Finley Township, Washington County, Pennsylvania, and Sandhill District, Marshall County, West Virginia, between Manufacturers' Majorsville Compressor Station and the United Fuel Gas Company's 16-inch line known as the Cedarville line;
20. Purchase the northerly 7,300 feet of the Cedarville 16-inch gas transmission line located in Sandhill District, Marshall County, West Virginia, from the United Fuel Gas Company;
21. Install two additional 600 horsepower and one additional 300 horsepower compressors at the Majorsville Compressor Station in West Finley Township, Washington County, Pennsylvania, and install two 600 pound working pressure cylinders on an existing engine at that location;
22. Install a 1,000 pound working pressure storage measuring station at the Majorsville Compressor Station;
23. Replace with 1,000 pound working pressure equipment, all pipe, valves and fittings, with the exception of well lines, in the Majorsville Storage Field in West Finley Township, Washington County and Richhill Township, Greene County, Pennsylvania, and Sandhill and Webster Districts, Marshall County, West Virginia, as the existing equipment is only suitable for a maximum 500 pound working pressure;
24. Dismantle the existing 500 pound working pressure storage measuring station at the Majorsville Compressor Station;
25. Retire all pipe, valves and fittings, except well lines, in Majorsville Storage Field;
26. Dismantle a portion of the main compressor station building at Majorsville;
27. Dismantle a portion of gas piping, coolers and cylinders at Majorsville Compressor Station;
28. Install two 160 horsepower compressors at the Cross Creek Compressor Station, Jefferson Township, Washington County, Pennsylvania;
29. Dismantle one 30 horsepower gas engine-driven compressor at the Cross Creek Compressor Station for transfer to the Majorsville Compressor Station;
30. Install a regulator and inter-company measuring station, with necessary structure, in Southampton Township, Somerset County, Pennsylvania, north of Mount Savage, Maryland;

By Cumberland and Alleghany Gas Company

31. Construct 2.2 miles of 6-inch gas transmission line between the Pennsylvania-Maryland State line and the community of Mount Savage, Alleghany County, Maryland;

By Natural Gas Company of West Virginia

32. Install five 125 horsepower rotary compressors at the proposed Minerva Compressor Station in Paris Township, Stark County, Ohio, and three 125 horsepower rotary compressors at the proposed Sebring Compressor Station in Butler Township, Columbiana County, Ohio, both of which stations will be located between the Canton and Bolivar gas fields in Stark and Tuscarawas Counties, Ohio, and the Brinker Compressor Station;
33. Sell 10.5 miles of 8-inch line No. 6023 to Manufacturers, which line is located in Fairfield and Unity Townships, Columbiana County, Ohio, and extends from the Ohio-Pennsylvania State line in a westerly direction to the Brinker Storage Field.

Applicants state that the facilities involved in Jobs 1-5, inclusive, will enable

Manufacturers to deliver gas to Home at the eastern portion of the latter's pipeline system, increasing the total quantity of gas delivered to Home by an estimated 10,000 Mcf per day in 1948 and 30,000 Mcf per day in 1951, that the additional gas to be delivered to Home will come from Atlantic Seaboard Corporation; that the facilities involved in Job 6 will enable Manufacturers to pump 10,500 Mcf of gas per day at a delivery pressure of 200 pounds at Coatesville, Pennsylvania, in 1948, for redelivery to Home at Port Jervis, New York; and following 1948, the facilities will be used to increase the pressure of the gas Manufacturers proposes to send westward from Coatesville; that the facilities proposed in Job 7 will connect a 20-inch pipe line of Manufacturers with its 16-inch pipe line near Groveton, Pennsylvania, and will allow Manufacturers to serve United Natural Gas Company with Big Inch gas, and will enable Manufacturers to operate its 20-inch pipe line (No. 1,570) from the West Virginia State line to Ellwood City, Pennsylvania, as a high pressure line, required to help meet increased demands in the Beaver Valley area, pending the installation of 22 miles of 20-inch pipe line authorized in Docket No. G-737; that the facilities proposed in Job 8 will increase the pressure in Manufacturers' 12-inch pipe line No. 135 to allow more coke oven gas to be pumped from Manufacturers' Neville Island Compressor Station into Manufacturers' general transmission system at the Hickory Mixing Station; that the facilities proposed in Jobs 9-16, inclusive, are necessary to increase the storage capacity of the Brinker Storage field from 1,160,000 Mcf, as of February 1, 1947, to 6,095,000 Mcf as of February 1, 1951, that the daily deliverability of this storage field is expected to increase from 3,300 Mcf, as of February 1, 1947, to 7,700 Mcf, as of February 1, 1948, and to 24,200 Mcf, as of February 1, 1951, the Brinker Compressor Station is proposed to be relocated two miles east of the present station because the water supply at the present location is not sufficient to supply the proposed larger station; that the purchase of the pipe line in Job 17 is proposed to enable Manufacturers to transport natural gas to Brinker Storage field from its Elwood City Compressor Station, and from the storage field to the Beaver Valley area, and that the line is no longer of any value to the seller, Natural Gas Company, (Natural Gas Company seeks permission to make this sale in Job 33) due to depleting supplies of local gas; that because of the sale of the facilities in Job 17, Manufacturers will sell to Natural Gas Company the gas requirements to serve New Waterford, Ohio, requiring the construction of the proposed facilities in Job 18; that the proposed facilities in Job 19-27, inclusive, are necessary to increase the storage capacity of the Majorsville Storage Field from 5,854,000 Mcf, as of February 1, 1947, to 14,144,000 Mcf, as of February 1, 1951, and the daily deliverability from the storage field

is expected to increase from 8,800 Mcf in 1947 to 24,000 Mcf in 1948 and to 57,000 Mcf in 1951, and in addition the purchase of the 7,300 feet of pipe line from United Fuel Gas Company (Job 20) will eliminate a rental charge for the use of that line; that the changes proposed in Jobs 28 and 29 are in the interest of providing proper size equipment for the economic operation of the Cross Creek Compressor Station, and will allow the 300 H. P. engine to be transferred to the Majorsville Compressor Station; that the facilities proposed in Jobs 30 and 31 will enable Manufacturers to sell and deliver gas to Cumberland to meet the latter's increased requirements in Mount Savage, Maryland; that the facilities and operations proposed in Job 32 will enable Natural Gas Company to deliver 5,000 Mcf of gas daily to Manufacturers for storage in the Brinker Storage field in the summertime and for redelivery of gas from the storage field to Natural Gas Company in the wintertime.

Applicants estimate the net total overall cost of the proposed facilities is \$6,762,691. Cumberland and Natural Gas Company will finance the construction proposed by them (\$29,450 and \$32,525, respectively) from their own funds. Manufacturers and Home will borrow their total over-all capital costs (\$6,503,751 and \$196,965, respectively) from the Columbia Gas & Electric Corporation. The facilities to be purchased from United Fuel Gas Company and Natural Gas Company will be purchased at original cost less a calculated depreciation. United Fuel Gas Company has joined in the instant application to the extent necessary to secure Commission approval for the sale to Manufacturers of the 7,300 feet of 16-inch line hereinbefore referred to.

Applicants state that the proposed construction, acquisition and changes are for the purpose of serving existing customers of the Applicants and are not extensions of facilities into new markets not heretofore served by Applicants. Applicants recite that the requirements of the Applicants and their associated companies of the Pittsburgh group on a winter peak day in 1948 are estimated to be 393,000 Mcf, of which 351,000 Mcf are requirements of the Pittsburgh division and 42,000 Mcf are requirements of the Binghampton division; and the estimated requirements of the Applicants and their associated companies of the Pittsburgh group on a winter peak day in 1951 total 445,000 Mcf, of which 393,000 Mcf are requirements of the Pittsburgh division and 52,000 Mcf are requirements of the Binghampton division.

Any interested State Commission is requested to notify the Federal Power Commission whether the application should be considered under the cooperative provisions of Rule 37 of the Commission's rules of practice and procedure and, if so, to advise the Federal Power Commission as to the nature of its interest in the matter and whether it desires a conference, the creation of a

board, or a joint or concurrent hearing, together with the reasons for such request.

The application of Home Gas Company The Manufacturers Light and Heat Company, Cumberland and Allegheny Gas Company, and Natural Gas Company of West Virginia is on file with the Commission and is open to public inspection. Any person desiring to be heard or to make any protest with reference to the application shall file with the Federal Power Commission, Washington 25, D. C., not later than fifteen days from the date of publication of this notice in the FEDERAL REGISTER, a petition to intervene or protest. Such petition or protest shall conform to the requirements of the rules of practice and procedure (effective September 11, 1946,) and shall set out clearly and concisely the facts from which the nature of the petitioner or protestant's alleged right or interest can be determined. Petitions for intervention shall state fully and completely the grounds of the proposed intervention and the contentions of the petitioner in the proceeding, so as to advise the parties and the Commission as to the issues of fact or law to be raised or controverted, by admitting, denying, or explaining, specifically and in detail, each material allegation of fact or law asserted with respect to the application.

[SEAL] LEON M. FUQUAY,
Secretary.

[F. R. Doc. 47-1674; Filed, Feb. 20, 1947;
8:46 a. m.]

[Project No. 1965]

SOUTH CAROLINA ELECTRIC & GAS CO.

NOTICE OF APPLICATION FOR PRELIMINARY PERMIT

Public notice is hereby given, pursuant to the provisions of the Federal Power Act (16 U. S. C. 791-825r) that South Carolina Electric & Gas Company, of Columbia, South Carolina, has made application for preliminary permit for proposed major Project No. 1965 on the Saluda River, in Richland and Lexington Counties, South Carolina, consisting of a concrete dam with gated spillway and a concrete powerhouse with installed capacity of approximately 26,810 horsepower to be located about 1 mile above the mouth of the river and to develop as much as practical of the fall in the river below Lake Murray (Project No. 516). The power is to be transmitted 1.5 miles to a large substation of the applicant.

Any protest against the approval of this application or request for hearing thereon, with the reasons for such protest or request and the name and address of the party or parties so protesting or requesting, should be submitted before March 27, 1947, to the Federal Power Commission, at Washington, D. C.

[SEAL] LEON M. FUQUAY,
Secretary.

[F. R. Doc. 47-1671; Filed, Feb. 20, 1947;
8:45 a. m.]