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TITLE 7—AGRICULTURE

Chapter VII—Production and Marketing Administration (Agricultural Adjustment), Department of Agriculture

PART 729—PEANUTS

REVISION OF APPORTIONMENT TO STATES OF NATIONAL ACREAGE ALLOTMENT FOR 1953 CROP

Basis and purpose. The purpose of this regulation is to revise the apportionment of the 1953 national peanut acreage allotment among the several peanut producing States which was made on November 18, 1952 (17 F. R. 10537). This revision is necessary because the reserve of 8,392 acres set aside for establishing 1953 peanut acreage allotments for new farms was in excess of requirements for this purpose and the unused acreage, which is 2,809 acres, is now available for apportionment. The additional acreage is being apportioned to the States on exactly the same basis as the 1953 national acreage allotment was previously apportioned to the States.

Farmers in the southernmost areas of the United States have already begun the planting of their 1953 crop of peanuts and farmers in the other peanut producing areas of the nation are completing their plans for the production of peanuts in 1953. In order that the State and county Production and Marketing Administration committees may apportion the additional acreage provided herein at the earliest possible date, it is essential that this regulation be made effective as soon as possible. Accordingly, it is hereby determined and found that compliance with the notice, public procedure, and effective date requirements of the Administrative Procedure Act (5 U. S. C. 1003) is impracticable and contrary to the public interest and the regulations contained herein shall be effective upon filing of this document with the Director, Division of the Federal Register.

Section 729.403 of the regulations for the 1953 crop of peanuts (17 F. R. 10537) is amended to read as follows:

§ 729.403 *Apportionment of the national peanut acreage allotment for the crop produced in the calendar year 1953.* The national peanut acreage allotment

proclaimed in § 729.402 is hereby apportioned as follows:

State:	1953 State peanut acreage allotment
Alabama.....	227,618
Arizona.....	749
Arkansas.....	4,400
California.....	982
Florida.....	57,203
Georgia.....	547,845
Louisiana.....	2,050
Mississippi.....	7,891
Missouri.....	257
New Mexico.....	5,124
North Carolina.....	176,289
Oklahoma.....	143,405
South Carolina.....	14,353
Tennessee.....	3,723
Texas.....	370,789
Virginia.....	110,216
Total apportioned for old farms.....	1,672,898
Total apportioned for new farms.....	5,583

Total, United States..... 1,678,481

(Sec. 375, 52 Stat. 66, as amended; 7 U. S. C. 1375. Interprets or applies sec. 338, 55 Stat. 88, as amended, 65 Stat. 29; 7 U. S. C. 1359)

Issued at Washington, D. C., this 25th day of March 1953. Witness my hand and the seal of the Department of Agriculture.

[SEAL] EZRA TAFT BENSON,
Secretary.

[F. R. Doc. 53-2674; Filed, Mar. 27, 1953; 8:51 a. m.]

Chapter VIII—Production and Marketing Administration (Sugar Branch), Department of Agriculture

Subchapter G—Determination of Proportionate Shares

[Sugar Determination 850.6]

PART 850—DOMESTIC BEET, MAINLAND CANE, HAWAII, VIRGIN ISLANDS SUGAR-PRODUCING AREAS

1953 CROP

Pursuant to the provisions of section 302 of the Sugar Act of 1948, as amended (herein referred to as "act"), the following determination is hereby issued:

§ 850.6 *Proportionate shares for farms in the domestic beet, mainland cane, Hawaiian and Virgin Islands areas—*(a) *Farm proportionate shares.* The

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January 20—March 22,
1953**

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proportionate share for the 1953 crop for each farm shall be as follows:

- (1) In the domestic beet sugar area, the number of acres of sugar beets planted thereon for the production of sugar beets to be marketed (or processed by the producer) for the extraction of sugar or liquid sugar during the 1953 crop season;
 - (2) In the mainland cane sugar area, the number of acres planted thereon for the production of sugarcane to be marketed (or processed by the producer) for the extraction of sugar or liquid sugar during the 1953 crop season;
 - (3) In Hawaii, the amount of sugar, raw value, commercially recoverable from sugarcane grown thereon and marketed (or processed by the producer) for the extraction of sugar or liquid sugar during the calendar year 1953; and
 - (4) In the Virgin Islands, the amount of sugar, raw value, commercially recoverable from sugarcane grown thereon and marketed (or processed by the producer) for the extraction of sugar or liquid sugar during the 1953 crop season.
- (b) *Share tenant, cash tenant, share cropper and adherent planter protec-*

tion. Notwithstanding the establishment of a proportionate share for any farm under paragraph (a) of this section, eligibility for payment of any producer of sugarcane shall be subject to the following conditions:

(1) In the Virgin Islands and the mainland cane sugar areas, the number of share tenants or share croppers on any sugarcane farm shall not be reduced below the number on such farm during the previous crop year, unless such reduction is approved by the respective State Committee or Director of the Area Office of the Production and Marketing Administration;

(2) In Hawaii the number of adherent planters on any sugarcane farm shall not be reduced below the number on such farm during the previous crop year unless such reduction is approved by the Area Office of PMA, nor shall the total acreage of sugarcane land leased to cash tenants by any producer be reduced below such acreage leased during the previous crop year unless such reduction is approved by the Area Office of the Production and Marketing Administration; and

(3) That such producer shall not have entered into any leasing or cropping agreement for the purpose of diverting to himself or other producer any payment to which share tenants, share croppers, or adherent planters would be entitled if their leasing or cropping agreements for the previous crop year were in effect.

STATEMENT OF BASES AND CONSIDERATIONS

Requirements of the Sugar Act. As a condition for payment with respect to any crop of sugar beets or sugarcane, section 301 (b) of the act requires compliance with the proportionate share established for the farm. Such proportionate share shall be the farm's share of the quantity of sugar beets or sugarcane required to be processed to enable the producing area to meet its quota (and provide a normal carryover inventory) as estimated by the Secretary for the calendar year during which the larger part of the sugar from such crop normally would be marketed. Section 302 (a) of the act provides that the amount of sugar with respect to which payment may be made shall be the amount of sugar, raw value, commercially recoverable from the sugar beets or sugarcane grown on a farm and marketed (or processed) for sugar or liquid sugar not in excess of the proportionate share established for the farm. Section 302 (b) provides that in determining the proportionate share for a farm the Secretary may take into consideration the past production on the farm of sugar beets or sugarcane marketed (or processed) for the extraction of sugar or liquid sugar and the ability to produce such sugar beets or sugarcane, and that the Secretary shall, insofar as practicable, protect the interests of new producers and small producers, and the interests of producers who are cash tenants, share tenants, adherent planters, or share croppers.

General. The term "sugar" as used herein means sugar, raw value, and all amounts are expressed in short tons.

"Effective inventory" as used herein means the stocks of sugar actually on hand plus the sugar to be produced from the remainder of a crop.

Beet sugar area. The sugar extracted from each crop in this area is normally marketed during two calendar years. The major portion of such sugar is marketed in the year following the beginning of the harvest. Thus, the carryover of sugar from any crop into the following calendar year may be a relatively high proportion of the quota for the area. The effective inventory of beet sugar on January 1, 1952, was about 1,355,000 tons. On the basis of the December crop report of the Bureau of Agricultural Economics, as adjusted for estimated production of sugar beets in the Imperial Valley, California, the 1952 crop of sugar beets should yield approximately 1,535,000 tons of sugar. Thus the total of the effective January 1, 1952, inventory and the estimated 1952-crop outturn will be 2,890,000 tons. Marketings in 1952 totaled about 1,560,000 tons, which would result in an effective inventory of 1,330,000 tons on January 1, 1953. Restriction of the 1953 crop does not appear to be necessary since the crop could exceed somewhat the statutory quota of 1,800,000 tons without creating stocks in excess of a normal carryover at the end of the year.

Mainland cane sugar area. The effective inventory on January 1, 1952, for this area was approximately 145,000 tons. On the basis of the December 1952 crop report of the Bureau of Agricultural Economics, and information received from the Louisiana State PMA Office, it is estimated that the production of sugar from 1952-crop sugarcane will amount to approximately 575,000 tons. The total of the estimated effective January 1, 1952, inventory and the 1952-crop outturn is 720,000 tons. Total marketings in 1952 for this area amounted to about 553,000 tons, resulting in an effective inventory on January 1, 1953, of approximately 167,000 tons. It is impossible at this early date to forecast with accuracy the size of the 1953 crop, but it is unlikely that production will exceed the statutory quota of 500,000 tons by an amount sufficiently large to result in an effective inventory on January 1, 1954, which would be deemed in excess of a normal carryover. It should be noted, however, that should the 1953 production exceed by an appreciable quantity the anticipated level of the 1952 crop production of 575,000 tons, restrictive proportionate shares may be necessary in 1954 to avoid an excessive carryover at the end of that year.

Hawaii. The January 1, 1952, carryover for Hawaii was about 28,000 tons and with a 1952 crop production of 1,020,450 tons, the amount of sugar available for marketing in 1952 was 1,048,450 tons. Total 1952 deliveries were approximately 1,015,000 tons, leaving a carryover on January 1, 1953, of about 35,000 tons. An accurate forecast at this early date of the size of the 1953 crop production cannot be made, but it is unlikely that it will exceed 1,097,000 tons, the total of the mainland and local consumption quotas. Accordingly, it is anticipated that the carryover into 1954

will not be in excess of a normal carryover.

Virgin Islands. The 1952 production in the Virgin Islands of slightly less than 12,000 tons was the highest since sugar legislation has been in effect. Of this amount 6,300 tons were marketed against the 1952 U. S. quota and the remainder was disposed of in non-quota markets, leaving no carryover into 1953. Latest information indicates a 1953 crop which may be somewhat above the 1952 production if favorable weather conditions prevail through the harvesting season. Since a recent amendment to the Sugar Act increased the Virgin Islands mainland quota from 6,000 to 12,000 tons beginning in 1953, it is anticipated that the stocks at the end of the year will not be in excess of a normal carryover.

Determination. In view of the foregoing, it is deemed appropriate to establish proportionate shares for the 1953 crop for farms in these areas at the level of actual marketings of sugar beets or sugarcane, as the case may be.

The provisions of this determination relating to the protection of share and cash tenants, share croppers and adherent planters are the same as those applicable to the 1952 crop. Since the marketing of sugar beets and sugarcane is not limited under this determination, special protection for new producers, small producers and cash tenants, except as indicated, is unnecessary.

Accordingly, I hereby find and conclude that the foregoing determination, will effectuate the purposes of section 302 of the act.

(Sec. 403, 61 Stat. 932; 7 U. S. C. Sup., 1153. Interprets or applies sec. 302, 61 Stat. 930; 7 U. S. C. Sup., 1132)

Issued this 25th day of March 1953.

[SEAL] EZRA TAFT BENSON,
Secretary of Agriculture.

[F. R. Doc. 53-2639; Filed, Mar. 27, 1953; 8:53 a. m.]

Chapter IX—Production and Marketing Administration (Marketing Agreements and Orders), Department of Agriculture

[Grapefruit Reg. 179]

PART 933—ORANGES, GRAPEFRUIT, AND TANGERINES GROWN IN FLORIDA

LIMITATION OF SHIPMENTS

§ 933.624 *Grapefruit Regulation 179.*—
(a) *Findings.* (1) Pursuant to the marketing agreement, as amended, and Order No. 33, as amended (7 CFR Part 933), regulating the handling of oranges, grapefruit, and tangerines grown in the State of Florida, effective under the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended, and upon the basis of the recommendations of the committees established under the aforesaid amended marketing agreement and order, and upon other available information, it is hereby found that the limitation of shipments of grapefruit, as hereinafter provided, will tend to effectuate the declared policy of the act.

(2) It is hereby further found that it is impracticable and contrary to the public interest to give preliminary notice, engage in public rule-making procedure, and postpone the effective date of this section until 30 days after publication in the FEDERAL REGISTER (60 Stat. 237; 5 U. S. C. 1001 et seq.) because the time intervening between the date when information upon which this section is based became available and the time when this section must become effective in order to effectuate the declared policy of the act is insufficient; a reasonable time is permitted, under the circumstances, for preparation for such effective time; and good cause exists for making the provisions of this section effective not later than March 30, 1953. Shipments of grapefruit, grown in the State of Florida, are presently subject to regulation by grades and sizes, pursuant to the amended marketing agreement and order, and will so continue until March 30, 1953; the recommendation and supporting information for continued regulation subsequent to March 29 was promptly submitted to the Department after an open meeting of the Growers Administrative Committee on March 24, such meeting was held to consider recommendations for regulation, after giving due notice of such meeting, and interested persons were afforded an opportunity to submit their views at this meeting; the provisions of this section, including the effective time of this section, are identical with the aforesaid recommendation of the committee, and information concerning such provisions and effective time has been disseminated among handlers of such grapefruit; it is necessary in order to effectuate the declared policy of the act, to make this section effective during the period hereinafter set forth so as to provide for the continued regulation of the handling of grapefruit; and compliance with this section will not require any special preparation on the part of persons subject thereto which cannot be completed by the effective time of this section.

(b) *Order* (1) During the period beginning at 12:01 a. m., e. s. t., March 30, 1953, and ending at 12:01 a. m., e. s. t., April 27, 1953, no handler shall ship:

(i) Any white seeded grapefruit, grown in the State of Florida, which do not grade at least U. S. No. 1 Russet;

(ii) Any pink seeded grapefruit, grown in the State of Florida, which do not grade at least U. S. No. 2;

(iii) Any seedless grapefruit, grown in "Regulation Area II," which do not grade at least U. S. No. 2 Russet;

(iv) Any white seedless grapefruit, grown in "Regulation Area I," which do not grade at least U. S. No. 2;

(v) Any pink seedless grapefruit, grown in "Regulation Area I," which do not grade at least U. S. No. 2 Russet;

(vi) Any seeded grapefruit, other than pink grapefruit, grown in the State of Florida, which are of a size smaller than a size that will pack 70 grapefruit, packed in accordance with the requirements of a standard pack, in a standard nailed box;

(vii) Any pink seeded grapefruit, grown in the State of Florida, which are

of a size smaller than a size that will pack 80 grapefruit, packed in accordance with the requirements of a standard pack, in a standard nailed box;

(viii) Any white seedless grapefruit, grown in "Regulation Area I," that grade U. S. No. 2 or U. S. No. 2 Bright, which are (a) of a size smaller than a size that will pack 112 grapefruit, packed in accordance with the requirements of a standard pack, in a standard nailed box, or (b) of a size larger than a size that will pack 54 grapefruit, packed in accordance with the requirements of a standard pack, in a standard nailed box;

(ix) Any white seedless grapefruit, grown in the State of Florida, which are of a size smaller than a size that will pack 112 grapefruit, packed in accordance with the requirements of a standard pack, in a standard nailed box; or

(x) Any pink seedless grapefruit, grown in the State of Florida, which are of a size smaller than a size that will pack 112 grapefruit, packed in accordance with the requirements of a standard pack, in a standard nailed box.

(2) As used in this section, "handler," "variety" "ship," "Regulation Area I," and "Regulation Area II" shall have the same meaning as when used in said amended marketing agreement and order and "U. S. No. 1 Russet," "U. S. No. 2," "U. S. No. 2 Russet," "standard pack," and "standard nailed box" shall have the same meaning as when used in the revised United States Standards for Florida Grapefruit (§ 51.193 of this title; 17 F. R. 7408)

(Sec. 5, 49 Stat. 753, as amended; 7 U. S. C. and Sup. 608c)

Done at Washington, D. C. this 25th day of March 1953.

[SEAL] S. R. SMITH,
Director Fruit and Vegetable
Branch, Production and Mar-
keting Administration.

[F. R. Doc. 53-2675; Filed, Mar. 27, 1953;
8:51 a. m.]

[Orange Reg. 234]

PART 933—ORANGES, GRAPEFRUIT, AND
TANGERINES GROWN IN FLORIDA

LIMITATION OF SHIPMENTS

§ 933.625 *Orange Regulation 234—*

(a) *Findings.* (1) Pursuant to the marketing agreement, as amended, and Order No. 33, as amended (7 CFR Part 933) regulating the handling of oranges, grapefruit, and tangerines grown in the State of Florida, effective under the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended, and upon the basis of the recommendations of the committees established under the aforesaid amended marketing agreement and order, and upon other available information, it is hereby found that the limitation of shipments of oranges, as hereinafter provided, will tend to effectuate the declared policy of the act.

(2) It is hereby further found that it is impracticable and contrary to the public interest to give preliminary notice, engage in public rule-making procedure,

and postpone the effective date of this section until 30 days after publication thereof in the FEDERAL REGISTER (60 Stat. 237; 5 U. S. C. 1001 et seq.) because the time intervening between the date when information upon which this section is based became available and the time when this section must become effective in order to effectuate the declared policy of the act is insufficient; a reasonable time is permitted, under the circumstances, for preparation for such effective time; and good cause exists for making the provisions of this section effective not later than March 30, 1953. Shipments of oranges, grown in the State of Florida, are presently subject to regulation by grades and sizes, pursuant to the amended marketing agreement and order, and will so continue until March 30, 1953; the recommendation and supporting information for continued regulation subsequent to March 29 was promptly submitted to the Department after an open meeting of the Growers Administrative Committee on March 24; such meeting was held to consider recommendations for regulation, after giving due notice of such meeting, and interested persons were afforded an opportunity to submit their views at this meeting; the provisions of this section, including the effective time of this section, are identical with the aforesaid recommendation of the committee, and information concerning such provisions and effective time has been disseminated among handlers of such oranges; it is necessary, in order to effectuate the declared policy of the act, to make this section effective during the period hereinafter set forth so as to provide for the continued regulation of the handling of oranges; and compliance with this section will not require any special preparation on the part of the persons subject thereto which cannot be completed by the effective time of this section.

(b) *Order* (1) During the period beginning at 12:01 a. m., e. s. t., March 30, 1953, and ending at 12:01 a. m., e. s. t., April 27, 1953, no handler shall ship:

(i) Any oranges, except Temple oranges, grown in the State of Florida, which do not grade at least U. S. No. 1 Russet; or

(ii) Any oranges, except Temple oranges, grown in the State of Florida, which are of a size smaller than a size that will pack 288 oranges, packed in accordance with the requirements of a standard pack in a standard nailed box.

(2) As used in this section, the terms "handler," "ship," and "Growers Administrative Committee" shall each have the same meaning as when used in said amended marketing agreement and order; and the terms "U. S. No. 1 Russet," "standard pack," "container" and "standard nailed box" shall each have the same meaning as when used in the revised United States Standards for Florida oranges (§ 51.302 of this title; 17 F. R. 7879)

(3) Shipments of Temple oranges, grown in the State of Florida, are subject to the provisions of Orange Regulation 225 (7 CFR 933.596; 17 F. R. 10438)

(Sec. 5, 49 Stat. 753, as amended; 7 U. S. C. and Sup. 608c)

Done at Washington, D. C., this 25th day of March 1953.

[SEAL] S. R. SMITH,
Director Fruit and Vegetable
Branch, Production and Mar-
keting Administration.

[F. R. Doc. 53-2676; Filed, Mar. 27, 1953;
8:52 a. m.]

PART 946—MILK IN THE LOUISVILLE, KEN-
TUCKY, MARKETING AREA

ORDER AMENDING THE ORDER, AS AMENDED

§ 946.0 *Findings and determinations.* The findings and determinations herein-after set forth are supplementary and in addition to the findings and determinations previously made in connection with the issuance of the aforesaid order; and all of said previous findings and determinations are hereby ratified and affirmed, except insofar as such findings and determinations may be in conflict with the findings and determinations set forth herein.

(a) *Findings upon the basis of the hearing record.* Pursuant to the provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U. S. C. 601 et seq.) and the applicable rules of practice and procedure, as amended, governing the formulation of marketing agreements and marketing orders (7 CFR Part 900) a public hearing was held upon proposed amendments to the tentative marketing agreement and to the order, as amended, regulating the handling of milk in the Louisville, Kentucky, marketing area. Upon the basis of the evidence introduced at such hearing and the record thereof, it is found that:

(1) The said order as amended and as hereby further amended, and all of the terms and conditions of said order as amended and as hereby further amended, will tend to effectuate the declared policy of the act;

(2) The parity prices of milk produced for sale in the said marketing area as determined pursuant to section 2 of the act are not reasonable in view of the price of feeds, available supplies of feeds and other economic conditions which affect market supply of and demand for such milk, and the minimum prices specified in the order, as amended, and as hereby further amended, are such prices as will reflect the aforesaid factors, insure a sufficient quantity of pure and wholesome milk and be in the public interest; and

(3) The said order, as amended, and as hereby further amended, regulates the handling of milk in the same manner as and is applicable only to persons in the respective classes of industrial and commercial activity specified in a marketing agreement upon which a hearing has been held.

(b) *Additional findings.* It is necessary, in the public interest, to make this order, amending the order, as amended, effective not later than April 1, 1953. Any delay beyond that date in the effective date of this order would result in disorder in the marketing of milk.

Depressed markets for milk for manufacturing purposes and for manufactured dairy products are causing significant financial losses to Louisville handlers in the handling of surplus milk under the present Class II pricing provisions of the orders. Unless some relief is granted, handlers may be forced to refuse to accept milk from producers beyond their needs to maintain fluid operations. In order to provide an outlet for this milk and stabilize the market, it is necessary to make this amendment effective at once.

The provisions of the said order are known to handlers, having been published in a decision which appeared in the FEDERAL REGISTER March 11, 1953 (18 F. R. 1400) The changes effected by this order will not require extensive preparation or substantial alteration in method of operation for handlers. It is hereby found, therefore, that good cause exists for making this order effective April 1, 1953. (Sec. 4 (c), Administrative Procedure Act, 5 U. S. C. 1001 et seq.)

(c) *Determinations.* It is hereby determined that handlers (excluding cooperative associations of producers who are not engaged in processing, distributing or shipping milk covered by this order, amending the order, as amended, which is marketed within the Louisville, Kentucky, marketing area) of more than 50 percent of the milk which is marketed within the said marketing area, refused or failed to sign the proposed marketing agreement regulating the handling of milk in the said marketing area, and it is hereby further determined that:

(1) The refusal or failure of such handlers to sign said proposed marketing agreement tends to prevent the effectuation of the declared policy of the act;

(2) The issuance of the order amending the order, as amended, is the only practical means, pursuant to the declared policy of the act, of advancing the interests of producers of milk which is produced for sale in the said marketing area; and

(3) The issuance of this order amending the order, as amended, is approved or favored by at least two-thirds of the producers who, during the determined representative period (January 1953) were engaged in the production of milk for sale in the said marketing area.

Order relative to handling. It is therefore ordered, that on and after the effective date hereof, the handling of milk in the Louisville, Kentucky, marketing area, shall be in conformity to and in compliance with the terms and conditions of the aforesaid order, as amended, and as hereby further amended, as follows:

1. In § 946.70 add a new paragraph (e) to read as follows:

(e) From the effective date hereof through June 1953 deduct for each pound of butterfat in producer milk which was allocated to Class II pursuant to § 946.46 and which was either used in the production of butter or American type cheeses or assigned to such products pursuant to § 946.44 an amount obtained by dividing by 3.8 that amount by which the Class

II price exceeds the price calculated pursuant to § 946.51 (b) (1)

(Sec. 5, 49 Stat. 753, as amended; 7 U. S. C. and Sup. 602c)

Issued at Washington, D. C., this 25th day of March 1953, to be effective on and after April 1, 1953.

[SEAL] EZRA TAFT BENSON,
Secretary of Agriculture.

[F. R. Doc. 53-2679; Filed, Mar. 27, 1953;
8:53 a. m.]

[Lemon Reg. 478]

PART 953—LEMONS GROWN IN CALIFORNIA
AND ARIZONA

LIMITATION OF SHIPMENTS

§ 953.585 *Lemon Regulation 478—*
(a) *Findings.* (1) Pursuant to the marketing agreement, as amended, and Order No. 53, as amended (7 CFR Part 953; 14 F. R. 3612) regulating the handling of lemons grown in the State of California or in the State of Arizona, effective under the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U. S. C. 601 et seq.), and upon the basis of the recommendation and information submitted by the Lemon Administrative Committee, established under the said amended marketing agreement and order, and upon other available information, it is hereby found that the limitation of the quantity of such lemons which may be handled, as hereinafter provided, will tend to effectuate the declared policy of the act.

(2) It is hereby further found that it is impracticable and contrary to the public interest to give preliminary notice, engage in public rule making procedure, and postpone the effective date of this section until 30 days after publication thereof in the FEDERAL REGISTER (60 Stat. 237; 5 U. S. C. 1001 et seq.) because the time intervening between the date when information upon which this section is based became available and the time when this section must become effective in order to effectuate the declared policy of the act is insufficient, and a reasonable time is permitted, under the circumstances, for preparation for such effective time; and good cause exists for making the provisions of this section effective as hereinafter set forth. Shipments of lemons, grown in the State of California or in the State of Arizona, are currently subject to regulation pursuant to said amended marketing agreement and order; the recommendation and supporting information for regulation during the period specified in this section was promptly submitted to the Department after an open meeting of the Lemon Administrative Committee on March 25, 1953; such meeting was held, after giving due notice thereof to consider recommendations for regulation, and interested persons were afforded an opportunity to submit their views at this meeting; the provisions of this section, including its effective time, are identical with the aforesaid recommendation of the committee, and information concerning such

provisions and effective time has been disseminated among handlers of such lemons; it is necessary, in order to effectuate the declared policy of the act, to make this section effective during the period hereinafter specified; and compliance with this section will not require any special preparation on the part of persons subject thereto which cannot be completed by the effective time of this section.

(b) *Order* (1) The quantity of lemons grown in the State of California or in the State of Arizona which may be handled during the period beginning at 12:01 a. m., P. s. t., March 29, 1953, and ending at 12:01 a. m., P. s. t., April 5, 1953, is hereby fixed as follows:

- (i) District 1: Unlimited movement;
- (ii) District 2: 250 carloads;
- (iii) District 3: Unlimited movement.

(2) The prorated base of each handler who has made application therefor, as provided in the said amended marketing agreement and order, is hereby fixed in accordance with the prorated base schedule which is attached to Lemon Regulation 477 (18 F. R. 1628) and made a part hereof by this reference.

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

(Sec. 5, 49 Stat. 753, as amended; 7 U. S. C. and Sup. 608c)

Done at Washington, D. C., this 26th day of March 1953.

[SEAL] FLOYD F. HEDLUND,
Acting Director Fruit and
Vegetable Branch, Production
and Marketing Administration.

[F. R. Doc. 53-2717; Filed, Mar. 27, 1953; 8:58 a. m.]

[Grapefruit Reg. 90]

PART 955—GRAPEFRUIT GROWN IN ARIZONA; IN IMPERIAL COUNTY, CALIFORNIA, AND IN THAT PART OF RIVERSIDE COUNTY, CALIFORNIA, SITUATED SOUTH AND EAST OF THE SAN GORGONIO PASS

LIMITATION OF SHIPMENTS

§ 955.351 *Grapefruit Regulation 90—*
(a) *Findings.* (1) Pursuant to the marketing agreement, as amended, and Order No. 55, as amended (7 CFR Part 955), regulating the handling of grapefruit grown in the State of Arizona, in Imperial County, California, and in that part of Riverside County, California, situated south and east of the San Gorgonio Pass, effective under the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended, and upon the basis of the recommendations of the Administrative Committee (established under the aforesaid amended marketing agreement and order) and upon other available information, it is hereby found that the limitation of shipments of grapefruit, as provided in this section, will tend to effectuate the declared policy of the act.

(2) It is hereby further found that it is impracticable and contrary to the pub-

lic interest to give preliminary notice, engage in public rule making procedure, and postpone the effective date of this section until 30 days after publication of this section in the FEDERAL REGISTER (60 Stat. 237; 5 U. S. C. 1001 et seq.) because the time intervening between the date when information upon which this section is based became available and the time when this section must become effective in order to effectuate the declared policy of the act is insufficient; a reasonable time is permitted, under the circumstances, for preparation for such effective time; and good cause exists for making the provisions of this section effective not later than March 29, 1953. Shipments of grapefruit, grown as aforesaid, have been subject to regulation by grades and sizes, pursuant to the amended marketing agreement and order, since October 19, 1952, and will so continue until March 29, 1953; the recommendation and supporting information for continued regulation subsequent to March 28, 1953, was promptly submitted to the Department after an open meeting of the Administrative Committee on March 19; such meeting was held to consider recommendations for regulation, after giving due notice of such meeting, and interested persons were afforded an opportunity to submit their views at this meeting; the provisions of this section, including the effective time of this section, are identical with the aforesaid recommendation of the committee, and information concerning such provisions and effective time has been disseminated among handlers of such grapefruit; it is necessary, in order to effectuate the declared policy of the act, to make this section effective during the period hereinafter set forth so as to provide for the continued regulation of the handling of grapefruit; and compliance with this section will not require any special preparation on the part of persons subject thereto which cannot be completed by the effective time of this section.

(b) *Order* (1) During the period beginning at 12:01 a. m., P. s. t., March 29, 1953, and ending at 12:01 a. m., P. s. t., May 3, 1953, no handler shall ship:

(i) Any grapefruit of any variety, grown in the State of Arizona; in Imperial County, California; or in that part of Riverside County, California, situated south and east of the San Gorgonio Pass, unless such grapefruit grade at least U. S. No. 2; or

(ii) From the State of California or the State of Arizona (a) to any point outside thereof in the United States, any grapefruit, grown as aforesaid, which are of a size smaller than $3\frac{3}{16}$ inches in diameter, or (b) to any point in Canada, any grapefruit, grown as aforesaid, which are of a size smaller than $3\frac{3}{16}$ inches in diameter ("diameter" in each case to be measured midway at a right angle to a straight line running from the stem to the blossom end of the fruit) except that a tolerance of 5 percent, by count, of grapefruit smaller than the foregoing minimum sizes shall be permitted, which tolerance shall be applied in accordance with the provisions for the application of tolerance, specified in the revised

United States Standards for Grapefruit (California and Arizona), 7 CFR 51.241. *Provided*, That, in determining the percentage of grapefruit in any lot which are smaller than $3\frac{3}{16}$ inches in diameter, such percentage shall be based only on the grapefruit in such lot which are of a size $3\frac{3}{16}$ inches in diameter and smaller; and in determining the percentage of grapefruit in any lot which are smaller than $3\frac{3}{16}$ inches in diameter, such percentage shall be based only on the grapefruit in such lot which are of a size $3\frac{3}{16}$ inches in diameter and smaller.

(2) As used in this section, "handler," "variety," "grapefruit," and "ship" shall have the same meaning as when used in said amended marketing agreement and order; and the term "U. S. No. 2" shall have the same meaning as when used in the revised United States Standards for Grapefruit (California and Arizona) § 51.241 of this title.

(Sec. 5, 49 Stat. 753, as amended; 7 U. S. C. and Sup. 608c)

Done at Washington, D. C., this 25th day of March 1953.

[SEAL] S. R. SMITH,
Director Fruit and Vegetable
Branch, Production and Marketing Administration.

[F. R. Doc. 53-2661; Filed, Mar. 27, 1953; 8:48 a. m.]

PART 986—HOPS GROWN IN OREGON, CALIFORNIA, WASHINGTON, AND IDAHO, AND OF HOP PRODUCTS PRODUCED THEREFROM IN THESE STATES

PROCEDURAL RULES GOVERNING LIQUIDATION OF HOP CONTROL BOARD

Notice of proposed rule making with respect to procedural rules governing the liquidation of the Hop Control Board, the administrative agency for the operation of this program, was published in the FEDERAL REGISTER on February 26, 1953 (18 F. R. 1118). These procedural rules are necessary for use in connection with the termination (17 F. R. 11772) effective July 1, 1953, of Marketing Agreement No. 107, as amended, and Marketing Order No. 86, as amended (17 F. R. 6626) regulating the handling of hops grown in Oregon, California, Washington, and Idaho, and of hop products produced therefrom in these States, and their issuance is authorized in § 986.107 (c) of that regulation. The aforementioned termination order also provides for the issuance of such procedural rules for use in connection with the liquidation action. Said regulation has been effective pursuant to the Agricultural Marketing Agreement Act of 1937, as amended (7 U. S. C. 601 et seq.)

In said notice, opportunity was afforded interested persons to submit written data, views, or arguments for consideration preliminary to the issuance of the final rules in this regard. However, no such written documents were received, and the prescribed time for such receipt has now expired.

After consideration of all relevant information, it is hereby ordered that such procedural rules be as follows:

§ 986.404 *Procedural rules governing activities of the members of the Hop Control Board acting as trustees for the purpose of liquidating the affairs of the Hop Control Board*—(a) *Delegation of authority.* The general supervision and control of the trustees in connection with the taking of this liquidation action is hereby delegated to the Director, Fruit and Vegetable Branch, Production and Marketing Administration, United States Department of Agriculture, Washington 25, D. C., who is referred to hereafter as the "Director." The Director is empowered to make all necessary decisions, and to issue all necessary instructions to the said trustees, in regard to such liquidation action, consistent with the provisions of this section, except the final discharge of such trustees.

(b) *Selection and organization of the trustees.* In accordance with § 986.107 (c) of Marketing Agreement No. 107, as amended, and Marketing Order No. 86, as amended, the members of the Hop Control Board in office on December 23, 1952, shall act as trustees for the purpose of liquidating the affairs of the Board (including its subsidiaries, the Growers Allocation Committee, and the several Growers Advisory Committees) consistent with the continuance of this program in effect until July 1, 1953, and shall continue in that capacity until discharged by the Secretary. *Provided,* That such trustees may perform such liquidation actions through a committee selected by them from their membership, which committee shall act under the general supervision of, and subject to the ratification of their actions by said trustees: *And provided further,* That such persons shall also continue to function in their present capacities as members of the Hop Control Board until July 1, 1953. Unless changed by subsequent action of the trustees, the chairman, vice-chairman, secretary, and treasurer who were serving in those capacities for the Board on December 23, 1952, shall serve in the same respective capacities under the trusteeship.

(c) *Compensation.* The several trustees shall serve without compensation, but shall be paid their reasonable expenses incurred in the performance of their duties hereunder.

(d) *Actions of trustees.* Actions of the trustees shall be taken by an affirmative vote of not less than ten members. The chairman of the Board may authorize voting by mail or telegraph: *Provided,* That due advance notice is given to all members, including complete information on each matter under consideration.

(e) *Maintenance of books and records.* The trustees shall keep books, and other appropriate records of their operations, which shall reflect clearly all of their acts and transactions as trustees, which books and other records shall be subject, at any time, to examination by the Director, or his designated representatives.

(f) *Expenses of liquidation.* Liquidation expenses shall be paid from assessment funds on hand, and the proceeds resulting from this liquidation, and shall include all necessary expenses, such as salaries, transportation, rent, cost of

advertising and selling property, cost of mailing checks, audits, and cost of meetings of the trustees.

(g) *Collection of debts.* The trustees shall make every reasonable effort to collect all debts by June 30, 1953, and if there should remain outstanding as of that date any uncollected indebtedness, they shall submit promptly to the Director a detailed statement and recommendation with regard to each such situation for his consideration and instructions as to what further action should be taken.

(h) *Disposition of property.* The trustees shall dispose of all furniture, equipment, and supplies by sale at the most advantageous prices obtainable, except filing cabinets necessary to contain books and records to be retained permanently as authorized in paragraph (i) of this section. The funds derived from such sales shall be a part of the gross liquid assets.

(i) *Refunds to handlers.* When, in the opinion of the Director, liquidation action has been completed from the standpoint that all property has been sold, all collectable indebtedness due the Board has been collected, and all expenses incurred by the Board (including the costs of this liquidation action) have been paid, he shall direct the trustees to refund to handlers the net assets from this liquidation procedure plus any unused funds from assessments imposed for the 1952-53 marketing season. Said refund shall be made to the handlers who paid assessments for the 1952-53 marketing season, and shall be prorated among them in proportion to their respective assessment payments for that season. Insofar as practicable only one refund check shall be issued to each handler. A brief explanatory statement shall be sent with each check, indicating that it represents the handler's share in unused assessments for the 1952-53 marketing season and his equity in the net assets.

(j) *Disposition of funds not distributable to handlers.* Any unused assessment funds for marketing seasons prior to the 1952-53 marketing season which it has not been practicable to refund to handlers by reason of inability to locate them, or for any other reason, and any refunds due handlers pursuant to paragraph (i) of this section which it is not practicable to make by reason of inability to locate said handlers, or for any other reason, shall be remitted by the trustees to the Director in the form of a check payable to the Treasurer of the United States.

(k) *Audit.* The trustees shall cause the books and other records of the Hop Control Board, in connection with its operations under the aforementioned marketing agreement and order, to be audited by one or more competent accountants as of the close of business on June 30, 1953, and their own books and other records as trustees hereunder, as of the close of the liquidation period, as provided for in this section, and shall submit promptly to the Secretary at least two copies of each of such audit reports. The audit of the trustees' books and records shall set forth a complete financial accounting, and shall include

among other things a statement of refunds to individual handlers, and an itemized statement of disposition of furniture, equipment, and supplies.

(l) *Disposition of books and records.*

(1) A list of all records, with a brief description of each type, a statement of the cubic feet of file space that each type occupies, the number and size of filing cabinet drawers, and a recommendation as to the records which should be retained permanently, shall be submitted to the Director. Prior to completion of final liquidation, the Director shall designate the books and records to be retained.

(2) Upon completion of the liquidation, the books and records which have been designated by the Director for permanent retention (together with the file cabinets or other containers thereof) of both the Hop Control Board and the trustees shall be delivered to the Director, or his designated representative, at such address as he may designate. The records not designated for permanent retention shall be disposed of by the trustees in accordance with instructions from the Director, and the manner and time of such disposition shall be reported to the Director.

(m) *Preservation of rights and liabilities.* With respect to violations, rights accrued, or liabilities incurred under the above mentioned marketing agreement, as amended, and order, as amended, up to the effective time of their termination (i. e. July 1, 1953) all provisions of said marketing agreement, as amended, and order, as amended, in effect prior to the effective time of such termination action, shall be deemed to continue in full force and effect for the purpose of sustaining any proper suit, action, or other proceeding with regard to any such violation, right, or liability.

(n) *Report of liquidation.* This liquidation shall be completed, and a final report of the trustees in connection therewith shall be submitted to the Director, on or before August 1, 1953, unless such time is extended by the Director.

It is hereby found and determined that good cause exists for making these procedural rules effective on the date of publication of this document in the FEDERAL REGISTER, instead of waiting 30 days after publication to make the same effective, in that (1) they were considered informally by responsible representatives of the hop industry before the notice of proposed rule making was issued and published, and consideration was given to all such comment which was received; (2) it is desirable to allow the trustees the maximum time practicable for the conclusion of this liquidation as soon after July 1, 1953, as is feasible; (3) this action will not interfere with the business operations of hop growers, hop handlers, or of any other persons; and (4) the completion of this liquidation action as soon as practicable will result in appreciable savings in money to the industry.

(Sec. 5, 49 Stat., as amended; 7 U. S. C. and Sup. Code)

Issued at Washington, D. C., this 25th day of March 1953, to become effective on

the date of publication of this document in the FEDERAL REGISTER.

[SEAL] EZRA TAFT BENSON,
Secretary of Agriculture.

[F. R. Doc. 53-2677; Filed, Mar. 27, 1953; 8:52 a. m.]

TITLE 15—COMMERCE AND FOREIGN TRADE

Chapter III—Bureau of Foreign and Domestic Commerce, Department of Commerce

Subchapter C—Office of International Trade
[6th Gen. Rev. of Export Regs., Amdt. 38]

PART 373—LICENSING POLICIES AND RELATED SPECIAL PROVISIONS

SPECIAL PROVISIONS FOR CERTAIN TOTALLY ALLOCATED COMMODITIES

In § 373.29 *Special provisions for certain totally allocated commodities* paragraph (a) *Commodities included* is amended by deleting from the table set forth therein the following commodity entry:

Commodity	Relevant NPA order	Required NPA Form
Selenium.....	M-91	146

This amendment shall become effective as of March 27, 1953.

(Sec. 3, 63 Stat. 7; 65 Stat. 43; 50 U. S. C. App. Sup. 2023. E. O. 9630, Sept. 27, 1945, 10 F. R. 12245, 3 CFR, 1945 Supp., E. O. 9919, Jan. 3, 1948, 13 F. R. 59, 3 CFR, 1948 Supp.)

LORING K. MACY,
Director

Office of International Trade.

[F. R. Doc. 53-2660; Filed, Mar. 27, 1953; 8:48 a. m.]

TITLE 26—INTERNAL REVENUE

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

Subchapter A—Income and Excess Profits Taxes
[T. D. 5998; Regs. 130]

PART 40—EXCESS PROFITS TAX; TAXABLE YEARS ENDING AFTER JUNE 30, 1950

EXCESS PROFITS CREDIT BASED ON INCOME IN CONNECTION WITH CERTAIN TAXABLE ACQUISITIONS

On December 2, 1952, notice of proposed rule making with respect to amendments to conform Regulations 130 to section 521 of the Revenue Act of 1951 (Pub. Law 183, 82d Cong., 1st Sess.) approved October 20, 1951, relating to excess profits credit based on income in connection with certain taxable acquisitions (Part IV) was published in the FEDERAL REGISTER (17 F. R. 10878). After consideration of such relevant suggestions as were presented by interested persons regarding the proposals, the amendments to Regulations 130 (26 CFR Part 40) set forth below are hereby adopted:

PARAGRAPH 1. There is inserted immediately preceding section 523 of the

Revenue Act of 1951, which precedes § 40.435-1, the following:

SEC. 521. EXCESS PROFITS CREDIT BASED ON INCOME IN CONNECTION WITH CERTAIN TAXABLE ACQUISITIONS (REVENUE ACT OF 1951, APPROVED OCTOBER 20, 1951).

(b) *Technical amendments.*

(1) Section 435 (a) (3) (relating to amount of excess profits credit) is hereby amended by inserting before the period at the end thereof the following: "and in the case of certain taxable acquisitions, see part IV of this subchapter."

PAR. 2. There is inserted immediately preceding § 40.461-1, as added by Treasury Decision 5865, approved November 13, 1951, the following:

SEC. 521. EXCESS PROFITS CREDIT BASED ON INCOME IN CONNECTION WITH CERTAIN TAXABLE ACQUISITIONS (REVENUE ACT OF 1951, APPROVED OCTOBER 20, 1951).

(b) *Technical amendments.*

(2) Section 461 (relating to definitions under part II) is amended by inserting at the end thereof the following new subsections:

(g) *Component corporation which was a purchasing corporation in a previous transaction.* See section 462 (b) (4) for rules applicable if the component corporation was a purchasing corporation (as defined in part IV) in a previous part IV transaction, or if (as an acquiring corporation in a previous part II transaction) it was subject to the provisions of section 462 (b) (4).

(h) *Definition of part II transaction.* For the purpose of this subchapter, the term "part II transaction" means a transaction described in section 461 (a).

SEC. 523. EFFECTIVE DATE OF TITLE V (REVENUE ACT OF 1951, APPROVED OCTOBER 20, 1951).

Except as otherwise provided in section 506 (d), the amendments made by this title (sections 501 through 523) shall be applicable only with respect to taxable years ending after June 30, 1950.

PAR. 3. There is inserted immediately preceding § 40.462-1, as added by Treasury Decision 5865, the following:

SEC. 521. EXCESS PROFITS CREDIT BASED ON INCOME IN CONNECTION WITH CERTAIN TAXABLE ACQUISITIONS (REVENUE ACT OF 1951, APPROVED OCTOBER 20, 1951).

(b) *Technical amendments.*

(3) Section 462 (b) (relating to the method of recomputing the excess profits net income of an acquiring corporation under part II) is hereby amended by adding at the end thereof the following new paragraph:

(4) If the average base period net income of the acquiring corporation is determined under section 435 (d) with reference to this subsection, and if the provisions of section 474 (b) (relating to the computation of excess profits net income in the case of certain purchasing corporations) were applicable to the component corporation immediately prior to the part II transaction (or would have been applicable, if such part II transaction had occurred in a taxable year of the component corporation ending after June 30, 1950), then the excess profits net income (or deficit therein) of the component corporation shall, for the purpose of this subsection, be determined with the application of the provisions of section 474 (b). For the purpose of this paragraph, if a component corporation was an acquiring

corporation in a previous part II transaction and, immediately prior to the later part II transaction, the provisions of this paragraph were applicable to such component corporation, its excess profits net income (or deficit therein) shall be determined with the application of the provisions of the preceding sentence. This paragraph shall be applicable to an acquiring corporation only if—

(A) the properties acquired by the acquiring corporation from the component corporation include substantially all of the properties (other than cash), or properties acquired in the ordinary course of business in the replacement of properties, which the component corporation acquired either from the selling corporation in the part IV transaction or from a previous component corporation subject (immediately prior to such acquisition) to the provisions of this paragraph;

(B) the business or businesses acquired by the acquiring corporation were operated by the acquiring corporation from the date of such transaction to the end of the taxable year or were transferred during the taxable year by the acquiring corporation in a part II transaction to which the provisions of this paragraph are applicable; and

(C) in the event that the part II transaction is one described in section 461 (a) (1) (E), the provisions of section 462 (1) (6) are satisfied.

(4) Section 462 (1) (6) (relating to allocation rules in the case of transactions described in section 461 (a) (1) (E)) is hereby amended by adding at the end thereof the following: "Notwithstanding the provisions of paragraph (1), if an acquiring corporation in a transaction described in section 461 (a) (1) (E) determines its average base period net income under section 435 (d) by recomputing its excess profits net income under the provisions of section 462 (b) (4), the amount of the component corporation's excess profits net income for any month which shall be taken into account by the acquiring corporation shall be such portion of the component corporation's excess profits net income for such month as is determined on the basis of the earnings experience of the assets transferred and the assets retained by the component corporation."

SEC. 523. EFFECTIVE DATE OF TITLE V (REVENUE ACT OF 1951, APPROVED OCTOBER 20, 1951).

Except as otherwise provided in section 506 (d), the amendments made by this title (sections 501 through 523) shall be applicable only with respect to taxable years ending after June 30, 1950.

PAR. 4. Section 40.462-1, as added by Treasury Decision 5865, is amended by adding at the end thereof the following:

(d) *Recomputation of excess profits net income of acquiring corporation with reference to that of a component corporation which was a purchasing corporation in a Part IV transaction.* (1) This paragraph is applicable where a purchasing corporation in a Part IV transaction becomes a component corporation in a later Part II transaction and immediately prior to the Part II transaction the provisions of section 474 (b) were applicable in computing the average base period net income of the component corporation (or such provisions would have been applicable to the component if the Part II transaction had occurred in a taxable year of the component corporation ending after June 30, 1950). In such case if the average base period net income of the acquiring corporation in the Part II transaction is determined under the general average method of section 435 (d) by recomputing

the excess profits net income with reference to section 462 (b), in applying paragraphs (b) and (c) of this section to the acquiring corporation the excess profits net income (or deficit therein) of the component corporation must be determined with the application of the provisions of section 474 (b) whether or not the component corporation computed its average base period net income with the application of section 474 (b). For the application of the provisions of section 474 (b) to a purchasing corporation in a Part IV transaction, see §§ 40.474-1 and 40.474-2. This paragraph shall not be applicable to the acquiring corporation unless each of the following conditions is met:

(i) The properties acquired by the acquiring corporation from the component corporation must include substantially all the properties (other than cash) or properties acquired in the ordinary course of business in the replacement of properties, which such component corporation acquired from the selling corporation in the Part IV transaction or from a previous component corporation to which the provisions of section 462 (b) (4) and of this paragraph were applicable;

(ii) The business or businesses acquired by the acquiring corporation must have been operated by the acquiring corporation from the date of the Part II transaction to the end of the taxable year, unless such business or businesses were transferred during the taxable year by the acquiring corporation in a subsequent Part II transaction to which the provisions of section 462 (b) (4) and of this paragraph are applicable; and

(iii) In the event the Part II transaction is a transaction described in section 461 (a) (1) (E) the provisions of section 462 (i) (6), relating to the allocation of base period experience, must be satisfied. See § 40.462-9 (c).

(2) Similarly, in the case of successive Part II transactions, subparagraph (1) of this paragraph is also applicable if a purchasing corporation in a Part IV transaction becomes a component corporation in a Part II transaction and thereafter its acquiring corporation becomes a component corporation in a later Part II transaction, and if immediately prior to the later Part II transaction the provisions of section 462 (b) (4) and of paragraph (d) of this section were applicable in computing the average base period net income of the previous acquiring corporation (or such provisions would have been applicable to the previous acquiring corporation if the later Part II transaction had occurred in a taxable year of the previous acquiring corporation ending after June 30, 1950). In such case, if the later acquiring corporation determines its average base period net income under the general average method of section 435 (d) by recomputing the excess profits net income with reference to section 462 (b) in applying paragraphs (b) and (c) of this section to such later acquiring corporation the excess profits net income (or deficit therein) of its component corporation (that is, the previous acquiring corporation) shall be determined with the application of the provisions of section 474,

whether or not the component corporation determined its average base period net income by recomputing its excess profits net income with reference to section 462 (b). As in the case of the first acquiring corporation, this paragraph is applicable to the second acquiring corporation only if the conditions set forth in subparagraph (1) (i), (ii), and (iii) of this paragraph are met in the case of the second acquiring corporation.

PAR. 5. Section 40.462-9, as added by Treasury Decision 5865, is amended by adding at the end thereof the following:

(c) *Part II transaction following Part IV transaction.* If an acquiring corporation in a transaction described in section 461 (a) (1) (E) determines its average base period net income under the general average method of section 435 (d) if the component corporation in such transaction was a purchasing corporation in a previous Part IV transaction (or was an acquiring corporation from such a purchasing corporation), and if the acquiring corporation recomputes its excess profits net income with the application of the provisions of section 462 (b) (4) the allocation of the base period experience of the component corporation shall be made on the basis of the special rule provided in section 462 (i) (6) in lieu of the allocation provided in paragraph (a) or (b) of this section. The special rule provided in section 462 (i) (6) requires that the allocation be made as follows:

(1) For the period prior to the date of the Part IV transaction, the excess profits net income or deficit (or portion thereof) properly attributable to the business or businesses involved in the Part IV transaction and acquired by the acquiring corporation in the Part II transaction shall be the amounts which, with respect to such business or businesses, were available under Part IV to the purchasing corporation in the Part IV transaction (or would have been available if the Part IV transaction had occurred in a taxable year of the purchasing corporation ending after June 30, 1950).

(2) For the period after the date of the Part IV transaction, the excess profits net income or deficit (or portion thereof) properly attributable to such business or businesses shall be determined under the principles of paragraph (b) of this section but without regard to the requirement of a written agreement for the application of such principles.

(3) If the acquiring corporation acquires, in the Part II transaction, properties of the component corporation not used in such business or businesses, the excess profits net income or deficit properly attributable to such properties shall be determined under paragraph (b) of this section without regard to the requirement for a written agreement as to such allocation.

PAR. 6. There is inserted immediately preceding § 40.463-1, as added by Treasury Decision 5865, the following:

SEC. 521. EXCESS PROFITS CREDIT BASED ON INCOME IN CONNECTION WITH CERTAIN TAXABLE ACQUISITIONS (REVENUE ACT OF 1951, APPROVED OCTOBER 20, 1951).

(b) *Technical amendments.*

(6) Section 463 (relating to capital changes) is amended by inserting at the end thereof the following new subsection:

(c) *Component corporation which was a purchasing corporation in a previous transaction.* The Secretary shall provide by regulations for the application of this section in cases to which section 462 (b) (4) is applicable.

SEC. 523. EFFECTIVE DATE OF TITLE V (REVENUE ACT OF 1951, APPROVED OCTOBER 20, 1951).

Except as otherwise provided in section 506 (d), the amendments made by this title (incl. sec. 521) shall be applicable only with respect to taxable years ending after June 30, 1950.

PAR. 7. There is inserted immediately after § 40.463-2, as added by Treasury Decision 5865, the following:

§ 40.463-3 *Capital changes in case of Part II transaction following Part IV transaction.* In the case of an acquiring corporation in a Part II transaction to which the provisions of section 462 (b) (4) (relating to the determination of the excess profits net income or deficit with the application of the provisions of section 474 (b) in the case of a component corporation which was a purchasing corporation in a previous Part IV transaction) are applicable, the net capital addition or reduction of the acquiring corporation shall be determined under § 40.463-1 by recomputing the items of transferred capital addition and reduction of the component corporation with the application of the provisions of § 40.474-5. Such adjustment shall be made whether or not the component corporation computed its excess profits credit with the application of the provisions of Part IV. The adjustment provided in this section shall also be made in the case of a component corporation which was an acquiring corporation in a previous Part II transaction to which the provisions of section 462 (b) (4) were applicable or would have been applicable if such previous Part II transaction had occurred in a taxable year of the component corporation ending after June 30, 1950. In such case the adjustment shall be made with respect to the later acquiring corporation whether or not the previous acquiring corporation computed its excess profits credit by application of Part II.

PAR. 8. There is inserted immediately preceding § 40.464-1, as added by Treasury Decision 5865, the following:

SEC. 521. EXCESS PROFITS CREDIT BASED ON INCOME IN CONNECTION WITH CERTAIN TAXABLE ACQUISITIONS (REVENUE ACT OF 1951, APPROVED OCTOBER 20, 1951).

(b) *Technical amendments.*

(6) Section 464 (relating to capital changes during the base period) is amended by inserting at the end thereof the following new subsection:

(c) The Secretary shall provide by regulations for the application of this section in cases to which section 462 (b) (4) is applicable.

SEC. 523. EFFECTIVE DATE OF TITLE V (REVENUE ACT OF 1951, APPROVED OCTOBER 20, 1951).

Except as otherwise provided in section 506 (d), the amendments made by this title

(incl. sec. 521) shall be applicable only with respect to taxable years ending after June 30, 1950.

PAR. 9. There is inserted immediately after § 40.464-2, as added by Treasury Decision 5865 the following:

§ 40.464-3 *Base period capital addition in case of Part II transaction following Part IV transaction.* In the case of an acquiring corporation in a Part II transaction to which the provisions of section 462 (b) (4) (relating to the determination of the excess profits net income or deficit with the application of the provisions of section 474 (b) in the case of a component corporation which was a purchasing corporation in a previous Part IV transaction) are applicable, the base period capital addition of the acquiring corporation shall be determined under § 40.464-1 by computing the component corporation's yearly base period capital and its base period capital addition (whichever is available to the acquiring corporation) with the application of the provisions of § 40.474-6. Such adjustment shall be made whether or not the component corporation computed its excess profits credit with the application of the provisions of Part IV. The adjustment provided in this section shall also be made in the case of a component corporation which was an acquiring corporation in a previous Part II transaction to which the provisions of section 462 (b) (4) were applicable (or would have been applicable if the previous Part II transaction had occurred in a taxable year of the component corporation ending after June 30, 1950). In such case the adjustment shall be made with respect to the later acquiring corporation whether or not the previous acquiring corporation computed its excess profits credit by application of Part II.

PAR. 10. There is added immediately after § 40.472-8 the following:

SEC. 521. EXCESS PROFITS CREDIT BASED ON INCOME IN CONNECTION WITH CERTAIN TAXABLE ACQUISITIONS (REVENUE ACT OF 1951, APPROVED OCTOBER 20, 1951).

(a) *General rule.* Subchapter D (relating to the excess profits tax) of chapter 1 is hereby amended by inserting immediately following section 472 the following new part:

PART IV—EXCESS PROFITS CREDIT BASED ON INCOME IN CONNECTION WITH CERTAIN TAXABLE ACQUISITIONS OCCURRING PRIOR TO DECEMBER 1, 1950

SEC. 474. EXCESS PROFITS CREDIT BASED ON INCOME—CERTAIN TAXABLE ACQUISITIONS.

(a) *Definitions.* For the purpose of this part—

(1) *Purchasing corporation.* The term "purchasing corporation" means a corporation which, before December 1, 1950, acquired—

(A) In a transaction other than a transaction described in section 461 (a), substantially all of the properties (other than cash) of another corporation, of a partnership, or of a business owned by a sole proprietorship; or

(B) Properties of another corporation or of a partnership if (i) such properties constituted, immediately prior to the acquisition, substantially all of the properties (other than cash) of one or more separate businesses of such other corporation or such partnership, (ii) such other corporation or such partnership was engaged in one or more separate businesses other than those described in clause (i), and (iii) substantially

all of the properties (other than cash) of such other corporation or such partnership were acquired, in furtherance of a single plan of complete liquidation for such other corporation or such partnership, by the purchasing corporation, and by one or more other persons, in transactions other than transactions described in section 461 (a).

(2) *Selling corporation.* The term "selling corporation" means a corporation, a partnership, or a business owned by a sole proprietorship, as the case may be, properties of which were acquired by a purchasing corporation in a transaction described in paragraph (1).

(3) *Part IV transaction.* The term "part IV transaction" means a transaction described in paragraph (1).

(b) *Average base period net income of purchasing corporation.* The average base period net income of a purchasing corporation, if computed with reference to this part, shall be determined under section 435 (d). The average base period net income under section 435 (d) of a purchasing corporation shall be determined by computing its excess profits net income either with or without reference to this part, whichever produces the lesser tax under this subchapter for the taxable year for which the tax is being computed. If computed with reference to this part, the excess profits net income of a purchasing corporation for any month of its base period shall be its excess profits net income (or deficit therein), computed without reference to this part, and increased or decreased, as the case may be, by the addition or reduction resulting from including—

(1) In the case of a transaction described in subsection (a) (1) (A), the excess profits net income (or deficit therein) for such month of the selling corporation, or

(2) In the case of a transaction described in subsection (a) (1) (B), the excess profits net income (or deficit therein) for such month of the selling corporation properly attributable to the business or businesses acquired by the purchasing corporation and properly allocable to such purchasing corporation.

The excess profits net income of a purchasing corporation for any month, recomputed as provided in the previous sentence, shall not be less than zero.

(c) *Limitations.* This part shall apply only if each of the following conditions is satisfied:

(1) The selling corporation (A) did not, after the part IV transaction (or the last transaction described in subsection (a) (1) (B)), continue any business activities other than those incident to its complete liquidation, and (B) within a reasonable time after ceasing business activities, completely liquidated in a transaction other than a transaction described in section 461 (a), and ceased existence.

(2) During so much of the base period of the purchasing corporation and of the period thereafter as preceded the part IV transaction, the properties acquired in the part IV transaction were substantially all of the properties (other than cash) which were used, or which in the ordinary course of business replaced properties used, by the selling corporation (or by a component corporation, as defined in section 461 (b), of such selling corporation) in the production of the excess profits net income (or deficit therein) which under subsection (b) increases or decreases the excess profits net income of the purchasing corporation. For the purpose of this paragraph, if a business in the hands of both the selling corporation and the purchasing corporation was operated under a substantially identical franchise or license, granted by the same person, such franchise or license shall be deemed acquired by the purchasing corporation from the selling corporation.

(3) The business or businesses acquired in the part IV transaction (including the prop-

erties so acquired or properties in replacement thereof) were operated by the purchasing corporation from the date of such transaction to the end of the taxable year or were transferred during the taxable year by the purchasing corporation in a part II transaction to which the provisions of section 462 (b) (4) are applicable.

(d) *Special rules.* (1) For the purpose of subsection (a) (1), the properties of a selling corporation shall be considered to have been acquired by a purchasing corporation only if acquired from—

(A) Such selling corporation, or

(B) Persons who received the properties upon the liquidation of such selling corporation and who forthwith transferred such properties to the purchasing corporation in a transaction other than a transaction described in section 461 (a).

(2) The computations required by this part in the case of a selling corporation which is a partnership or a business owned by a sole proprietorship shall be made, under regulations prescribed by the Secretary, as if such partnership or such business owned by a sole proprietorship had been a corporation.

(3) In no case shall more than 100 per centum of the excess profits net income (or deficit therein) for any month of a selling corporation be allocated to the purchasing corporation or, in the case of transactions described in subsection (a) (1) (B), to the several persons (or to any one or more of such persons) receiving the properties of such selling corporation in such transactions.

(e) *Successive transactions—(1) Part IV transaction following part IV transaction.* In the case of a selling corporation which was a purchasing corporation in a previous part IV transaction, or which acquired properties of a purchasing corporation in a transaction to which section 462 (b) (4) is applicable, the computations under this part with respect to the selling corporation shall be made without regard to the previous part IV transaction.

(2) *Part IV transaction following part II transaction.* Subject to the provisions of paragraph (1), in the case of a selling corporation which was an acquiring corporation as defined in section 461 (a) in a previous transaction, its excess profits net income (or deficit therein) which increases or decreases the excess profits net income (or deficit therein) of the purchasing corporation under subsection (b) (1) or (2), and its capital changes which are taken into account under this part in determining the capital changes of the purchasing corporation, shall be determined with the application of the rules of part II to such selling corporation with respect to the part II transaction.

(3) *Part II transaction following part IV transaction.* For rules applicable in the case of a part II transaction following a part IV transaction, see sections 462 (b) (4), 463 (c), and 464 (c).

(f) *Regulations.* The Secretary shall by regulations prescribe rules for the application of this part. Such regulations shall include the following rules:

(1) *Base period capital addition.* Rules (consistent with the principles of section 464) for the determination of the base period capital addition of the purchasing corporation by reference to the capital changes of the selling corporation and of the purchasing corporation.

(2) *Net capital addition or reduction.* Rules (consistent with the principles of section 463) for the determination of the net capital addition or reduction of the purchasing corporation by reference to the capital changes of the selling corporation and of the purchasing corporation.

(3) *Excess profits net income.* Rules (consistent with the principles of section 462 (1)) for the determination of the amount of excess profits net income (or deficit therein) of the selling corporation attributable to the business or businesses acquired by a purchasing corporation in a transaction described in

subsection (a) (1) (B) and properly allocable to such purchasing corporation.

(4) *Duplication.* Rules for the application under this part of the principles of section 462 (j) (1) and the other provisions of part II relating to the prevention of duplication.

(5) *Excess profits credit.* In the event that the part IV transaction occurred in a taxable year of the purchasing corporation which ended after June 30, 1950, rules (consistent with the principles of section 462 (j) (2)) for the determination of the excess profits credit of such corporation for the year in which the transaction occurred.

Such rules shall not include the principles of section 461 (c) (relating to the excess profits credit of the component corporation), of section 462 (b) (2) (relating to constructive excess profits net income for months during which a corporation was not in existence), of section 462 (1) (relating to minimum average base period net income in the case of certain acquiring corporations), or of such other provisions of part II as relate to sections 435 (e), 442, 443, 444, 445, or 446.

SEC. 523. EFFECTIVE DATE OF TITLE V (REVENUE ACT OF 1951, APPROVED OCTOBER 20, 1951). Except as otherwise provided in section 508 (d), the amendments made by this title (incl. sec. 521) shall be applicable only with respect to taxable years ending after June 30, 1950.

§ 40.474-1 *Purpose and scope of Part IV*—(a) *General purpose.* The term "Part IV" when used in these regulations means section 474. Part IV provides rules under which a "purchasing corporation" subject to the conditions and limitations contained therein, may utilize the earnings experience of a "selling corporation" in computing the purchasing corporation's excess profits credit based on income. The term "purchasing corporation" means a corporation which, before December 1, 1950, acquired properties from a "selling corporation" in a transaction meeting the requirements set forth in section 474. See paragraph (b) of this section. A "selling corporation" may be a corporation, a partnership, or a business owned by a sole proprietorship. The excess profits credit of the selling corporation is not determined under Part IV. A foreign corporation cannot be a purchasing corporation and neither a foreign corporation, a foreign partnership, nor a foreign sole proprietorship can be a selling corporation. The average base period net income of a purchasing corporation may be determined by computing its excess profits net income either with or without reference to Part IV whichever produces the lesser tax. However, if the average base period net income of the purchasing corporation is computed with reference to Part IV such average base period net income must be determined under the general average method of section 435 (d). If the average base period net income of the purchasing corporation is computed under the growth alternative of section 435 (e) or under an alternative method provided in section 442, 443, 444, 445, 446, or any subsection of section 459, the excess profits net income of the purchasing corporation may not be computed with reference to Part IV.

(b) *Part IV transactions.* The term "Part IV transactions" means one of the transactions described in section 474 (a) (1). Such transactions do not include

any acquisition of property in a transaction described in section 461 (a). The following transactions are Part IV transactions:

(1) The acquisition, before December 1, 1950, by a purchasing corporation, in a transaction other than a transaction described in section 461 (a), of substantially all the properties (other than cash) of another corporation, of a partnership, or of a business owned by a sole proprietorship; or

(2) The acquisition, before December 1, 1950, by a purchasing corporation, in a transaction other than a transaction described in section 461 (a) of part, as distinguished from substantially all, of the properties of another corporation or of a partnership, if the following conditions are met:

(i) Such properties constituted immediately prior to such acquisition substantially all the properties (other than cash) of one or more separate businesses of the other corporation or the partnership;

(ii) The other corporation or the partnership was engaged in one or more separate businesses other than those described in subdivision (i) of this subparagraph; and

(iii) Substantially all the properties (other than cash) of the other corporation or the partnership, including the properties acquired by the purchasing corporation, were acquired, in furtherance of a single plan of complete liquidation of the other corporation or the partnership, by the purchasing corporation and by one or more other persons, whether or not the acquisition by any of such other persons constituted a Part IV transaction but only if the acquisition by any of such other persons was not a transaction described in section 461 (a)

In determining whether the properties acquired by the purchasing corporation in a Part IV transaction constituted substantially all the properties of the transferor, or of a separate business of the transferor, as the case may be, proper regard must be had to any previous dispositions of property by the selling corporation. Properties will be considered to have been acquired in a Part IV transaction only if such properties were acquired from the selling corporation or from shareholders of the selling corporation who received such properties upon the complete liquidation of such corporation and who forthwith transferred them to the purchasing corporation in a transaction other than a transaction described in section 461 (a). In determining whether the transaction is a transaction described in subparagraph (2) of this paragraph the properties acquired by the purchasing corporation shall be considered to have constituted the properties of a separate business of the selling corporation only if such business was a going business unit for which adequate and separate records were maintained. Similarly, in the case of a transaction described in subparagraph (1) of this paragraph, a business owned by a sole proprietorship means a going business unit for which adequate and separate records were maintained.

(c) *Limitations on application of Part IV.* A purchasing corporation may compute its average base period net income

under section 435 (d) with reference to Part IV only if each of the following conditions is satisfied:

(1) After the Part IV transaction described in paragraph (b) (1) of this section, or the last transaction described in paragraph (b) (2) of this section, the selling corporation did not engage in any business activities other than those incident to its complete liquidation and, within a reasonable time after ceasing business activities, the selling corporation was completely liquidated in a transaction other than a transaction described in section 461 (a) and its existence terminated.

(2) During so much of the base period of the purchasing corporation and of the period thereafter as preceded the Part IV transaction, the properties acquired by the purchasing corporation in such transaction were substantially all the properties (other than cash) which were used (or which in the ordinary course of business replaced properties used) by the selling corporation (or by a component corporation of such selling corporation in case the latter was an acquiring corporation in a previous Part II transaction) in the production of the excess profits net income or deficit therein which under section 474 (b) increases or decreases the excess profits net income of the purchasing corporation. See § 40.474-2. Thus, for example, if the selling corporation during the base period of the purchasing corporation and prior to the Part IV transaction disposed of properties used in the business acquired by the purchasing corporation, so that the purchasing corporation did not acquire substantially all the properties used in such business, Part IV is not applicable. Similarly, in the case of a transaction described in section 474 (a) (1) (A), if the selling corporation during the base period of the purchasing corporation disposed of the properties used in one business and acquired properties for another business, the properties used in the latter business being acquired by the purchasing corporation, Part IV is not applicable. If the selling corporation described in the preceding sentence had also owned throughout the base period prior to the Part IV transaction a second business, and if the acquisition by the purchasing corporation of the business referred to in the preceding sentence was a transaction described in section 474 (a) (1) (B) Part IV is not applicable if the excess profits net income of the selling corporation available to the purchasing corporation under section 474 (b) (2) includes excess profits net income for months prior to the date the business acquired by the purchasing corporation was owned by the selling corporation. If a business was operated by the selling corporation prior to the Part IV transaction under a franchise or license granted by any person, for example, a franchise or license not transferable by the selling corporation, and if after such transaction the purchasing corporation operated the same business under a substantially identical franchise or license granted by the same person, such franchise or license will be considered to have been acquired by the purchasing corporation from the selling corporation.

(3) The business or businesses transferred to the purchasing corporation in the Part IV transaction (including the properties actually transferred or properties acquired in replacement thereof) were operated by the purchasing corporation from the date of such transaction to the end of the taxable year of the purchasing corporation for which the excess profits credit is computed, unless during the taxable year such business or businesses were transferred by the purchasing corporation in a Part II transaction to which the provisions of section 462 (b) (4) are applicable. See § 40.462-1 (d)

§ 40.474-2 *Rules for determining average base period net income of a purchasing corporation*—(a) *In general.* The average base period net income of a purchasing corporation, for the purpose of the excess profits credit based on income and computed under the general average method (section 435 (d)) may be determined by computing its excess profits net income with or without reference to Part IV whichever results in the lesser excess profits tax. If computed without reference to Part IV the excess profits net income of the purchasing corporation is computed with reference to its base period experience, but without reference to the base period experience of the selling corporation. The excess profits net income of the purchasing corporation, if computed with reference to Part IV shall be its excess profits net income or deficit in excess profits net income for each month of its base period (as defined in section 435 (b)) or each month of the substitute period provided in section 435 (d) whichever is applicable, increased or decreased by the addition or reduction resulting from including the excess profits net income or deficit for that month of the selling corporation to the extent provided in section 474 (b). In applying the provisions of section 474 (b) to a purchasing corporation which acquired properties in two or more Part IV transactions, all selling corporations in such transactions must be taken into account. The excess profits net income of the purchasing corporation for any month recomputed with the application of the provisions of section 474 (b) shall in no event be less than zero. As used in the regulations under Part IV the term "base period experience" refers to the excess profits net income or deficit in excess profits net income. See § 40.474-3 for rules applicable in recomputing the excess profits net income (or deficit therein) in the case of successive transactions under Parts II and IV

(b) *Method of recomputation of excess profits net income of a purchasing corporation with reference to that of the selling corporation.* The following steps are required for the recomputation of the excess profits net income of a purchasing corporation with reference to the base period experience of the selling corporation:

(1) The excess profits net income or deficit in excess profits net income for each month in the base period of the purchasing corporation and, for the purpose of the substitute period provided

in section 435 (d) for each month in the additional period ending March 31, 1950, must be determined for the purchasing corporation and for each selling corporation. Except as provided below with respect to the selling corporation for its taxable year in which the Part IV transaction occurred, the excess profits net income or deficit in excess profits net income of any corporation for any month during any part of which such corporation was in existence is determined by dividing the excess profits net income computed under section 433 (b) (or deficit in excess profits net income computed under section 433 (c)) for the taxable year in which such month falls by the number of full calendar months in such taxable year. In the case of a transaction described in section 474 (a) (1) (B) there is taken into account the portion of the excess profits net income or deficit properly attributable to the business or businesses acquired by the purchasing corporation and properly allocable to such purchasing corporation. In determining the excess profits net income or deficit of the selling corporation for any month during the taxable year in which the Part IV transaction occurred, the excess profits net income or deficit for such taxable year shall be determined without regard to any items arising after the date of the transaction and the number of months in the taxable year shall be determined without regard to the period after the date of the transaction. The excess profits net income of any corporation for any month during no part of which such corporation was in existence shall be zero. For the purpose of the substitute period provided in section 435 (d) the excess profits net income for January, February or March 1950, is subject to the percentages specified in section 435 (e) (2) (E)

(2) For each month of the purchasing corporation's base period (or, if applicable, the substitute period provided in section 435 (d)) preceding the date of the Part IV transaction, the excess profits net income or deficit in excess profits net income of the purchasing corporation for that month as determined under subparagraph (1) of this paragraph shall be increased or decreased, as the case may be, by the excess profits net income or deficit in excess profits net income of each selling corporation for that month so determined; except that, if the purchasing corporation acquires only a part of the selling corporation's properties in a transaction described in section 474 (a) (1) (B) then the increase or decrease shall be made for only that portion of such selling corporation's excess profits net income or deficit in excess profits net income properly attributable to the business or businesses acquired by the purchasing corporation and properly allocable to the purchasing corporation under paragraph (c) of this section.

(c) *Allocation of excess profits net income of selling corporation to purchasing corporation.* In the case of a Part IV transaction described in section 474 (a) (1) (B) that is, a transaction in which a part as distinguished from all or substantially all the properties of a selling corporation is transferred to a purchas-

ing corporation, the portion of the base period experience of the selling corporation allocated to the purchasing corporation shall be determined under the rules provided in § 40.462-9 (b) for the allocation of the excess profits net income or deficit of a component corporation to an acquiring corporation, subject to the following exceptions:

(1) The agreement referred to in § 40.462-9 (b) shall not be required.

(2) The Commissioner may, for good cause shown, permit the allocation to reflect, as to certain items, an allocation, under the principle of § 40.462-9 (a), based upon the fair market value of the properties (other than cash)

(3) Cash shall not be taken into account in making the allocation.

(4) The provisions of § 40.462-9 (b) (2) which permit allocation of more than 100 percent of the excess profits net income of a partnership shall not be applicable.

(d) *Special rules for partnerships and sole proprietors.* In the case of a business owned by a sole proprietorship or a partnership its excess profits net income or deficit in excess profits net income for each month falling within the purchasing corporation's base period (or the substitute period provided in section 435 (d) if applicable) prior to the date of the Part IV transaction shall be determined as if such partnership or such business owned by a sole proprietorship had been a corporation. See section 474 (d) (2). Among the adjustments which are necessary in such a case are the following:

(1) A reasonable deduction for salary or compensation to each partner or to the sole proprietor for personal services actually rendered shall be allowed.

(2) The credit for dividends received shall be that applicable to corporations.

(3) The treatment of capital gains and losses and of taxes (whether state, local, or other) shall be that applicable to corporations.

(4) The deduction for charitable contributions shall be that allowed by section 23 (q)

(e) *Limitation in case of Part IV transaction occurring in a taxable year ending after June 30, 1950.* In the case of a Part IV transaction occurring in a taxable year of the purchasing corporation ending after June 30, 1950, for the purpose of computing the purchasing corporation's excess profits credit for such taxable year, there is available to the purchasing corporation only a proportionate part of the amount of the monthly excess profits net income (or deficit) of the selling corporation which is otherwise available to the purchasing corporation. Such proportionate part shall be determined by the ratio which the number of days in the taxable year of the purchasing corporation after the day of the transaction bears to the total number of days in such taxable year. In computing the excess profits credit of the purchasing corporation for subsequent taxable years the limitation stated in this paragraph is not applicable.

(f) *Examples.* The computation of the average base period net income of the purchasing corporation determined under the general average method of

section 435 (d) by computing the excess profits net income with reference to section 474 (b) may be illustrated by the following example:

Example. The P Corporation was in existence and commenced business prior to January 1, 1946. The S₁ Corporation and the S₂ Corporation each came into existence on January 1, 1947. The P Corporation, the S₁ Corporation, and the S₂ Corporation each makes its income tax returns on the calendar year basis. On January 1, 1949, the P Corporation purchased for cash all the properties of the S₁ Corporation, and on January 5, 1949, it purchased for cash all the properties of the S₂ Corporation in Part IV transactions. The excess profits net income for each of the corporations for the base period taxable years is as follows:

	EXCESS PROFITS NET INCOME			
	For taxable year			
	1946	1947	1948	1949
P Corporation	-\$18,000	\$24,000	\$42,000	\$36,000
S ₁ Corporation	0	18,000	30,000	-----
S ₂ Corporation	0	12,000	18,000	-----

The excess profits net income for each month in such taxable years is as follows:

	EXCESS PROFITS NET INCOME			
	For each month in calendar year			
	1946	1947	1948	1949
P Corporation	-\$1,500	\$2,000	\$3,500	\$8,000
S ₁ Corporation	0	1,500	2,500	-----
S ₂ Corporation	0	1,000	1,500	-----
Total	-1,500	4,500	7,500	8,000

The excess profits net income of the P Corporation for each month as recomputed under section 474 (b) is the total excess profits net income for that month as shown in the above table, except that for each month in 1946 the recomputed excess profits net income is increased to zero. Since the 36 consecutive months in the years 1947, 1948, and 1949 have the highest aggregate excess profits net income, the average base period net income is such aggregate excess profits net income divided by 3. The average base period net income of the P Corporation recomputed under section 474 (b) is \$80,000, determined as follows:

Aggregate for months in 1947 (12× \$4,500) -----	\$54,000
Aggregate for months in 1948 (12× \$7,500) -----	90,000
Aggregate for months in 1949 (12× \$8,000) -----	96,000
Aggregate for 36 months -----	240,000
Aggregate divided by 3 -----	80,000

This figure, subject to the percentage prescribed in section 435 (a), may be used by the P Corporation in computing its excess profits credit based on income for the purpose of determining its excess profits tax for 1950 and future excess profits tax taxable years, provided all the conditions and limitations applicable under section 474, for example, the provisions of § 40.474-4, are met.

§ 40.474-3 Successive transactions—

(a) *Part IV transaction following Part IV transaction.* In the case of a purchasing corporation which acquired properties of a selling corporation, if such selling corporation was itself a purchasing corporation in a previous Part IV transaction, the computations under section 474 for the purpose of computing the excess

profits credit of the purchasing corporation in the later Part IV transaction shall be made with respect to the selling corporation without regard to the previous Part IV transaction. For example, the P corporation acquires the property of the S corporation in a Part IV transaction on January 1, 1950. The S corporation came into existence on January 1, 1949, and on the same date acquired all the properties of the Y corporation in a Part IV transaction. In computing the P corporation's excess profits credit with reference to section 474, any computation required with respect to the S corporation shall be made without regard to the excess profits net income (or deficit therein) of the Y corporation.

(b) *Part IV transaction following Part II transaction—(1) Component corporation not a purchasing corporation.* If a purchasing corporation acquired properties of a selling corporation in a Part IV transaction, if the selling corporation previously had acquired properties of a component corporation in a Part II transaction to which section 462 (b) (4) was not applicable, and if the excess profits net income of the purchasing corporation is recomputed with the application of the provisions of section 474 (b), the excess profits net income or deficit in excess profits net income of the selling corporation which increases or decreases the excess profits net income or deficit in excess profits net income of the purchasing corporation under section 474 (b) shall be determined with the application of the rules of Part II to such selling corporation with respect to the previous Part II transaction. See sections 461 through 465, and the regulations thereunder. This rule must be followed whether or not the selling corporation determined its average base period net income by recomputing its excess profits net income with the application of Part II.

(2) *Component corporation a purchasing corporation.* If a purchasing corporation acquired properties of a selling corporation in a Part IV transaction, and if the selling corporation previously had acquired properties of another corporation in a Part II transaction to which section 462 (b) (4) and the regulations thereunder are applicable, that is, a transaction in which the component corporation was a purchasing corporation in a Part IV transaction preceding the Part II transaction, the computations under section 474 for the purpose of computing the excess profits credit of the purchasing corporation in the later Part IV transaction shall be made with respect to the selling corporation in such transaction without regard to the previous Part IV transaction in which the component of the selling corporation had been a purchasing corporation. For example, the P corporation acquired the properties of the S corporation in a Part IV transaction on January 1, 1950. The S corporation previously had acquired all the properties of the C corporation in a Part II transaction on January 1, 1948. The C corporation came into existence on January 1, 1947, and on the same date purchased all the properties of the D corporation in a Part IV transaction. Any computations required under section 474

with respect to the P corporation's excess profits credit shall be made without regard to the excess profits net income (or deficit therein) of the D corporation.

(c) *A purchasing corporation as an acquiring corporation under Part II.* Both Part II and Part IV may be applied in the case of a corporation which is qualified both as a purchasing corporation and as an acquiring corporation and which computes its average base period net income under the general average method of section 435 (d).

(d) *Part II transaction following Part IV transaction.* For rules applicable in the case of a purchasing corporation which becomes a component corporation in a Part II transaction, see sections 462 (b) (4) 463 (c) and 464 (c) and the regulations thereunder.

§ 40.474-4 Rules for the prevention of duplication—(a) *In general.* (1) The purpose of the rules prescribed in this section is to prevent certain duplications in base period income in cases where after December 31, 1945, and before December 1, 1950, assets of a purchasing corporation are used to purchase properties of a selling corporation in a Part IV transaction. See section 474 (f) (4). In such cases the excess profits net income of the selling corporation, or portion thereof attributable to the properties acquired by the purchasing corporation, shall be excluded in determining the purchasing corporation's excess profits net income or deficit and its average base period net income with reference to the recomputations provided under Part IV. The adjustment required under this section shall be made in the cases described in this section and in all other cases in which a similar adjustment may be required to prevent duplication, in a manner consistent with principles underlying such described cases.

(2) Except to the extent that duplication of experience occurs, no adjustment is necessary under this section:

(i) Where stock of the purchasing corporation is issued directly to the selling corporation in exchange for properties of the selling corporation; or

(ii) Where properties of the selling corporation are acquired through a bona fide long-term increase in the capital structure of the purchasing corporation made in conjunction with and for the purpose of such acquisition. A bona fide long-term increase in the capital structure within the meaning of this subparagraph (whether an increase in equity capital or in borrowed capital as defined in section 439 (b)) shall be deemed to have occurred only to the extent that such increase is reflected in the capital structure throughout the period beginning with the time such increase is originally made and ending with the close of the taxable year of the purchasing corporation for which the tax is computed. For the purpose of determining whether such increase is reflected in the capital structure, proper adjustment shall be made to eliminate the effect of any loss occurring after the original increase is made, and, in the case of such determination as of any time during the taxable year, the determination shall be

made without regard to the earnings and profits of such taxable year. If the increase in capital structure is the result of a Part II transaction, this subparagraph and § 40.474-2 (c) shall be applied in the light of the facts applicable both to the taxpayer and to the component corporation in such transaction. For the purpose of this subparagraph, an increase in the capital structure does not result from the conversion of inadmissible assets into admissible assets, or from the accumulation of earnings and profits prior to the beginning of the first taxable year which begins after the date of the acquisition.

(3) If properties of the selling corporation are acquired partly in the manner described in subparagraph (2) of this paragraph, and partly in another manner, the adjustment required under this section shall be made to the extent the acquisition is made in such other manner. See paragraph (c) of this section. As to adjustment under regulations pursuant to section 474 (f) (4) of the net capital addition or reduction see § 40.474-5, and as to adjustment under regulations pursuant to section 474 (f) (4) of the base period capital addition, see § 40.474-6.

(b) *Examples.* The application of this section may be illustrated by the following examples:

Example (1). The P Corporation and the S Corporation commenced business before January 1, 1946, and make their income tax returns on the calendar year basis. The P Corporation sold certain assets for cash and on July 1, 1950, it used such cash to purchase properties of the S Corporation in a Part IV transaction. In applying section 474 (b) in determining the average base period net income of the P Corporation, the rule provided in paragraph (a) (1) of this section requires the exclusion of the S Corporation's entire experience for the base period. The S Corporation's base period capital addition and its net capital addition or reduction for 1950 are also required to be excluded. See §§ 40.474-5 and 40.474-6.

Example (2). The S Corporation commenced business before January 1, 1946, and makes its income tax returns on the calendar year basis. The P Corporation was organized on December 10, 1948. On January 1, 1949, the P Corporation issued its stock for cash and on the same day used such cash to acquire all the properties of the S Corporation in a Part IV transaction. In determining the P Corporation's average base period net income under section 435 (d), based on a recomputation of its excess profits net income under section 474 (b), this section does not require the elimination of any part of the excess profits net income (or deficit) of the S Corporation. See paragraph (a) (2) of this section. Under regulations pursuant to section 474 (f) (1), however, the P Corporation will not be allowed any base period capital addition for the cash paid in for its stock which was used in acquiring the properties of the S Corporation. See § 40.474-6.

Example (3). The P Corporation and the S Corporation both commenced business before January 1, 1946, and make their income tax returns on the calendar year basis. Before January 1, 1946, the P Corporation became the owner of one-half the stock of the S Corporation. On July 1, 1950, the S Corporation was liquidated and the P Corporation received all of the properties which had been used in the operation of one of two separate businesses operated by the S Corporation. The acquisition of such properties qualifies as a Part IV transaction. In applying section

474 (b) in determining the average base period net income of the P Corporation the rule provided in paragraph (a) (1) of this section requires the exclusion of the base period experience of the business operated by the S Corporation. The S Corporation's base period capital addition and its net capital addition or reduction for 1950 are also required to be excluded. See §§ 40.474-5 and 40.474-6.

(c) *Acquisition resulting in partial duplication.* If a purchasing corporation acquires properties of a selling corporation in a Part IV transaction, and only a part of the total consideration transferred by the purchasing corporation consists of stock issued directly by the purchasing corporation or of cash or other assets acquired by the purchasing corporation through a bona fide long-term increase in its capital structure, only that part of the selling corporation's base period experience before the acquisition which is not attributable to such stock so issued or to such cash or assets so acquired is to be excluded in computing the purchasing corporation's average base period net income under section 435 (d) based on a recomputation of excess profits net income under section 474 (b). The portion of the selling corporation's experience not to be excluded under this section with respect to any part of the base period (and of the additional period through March 31, 1950, for the purpose of the substitute period provided in section 435 (d)) prior to the day of the transaction is an amount which bears the same ratio to the whole of the selling corporation's experience for such part of such period (or, in the case of a transaction described in section 474 (a) (1) (B) the part of the selling corporation's experience properly attributable to the properties acquired by the purchasing corporation) as the sum of the fair market value of the stock of the purchasing corporation issued directly to the selling corporation, plus the fair market value of the other assets or cash acquired in the manner described in paragraph (a) (2) of this section, bears to the fair market value of the total consideration received by the selling corporation for such properties. The adjustment under this section in cases described in this paragraph may be illustrated by the following example:

Example. The P Corporation and the S Corporation each commenced business before January 1, 1946, and makes its income tax returns on the basis of the calendar year. On January 1, 1948, the P Corporation in a Part IV transaction purchased all the properties of the S Corporation for \$100,000 in cash, of which \$60,000 was derived by the P Corporation from the sale of certain assets and \$40,000 was derived from the issuance and sale of new shares of its stock, such new stock constituting a bona fide long-term increase in its capital structure. For the purpose of computing the P Corporation's average base period net income under section 435 (d), based on a recomputation of the excess profits net income under section 474 (b), 60 percent of the S Corporation's monthly excess profits net income (or deficit) for 1946 and 1947 is to be excluded under this section.

§ 40.474-5 *Net capital addition or reduction under Part IV—(a) In general.* If the purchasing corporation acquires

properties of a selling corporation in a Part IV transaction occurring in a taxable year ending after June 30, 1950, and if the purchasing corporation's average base period net income for the purpose of the excess profits credit for any taxable year ending after the date of the transaction is computed with the application of Part IV the net capital addition or net capital reduction of the purchasing corporation for such taxable year shall be computed under section 435 (g) with the application of the following rules:

(1) If the Part IV transaction involved a transaction described in § 40.474-4 (a) (2) (i) or (ii), that is, a transaction in which there is no duplication of base period experience, the net capital addition or net capital reduction of the purchasing corporation shall be computed after making proper adjustment by decreasing the daily capital addition or increasing the daily capital reduction, as the case may be, for each day after the date of the Part IV transaction, to the extent necessary so that such amounts shall not reflect the transaction described in § 40.474-4 (a) (2). Thus, in the example in § 40.474-4 (c), if the Part IV transaction had occurred in a taxable year ending after June 30, 1950, the \$40,000 derived from the issuance and sale of new shares of stock shall not be included in determining the amount paid in for stock under section 435 (g) (3) (A) for such taxable year, and the equity capital as of the beginning of any taxable year beginning after the Part IV transaction would be reduced by \$40,000 for the purpose of applying section 435 (g) (3) (B) or section 435 (g) (4) (B) to such taxable year.

(2) Under principles corresponding to those set forth in section 462 (j) (1) and § 40.463-1 (e) the net capital addition or net capital reduction of the purchasing corporation is computed without regard to any capital changes of the selling corporation in any case subject to the provisions of § 40.474-4 unless the case involves a transaction described in § 40.474-4 (a) (2) (i) in which no gain or loss is recognized upon the exchange of the stock for the properties.

(3) If the Part IV transaction is subject to the provisions of § 40.474-4 by reason of an exchange described in § 40.474-4 (a) (2) (i) in which no gain or loss was recognized, the purchasing corporation shall compute its net capital addition or net capital reduction under the rules provided in § 40.463-1 as if the purchasing corporation were an acquiring corporation and the selling corporation were a component corporation. If in such case the selling corporation was a party to a Part II transaction occurring before the Part IV transaction, the rules set forth in § 40.463-2 shall also be applicable as if the purchasing corporation were an acquiring corporation and the selling corporation were a component corporation.

(b) *Example.* The rules prescribed by paragraph (a) of this section may be illustrated by the following example:

Example. The P Corporation and the S Corporation each makes its income tax returns on the basis of the calendar year. The P Corporation issued its stock on June

1, 1950, for \$1,000,000 in cash, such new stock constituting a bona fide long-term increase in its capital structure, and on July 1, 1950, used such cash to acquire all the properties of the S Corporation in a Part IV transaction. The P Corporation computes its excess profits credit under Part IV. In computing the daily capital addition of the P Corporation for each day of 1950 after July 1, 1950, the \$1,000,000 paid in for stock on June 1, 1950, shall be disregarded. In computing the equity capital of the P Corporation on January 1, 1951, for the purpose of comparing such amount with its equity capital on January 1, 1950, such equity capital on January 1, 1951, shall be reduced by \$1,000,000, the amount paid in for the stock. The same adjustment (a decrease of \$1,000,000) shall be made for such purpose in computing equity capital for the first day of each subsequent taxable year. Under principles corresponding to those set forth in § 40.463-1 (e), the net capital addition or net capital reduction of the P Corporation is computed without regard to any capital changes of the S Corporation.

§ 40.474-6 *Base period capital addition under Part IV*—(a) *In general.* If the purchasing corporation acquires properties of the selling corporation in a Part IV transaction occurring after the beginning of the second taxable year of the purchasing corporation preceding its first taxable year ending after June 30, 1950, and if the purchasing corporation's average base period net income for the purpose of the excess profits credit for any taxable year ending after the date of the transaction is computed with the application of Part IV the base period capital addition of the purchasing corporation for such taxable year shall be computed under section 435 (f) with the application of the following rules:

(1) If the Part IV transaction involved a transaction described in § 40.474-4 (a) (2) (i) or (ii) that is, a transaction in which there is no duplication of base period experience, the base period capital addition of the purchasing corporation shall be computed after making proper adjustment by decreasing the yearly base period capital for any day specified in section 435 (f) after the date of the Part IV transaction to the extent necessary so that such amount shall not reflect the transaction described in § 40.474-4 (a) (2). Thus, in the example in § 40.474-4 (c) if the Part IV transaction had occurred after the beginning of the second taxable year of the purchasing corporation preceding its first taxable year ending after June 30, 1950, the yearly base period capital for each day specified in section 435 (f) after the date of the Part IV transaction shall be reduced by the \$40,000 derived from the issuance and sale of new shares of stock.

(2) Under principles corresponding to those set forth in section 462 (j) (1) and § 40.464-1 (d) the base period capital addition of the purchasing corporation is computed without regard to the base period capital addition or yearly base period capital of the selling corporation in any case subject to the provisions of § 40.474-4, unless the case involves a transaction described in § 40.474-4 (a) (2) (i) in which no gain or loss is recognized upon the exchange of the stock for the properties.

(3) If the Part IV transaction is subject to the provisions of § 40.474-4 by reason of an exchange described in

§ 40.474-4 (a) (2) (i) in which no gain or loss was recognized, the purchasing corporation shall compute its yearly base period capital or base period capital addition with reference to the yearly base period capital or base period capital addition of the selling corporation under the rules provided in § 40.464-1 as if the purchasing corporation were an acquiring corporation and the selling corporation were a component corporation. If, in such case, the selling corporation was a party to a Part II transaction occurring before the Part IV transaction, the rules set forth in § 40.464-2 shall also be applicable as if the purchasing corporation were an acquiring corporation and the selling corporation were a component corporation.

(b) *Example.* The rules prescribed by paragraph (a) of this section may be illustrated by the following example:

Example. The P Corporation and the S Corporation each makes its income tax returns on the basis of the calendar year. The P Corporation issued its stock on June 1, 1949, for \$1,000,000 in cash, such new stock constituting a bona fide long-term increase in its capital structure, and on July 1, 1949, used such cash to acquire all the properties of the S Corporation in a Part IV transaction. The P Corporation computes its excess profits credit under Part IV. In computing the base period capital addition of the P Corporation, its yearly base period capital for 1950 shall be reduced by \$1,000,000, the amount paid in for the stock. Under principles corresponding to those set forth in § 40.464-1 (d), the base period capital addition of the P Corporation is computed without regard to any capital changes of the S Corporation.

(53 Stat. 32, 467; 26 U. S. C. 62, 3701. Interpret or apply sec. 521, 65 Stat. 557; 26 U. S. C. Sup. 474)

[SEAL] T. COLEMAN ANDREWS,
Commissioner of Internal Revenue.

Approved: March 24, 1953.

M. B. FOLSOM,
Acting Secretary of the Treasury.
[F. R. Doc. 53-2664; Filed, Mar. 27, 1953;
8:49 a. m.]

TITLE 32—NATIONAL DEFENSE

Chapter V—Department of the Army

Subchapter G—Procurement

PART 596—CONTRACT CLAUSES AND FORMS

PRICE ESCALATION (LABOR AND MATERIALS)

Section 596.151-1 is amended by adding paragraph (e) as follows:

§ 596.151-1 *Price escalation (labor and materials).* * * *

(e) In the use of the above escalation clause, it is emphasized that considerable latitude is permitted and encouraged in the selection of types of labor and materials and rates of pay or price per unit to be negotiated under paragraph (b) of the clause. Wherever possible and practicable, costs selected for escalation should be reduced to a type of material price or rate of pay agreement that will require little if any audit review if a price adjustment is called for by either of the contracting parties. The following may be considered as examples of acceptable forms of pricing agreements.

(1) *Materials.* (i) Escalation should be only on the raw material(s) which constitute a major portion of material costs. The market prices of many raw materials are published periodically in accepted trade journals or newspapers. Accordingly, an example material escalation in paragraph (b) of the clause could be expressed as follows:

Type of material	Unit of measure	Price per unit
Steel, billets, Pittsburg	Ton	\$39.00

(ii) Cost of steel in this contract represents 25 percent of the total of all costs. The cost of "Steel, billets, Pittsburg" as carried in the "Wall Street Journal" shall be accepted as the basis of increases or decreases in the cost of this material for the purposes of escalation as provided for in paragraph (c) of this clause, applicable to deliveries made under this contract after the effective date referred to in paragraph (b) of the clause.

(2) *Labor.* (i) Escalation may be based on particular categories or on average labor costs. Wherever practicable, manufacturing labor should be escalated on an average wage agreed upon as applicable to performance under the contract in question. This average wage must be based on the Contractor's agreement with labor, if such an agreement exists. As an example, labor escalation in paragraph (b) of the clause could be expressed as follows:

Type of labor	Unit of measure	Rate of pay per unit
Manufacturing labor	Man-hour	\$1.75

(ii) Manufacturing labor costs represent 20 percent of the total of all costs in this contract. The stated rate of \$1.75 per manufacturing labor man-hour is a composite rate of manufacturing labor to be utilized in performance of this contract, based upon current union wage agreements of the Contractor. In the event of future increases or decreases in wage scales as the result of changes in such wage agreements for any reason, a new composite rate for manufacturing labor, computed on the same basis as that above, will be used for escalation purposes as provided for in paragraph (c) of this clause to the extent of 20 percent of total cost of this contract remaining after the effective date of any increase or decrease.

(iii) Escalation of overhead factors is against Department of the Army policy. In fully justified cases involving unusual circumstances, however, deviations will be considered by the Office of the Assistant Chief of Staff, G-4. Submission of such cases on an individual basis will be made through channels to that office.

[Proc. Cir. 9, Mar. 12, 1953] (R. S. 161; 5 U. S. C. 22. Interprets or applies 62 Stat. 21; 41 U. S. C. Sup. 151-161)

[SEAL] WIL E. BERGIN,
Major General, U. S. Army,
The Adjutant General.

[F. R. Doc. 53-2665; Filed, Mar. 27, 1953;
8:49 a. m.]

[Rent Regulation 3 Amdt 123 to Schedule A]
 [Rent Regulation 4 Amdt 66 to Schedule A]
RR 3—HOTELS
RR 4—MOTOR COURTS
SCHEDULE A—DEFENSE-RENTAL AREAS
 TEXAS

These amendments are issued as a result of joint certification(s) pertaining to critical defense housing areas by the Secretary of Defense and the Director of Defense Mobilization under section 204 (1) of the Housing and Rent Act of 1947, as amended, and a determination as to the relaxation of real estate construction credit controls under section 204 (m) of said act.
 Effective March 30, 1953 Rent Regulation 3 and Rent Regulation 4 are amended so that the item(s) of Schedule A read(s) as set forth below
 (Sec 204 61 Stat 197, as amended; 50 U S C App Sup 1894)

Issued this 25th day of March 1953

WILLIAM G BARR,
 Acting Director of Rent Stabilization

Name of defense rental area	State	County or counties in defense rental area under regulation	Maximum rent date	Effective date of regulation
(312) Del Rio	Texas	In VAL VERDE COUNTY Justice Precinct 1	Sept 1 1952	Mar 30 1953

[F R Doc 53-2667; Filed Mar 27 1953; 8:50 a m]

TITLE 44—PUBLIC PROPERTY AND WORKS

Chapter 1—General Services Administration

Subchapter A—Archives and Records Management

PART 2—PUBLIC USE OF RECORDS IN THE NATIONAL ARCHIVES

The headline and provisions of Part 2 Title 44 Code of Federal Regulations are hereby revised effective on publication in the FEDERAL REGISTER

Sec 20 Scope
 21 Meaning of terms
 22 Legal custody.
 23 Availability of records in general
 24 Access to classified and restricted records

ADMISSION TO SEARCH FACILITIES
 210 Admission to search rooms
 211 Admission card
 212 Withdrawal of admission privilege
 213 Hours of admission.
 214 Admission to National Archives Theater

SEARCH ROOM RULES

Sec 220 Register of searchers.
 221 Searcher's responsibility
 222 Protection of records.
 223 Keeping records in order
 224 Limitation on quantity
 225 Night and Saturday use
 226 Removal or mutilation of records
 227 Disturbances
 228 Smoking and eating

REPRODUCTION SERVICES
 230 Reproduction fees
 231 Reproduction equipment and personnel
 232 Authentication and attestation

INFORMATION SERVICE
 235 Information about records
 236 Information derived from records

LEGAL DEMANDS

240 Compliance with subpoena or other legal demand.
 Authority: §§ 20 to 240 issued under sec 205 63 Stat 389 as amended; 40 U S C Sup-486 Interpret or apply secs 507 509 64 Stat 587, as amended, 588; 44 U S C. Sup 397 399

TITLE 32A—NATIONAL DEFENSE, APPENDIX Chapter XXI—Office of Rent Stabilization, Economic Stabilization Agency

[Rent Regulation 1 Amdt 129 to Schedule A]
 [Rent Regulation 2 Amdt 127 to Schedule A]
RR 1—HOUSING
RR 2—ROOMS IN ROOMING HOUSES AND OTHER ESTABLISHMENTS
SCHEDULE A—DEFENSE-RENTAL AREAS
 TEXAS

These amendments are issued as a result of joint certification(s) pertaining to critical defense housing areas by the Secretary of Defense and the Director of Defense Mobilization under section 204 (1) of the Housing and Rent Act of 1947, as amended, and a determination as to the relaxation of real estate construction credit controls under section 204 (m) of said act.

Effective March 30, 1953 Rent Regulation 1 and Rent Regulation 2 are amended so that the item(s) of Schedule A read(s) as set forth below
 (Sec 204 61 Stat 197 as amended; 50 U S C App Sup 1894)

Issued this 25th day of March 1953

WILLIAM G BARR,
 Acting Director of Rent Stabilization

State and name of defense rental area	Class	County or counties in defense rental area under regulation	Maximum rent date	Effective date of regulation
(312) Del Rio	A	In VAL VERDE COUNTY Justice Precinct 1	Sept 1 1952	Mar 30 1953

[F R Doc 53-2666; Filed Mar 27 1953; 8:50 a m]

[Rent Regulation 1 Amdt 44 to Schedule B]
 [Rent Regulation 2 Amdt 45 to Schedule B]

RR 1—HOUSING

RR 2—ROOMS IN ROOMING HOUSES AND OTHER ESTABLISHMENTS
SCHEDULE B—SPECIFIC PROVISIONS RELATING TO INDIVIDUAL DEFENSE-RENTAL AREAS OR PORTIONS THEREOF
 GEORGIA

Effective March 30 1953 Rent Regulation 1—Housing and Rent Regulation 2—Rooms are amended as set forth below

(Sec 204 61 Stat 197 as amended; 50 U S C App Sup 1894)

Issued this 25th day of March 1953

WILLIAM G BARR,
 Acting Director of Rent Stabilization

Item 12 of Schedule B of Rent Regulation 1 and Item 11 of Schedule B of Rent Regulation 2 are hereby revoked and deleted
 This revocation and deletion of Item 12 of Schedule B of Rent Regulation 1 and Item 11 of Schedule B of Rent Regulation 2 are due to the fact that they pertained to the Americus Georgia Defense-Rental Area which decontrolled as of March 21, 1953

[F. R Doc 53-2668; Filed Mar. 27 1953; 8:50 a m.]

GENERAL PROVISIONS

§ 2.0 *Scope.* The provisions of this part apply to the public use of records deposited with the National Archives of the United States.

§ 2.1 *Meaning of terms.* As used in this part, unless the context otherwise requires, terms shall have the meaning ascribed in the Federal Property and Administrative Services Act of 1949, as amended (63 Stat. 377, as amended; 40 U. S. C. Sup. 472, 44 U. S. C. Sup. 391)

§ 2.2 *Legal custody.* The Administrator has legal custody of all records deposited with the National Archives of the United States.

§ 2.3 *Availability of records in general.* (a) Records deposited with the National Archives of the United States will be made available for use subject to restrictions and limitations imposed by law, by Executive order, by the regulations in this part, by the agency from which they have been transferred, or by the Archivist of the United States.

(b) The following general practices will be observed:

(1) Records will not ordinarily be made available for purposes that can be as well served by a public library.

(2) Persons wishing to examine records, will, as a rule, be required to do so in the search rooms of the National Archives Building.

(3) The National Archives and Records Service will also render services with regard to reproductions, information, and motion pictures and sound recordings in accordance with the provisions of this part.

§ 2.4 *Access to classified and restricted records.* Access to records bearing security classification will be governed by the terms of Executive Order No. 10290 (16 F. R. 9795; 3 CFR, 1951 Supp.) Access to records subject to other forms of restriction will be governed by the conditions imposed by the Archivist in the pertinent Restriction Statements.

ADMISSION TO SEARCH FACILITIES

§ 2.10 *Admission to search rooms.* Persons desiring admission to either the central search room or one of the branch search rooms in the National Archives Building must make application on the prescribed form, stating their purpose in examining the records. Forms will be provided and applications received at the desk of the central search room.

§ 2.11 *Admission card.* If an application is approved, a card of admission to the search rooms will be issued. This card will be valid for a period not longer than one year but may be renewed upon application. It is not transferable and must be produced when required. Possession of this card does not entitle a searcher to examine records whose use is restricted.

§ 2.12 *Withdrawal of admission privilege.* The Archivist of the United States may withdraw the privilege of admission to the search rooms from any one who violates the regulations in this

part or disregards the instructions of a search room supervisor.

§ 2.13 *Hours of admission.* The central and branch search rooms and the library will be open to persons authorized to use them from 8:45 to 5:15 p. m. Monday through Friday, Federal holidays excepted. The central search room will also remain open from 5:15 to 10:00 p. m. Monday through Friday, and from 8:45 a. m. to 5:15 p. m. on Saturday, Federal holidays excepted. Under special circumstances, by direction of the Archivist of the United States, the search rooms may be closed during any of the hours specified in this section or may be opened at other times.

§ 2.14 *Admission to National Archives Theater.* Applications for admission to the National Archives Theater for the purpose of viewing motion pictures or hearing sound recordings shall be made to the Chief Archivist of the Audio-Visual Records Branch. Applications should be made long enough in advance to permit the completion of necessary arrangements. A group of persons must be represented by an authorized spokesman, who, in making application for their admission, must identify the group he represents. On approval of the application, a time will be fixed for the rendering of the service, and the applicant will be notified.

SEARCH ROOM RULES

§ 2.20 *Register of searchers.* Each day that a searcher uses records in a search room he must sign the register of searchers maintained there.

§ 2.21 *Searcher's responsibility.* When a searcher has completed his use of records or leaves the search room for more than a short period of time, he must notify the supervisor. A searcher is responsible for all records delivered to him until he returns them to the supervisor.

§ 2.22 *Protection of records.* Searchers must exercise all possible care to prevent damage to the records delivered to them. They must not use ink at desks upon which there are records except when a supervisor authorizes the use of a fountain pen. Records may not be leaned on, written on, folded anew, traced, or handled in any way likely to damage them. Application to the records of paper clips, rubber bands, or other fasteners not on them when they are delivered to a searcher is prohibited. The use of records of exceptional value or in fragile condition will be subject to such special safeguards as the supervisor may deem necessary.

§ 2.23 *Keeping records in order.* The searcher must keep unbound papers in the order in which they are delivered to him. If records are found to be in disorder, the searcher must not attempt to restore them to order but should call the fact to the attention of a supervisor.

§ 2.24 *Limitation on quantity.* The supervisor in charge of a search room may limit the quantity of records delivered to a searcher at one time.

§ 2.25 *Night and Saturday use.* Requests for records or library books to be used at night must be filed with the supervisor in charge of the central search room before 4:00 p. m. on the day on which they are to be used, and those for records or books to be used on Saturdays must be filed before 3:00 p. m. on the preceding Friday.

§ 2.26 *Removal or mutilation of records.* No records or other property of the National Archives and Records Service may be taken from the search rooms except by members of the Service staff acting in their official capacities or by others having written authorization from a search room supervisor. The unlawful removal or mutilation of records is forbidden by law and is punishable by fine or imprisonment or both (62 Stat. 695; 18 U. S. C. Sup., 2071)

§ 2.27 *Disturbances.* Loud talking and other actions likely to disturb searchers are prohibited. Persons desiring to use typewriters, to read proof aloud, or to do other work that may disturb others in the search rooms will, where possible, be assigned desks in a room designated for such purposes.

§ 2.28 *Smoking and eating.* Smoking and eating in the search rooms are prohibited.

REPRODUCTION SERVICES

§ 2.30 *Reproduction fees.* The National Archives and Records Service will, for a fee, furnish reproductions of records among its holdings that are available for public use without restriction. Fees must be paid in advance except in cases where the Chief Archivist of the Audio-Visual Records Branch approves an order for handling them on an "accounts receivable basis." Fees may be paid in coin or currency of the United States, by check drawn on a bank in the United States or its possessions and made payable to the Treasurer of the United States, or by United States postal money order or international money order made payable to the Treasurer of the United States.

§ 2.31 *Reproduction equipment and personnel.* Insofar as practicable the reproduction of records in the National Archives Building will be done by personnel of the National Archives and Records Service with equipment belonging to the Service. Exceptions to this rule may be made by the chief archivists of the records branches upon assurance from the Chief Chemist, Preservation Services Branch, that the equipment proposed to be used is safe for use in the place and manner intended: *And provided,* That the equipment is used under the supervision of responsible personnel of the service.

§ 2.32 *Authentication and attestation.* Upon request and the payment of appropriate fees, authentication certificates in the name of the Archivist of the United States will be prepared and attached to reproductions of records deposited with the National Archives. Authority to issue such certificates is delegated to the Director of the Federal Register

Division, the Chief Archivist of any records branch, and the Chief of the General Reference Section of the National Archives.

INFORMATION SERVICE

§ 2.35 *Information about records.* Information about the holdings of the National Archives and Records Service or about the presence of desired records among its holdings will be given on request, provided that the time required for the purpose is not excessive.

§ 2.36 *Information derived from records.* Persons living or working within the metropolitan area ordinarily will be expected to examine the records for themselves. Summary information derived from the records will be furnished by mail to persons who do not have ready access to the National Archives Building; *Provided*, That the amount of time required for abstracting the information is

not excessive. Staff members will not undertake to interpret such information. When necessary, limits will be placed on the number of replies containing information derived from the records that will be furnished to an individual inquirer within a given period of time.

LEGAL DEMANDS

§ 2.40 *Compliance with subpoena or other legal demand.* When a subpoena duces tecum or other legal demand for the production of records or other material deposited with the National Archives is served upon the Administrator of General Services, the Administrator will, so far as legally practicable, comply with such subpoena or demand by submitting authenticated copies of such records or material, or the original records or material if necessary unless he determines that disclosure of the information contained therein is contrary to

law or would prejudice the national interest or security of the United States. When such subpoena or demand is served upon any officer or employee of the General Services Administration other than the Administrator, he will, so far as legally practicable and unless otherwise directed by the Administrator, respectfully decline to produce such records or material on the ground that he does not have legal custody thereof, that he is without authority under these regulations to produce the same, and that the Administrator has not determined that disclosure is lawful and will not prejudice the national interest or security of the United States.

RUSSELL FORBES,
Acting Administrator

MARCH 24, 1953.

[F. R. Doc. 53-2672; Filed, Mar. 27, 1953; 8:50 a. m.]

PROPOSED RULE MAKING

DEPARTMENT OF AGRICULTURE

Production and Marketing Administration

[7 CFR Part 993]

[Docket No. AO 201-A 2]

HANDLING OF DRIED PRUNES PRODUCED IN CALIFORNIA

NOTICE OF HEARING WITH RESPECT TO PROPOSED AMENDMENTS TO MARKETING AGREEMENT AND ORDER, AS AMENDED

Pursuant to the Agricultural Marketing Agreement Act of 1937, as amended (7 U. S. C. 601 et seq.) and in accordance with the applicable rules of practice and procedure governing proceedings to formulate marketing agreements and marketing orders (7 CFR Part 900) notice is hereby given of a public hearing to be held in the conference room, second floor, 333 Fell Street, San Francisco, California, beginning at 9:30 a. m., P. S. T., April 14, 1953, with respect to proposed amendments to the marketing agreement and order, as amended (7 CFR, 1951 Supp. Part 993) regulating the handling of dried prunes produced in California. These proposed amendments have not received the approval of the Secretary of Agriculture.

The public hearing will be held for the purpose of receiving evidence with respect to the economic and marketing conditions relating to the proposed amendments which are hereinafter set forth, or appropriate modifications hereof.

The following amendments have been proposed by the Prune Administrative Committee, the administrative agency for the conducting of operations under the aforementioned marketing agreement and order, as amended (hereinafter referred to as "the order")

1. Amend the provisions of § 993.26 of the order to read as follows:

§ 993.26 *Selection.* Selection of members of the committee, and their respec-

tive alternates, shall be made by the Secretary, for the producer and handler groups from the nominations submitted for that purpose by the respective groups, except as otherwise provided in § 993.32, or from among other qualified persons, in the discretion of the Secretary, but such selection shall be made by the Secretary from the classes within each group and in the proportions set forth in § 993.28.

2. Amend the provisions of § 993.27 of the order to read as follows:

§ 993.27 *Eligibility.* Each producer member and alternate member of the committee nominated in accordance with the provisions of § 993.28 (a) (1) shall be, during his term of office, a producer in the district from which he is appointed, and shall not engage in the handling of prunes while he is a member or alternate member. Each producer member and alternate member of the committee nominated in accordance with the provisions of § 993.28 (a) (3) may be a producer in any district but he shall not engage in the handling of prunes while he is such member or alternate member. Each handler member and alternate member of the committee shall be either a handler of prunes or an employee or agent of a handler of prunes actually engaged in the handling of prunes while he is such member or alternate member.

3. Amend those parts of the provisions of § 993.28 (a) (1) of the order which relate to the descriptions of the seven independent producer districts to read as follows:

District No. 1. The counties of Modoc, Lassen, Plumas, Sierra, Butte, Sutter, Yuba, Nevada, and Placer.

District No. 2. The counties of Napa and Solano.

District No. 3. The counties of Mendocino, Lake, Sonoma, Marin, Del Norte, and Humboldt.

District No. 4. The counties of San Francisco, San Mateo, and Santa Cruz, and all

that portion of the territory in Santa Clara County west of a line described as follows: Beginning at the intersection of Alviso Road and San Francisco Bay in Alviso; thence south via Alviso Road to First Street in San Jose; thence south on said First Street to San Carlos Street in San Jose; thence west on San Carlos Street to Meridian Road; thence south on Meridian Road to Dry Creek Road; thence west on Dry Creek Road to the San Jose-Los Gatos Highway; thence southwesterly on the San Jose-Los Gatos Highway to Union Avenue, also known as Ware Avenue; thence south on Union Avenue, also known as Ware Avenue, along a straight line continuing to the Santa Cruz County line.

District No. 5. All of Alameda County and that part of Santa Clara County east and south of District No. 4, extending in a southerly direction to a straight line extending from along the main portion of the Cochran Road, northeasterly to the Stanislaus County line and southwesterly to the Santa Cruz County line.

District No. 6. The counties of San Benito, Monterey, and San Luis Obispo, and all of that portion of Santa Clara County not included in Districts No. 4 and No. 5.

District No. 7. All of the counties in the State of California not included in Districts No. 1 to No. 6, inclusive.

4. Amend the provisions of § 993.32 of the order to read as follows:

§ 993.32 *Vacancies.* In the event of any vacancy occasioned by the failure of any person selected as a member or alternate member of the committee to qualify, or, by the removal, resignation, disqualification, or death of any member or alternate member, a successor for such person's unexpired term shall be nominated within 60 calendar days after such vacancy occurs. Such nomination shall be made in the manner provided for in this subpart, insofar as applicable, except that nominations for independent producer member and alternate member positions may, at the discretion of the committee, be made to the committee by the incumbents of the remaining independent producer member positions.

5. Amend the provisions of § 993.34 of the order to read as follows:

§ 993.34 *Voting procedure and verbatim record.* Except as specifically otherwise provided in this section, all decisions of the committee shall be by majority vote of the members present and voting and a quorum must be present. A quorum shall consist of at least 12 members of whom at least eight must be producer members and at least four must be handler members. Except in case of emergency a minimum of five days advance notice must be given with respect to any meeting of the committee. In case of an emergency, to be determined within the discretion of the chairman of the committee, as much advance notice of a meeting as is practicable in the circumstances shall be given. The committee may vote by mail or telegram upon due notice to all members, but any proposition to be so voted upon first shall be explained accurately, fully, and identically by mail or telegram to all members. When any proposition is submitted for voting by such method, one dissenting vote shall prevent its adoption. Any recommendation submitted to the Secretary by the committee, pursuant to the requirements of §§ 993.41 through 993.45, §§ 993.48 through 993.50, or §§ 993.59 through 993.63, shall be on the basis of an affirmative vote by at least 75 percent of the members present: *Provided*, That, at least 11 members vote affirmatively on any such recommendation. The committee shall file with the Secretary, along with recommendations submitted to the Secretary pursuant to the requirements of §§ 993.41 through 993.45, §§ 993.48 through 993.50, or §§ 993.59 through 993.61, a verbatim record of those portions of its meeting relative to such requirements. Whenever the committee votes on any matter involving a recommendation to the Secretary, it shall report promptly to the Secretary the individual votes cast in connection therewith, and, in addition, the committee shall report to the Secretary the individual votes cast in connection with any other matter on which there is a roll call.

6. Amend the provisions of § 993.37 (f) of the order to read as follows:

(f) To submit to the Secretary not later than the fourth Tuesday of July of each year, a budget of its anticipated expenditures and the recommended rate of assessment for the ensuing crop year, and the supporting data therefor;

7. Amend § 993.41 of the order to read as follows:

§ 993.41 *Report of marketing policy.* Prior to the beginning of each crop year, the committee shall prepare and submit to the Secretary a report setting forth its marketing policy for the regulation of the handling of prunes in such crop year, pursuant to §§ 993.48 through 993.63. Such report shall include the data and information used by the committee in the formulation of such marketing policy. In developing the marketing policy, the committee shall give consideration to the following factors:

(a) The estimated tonnage of prunes from preceding crop years held by handlers;

(b) The estimated tonnage of prunes from preceding crop years held by producers and dehydrators;

(c) The estimated production of prunes in such crop year;

(d) An appraisal of the quality and size of prunes of the crop to be produced in such crop year;

(e) The estimated tonnage of prunes marketed in recent crop years in domestic commerce, segregated by uses;

(f) The estimated tonnage of prunes marketed in recent crop years in foreign commerce, segregated by countries or groups of countries in such a way as to indicate the variables, if any, in the tonnages marketed in each such country or group of countries under different pricing conditions;

(g) The current prices being received for prunes by producers, dehydrators, and handlers;

(h) The trend and level of consumer income;

(i) The estimated probable market requirements for prunes in such crop year in domestic commerce, segregated by uses;

(j) The estimated probable market requirements for prunes in such crop year in foreign commerce, segregated by countries or groups of countries in such a way as to reflect the apparent variables, if any, in such requirements under different pricing conditions;

(k) Such factors, in supplying foreign commerce, as may tend to directly affect, burden, and obstruct the normal channels of domestic commerce;

(l) Terms and conditions, including pricing formulae, for the sale of surplus tonnage that may be disposed of pursuant to the provisions of § 993.63 (b) (2) and a compensating payment calculated to equalize the burden among handlers, producers, and dehydrators of the expense incurred by the handlers effecting the disposition of surplus tonnage in accordance with said § 993.63 (b) (2)

(m) Such other factors as may have a bearing on the marketing of prunes.

8. Amend the provisions of § 993.42 of the order to read as follows:

§ 993.42 *Policy meeting.* The committee shall hold a meeting for the purpose of formulating and adopting the marketing policy for any crop year not later than the third Tuesday in June preceding the beginning of such crop year.

9. Amend the provisions of § 993.43 of the order to read as follows:

§ 993.43 *Time of submission.* The marketing policy report, together with the committee's recommendation pursuant to § 993.41 (l), for any crop year shall be submitted to the Secretary within ten days after the policy meeting specified in § 993.42.

10. Amend the provisions of § 993.45 of the order to read as follows:

§ 993.45 *Notice.* The committee shall give reasonable publicity through newspapers having general circulation in the area or reasonable notice through other channels, to producers, dehydrators, and handlers of the contents of each market-

ing policy report submitted to the Secretary and each report modifying or changing a marketing policy. Copies of all such reports shall be maintained in the offices of the committee where they shall be available for examination by producers, dehydrators, and handlers.

11. Amend the provisions of § 993.48 (c) of the order to read as follows:

(c) *Superseding regulation.* In case the committee should recommend to the Secretary that the initial minimum standards as to grade, as provided for in paragraph (b) of this section, should be superseded by other minimum standards as to grades and sizes, it shall submit its recommendation to the Secretary, together with the data and information upon which it acted in making such recommendation, including information as to factors affecting the supply of, and demand for, prunes by grades and sizes, and such other information as the Secretary may request. The Secretary shall issue such superseding regulation if he finds, upon the basis of the recommendation and supporting data submitted to him by the committee, or from other pertinent information available to him, that to do so would tend to effectuate the declared policy of the act. Any such superseding regulation, insofar as it applies to grades, shall not be below the applicable minimum standards for grades of natural condition prunes as set forth in § 993.97 (Exhibit A) and any such minimum standards for grades shall provide a maximum tolerance for total defects, and may provide a maximum tolerance for single defects or classes of defects. Any superseding regulations issued by the Secretary shall subsequently be modified, suspended, or terminated, in case he finds that the pertinent facts and circumstances so warrant; and the committee, in submitting any recommendation therefor to the Secretary, shall, in each instance, submit to him the information and data on the basis of which such recommendation is made. The committee shall promptly give reasonable publicity through newspapers having general circulation in the area or reasonable notice through other channels, to handlers, dehydrators, and producers of each recommendation submitted by it to the Secretary and of each superseding regulation issued by the Secretary. Such notice of each regulation issued shall include, but not be limited to, written notice by registered mail to all handlers of whom the committee has a record.

12. Amend the provisions of § 993.48 (e) of the order to read as follows:

(e) *Substandard natural condition prunes*—(1) *Producer's or dehydrator's options.* Any natural condition prunes tendered to a handler by a producer or dehydrator which fail to meet the applicable minimum standards as to grades and sizes, may: (i) At the producer's or dehydrator's option, be returned to such producer or dehydrator for sorting; or, (ii) by agreement between such producer and handler or dehydrator and handler, be received pursuant to the provisions of subparagraph (2) of this paragraph; or,

(iii) be turned over to the handler unsorted to be held by him, as substandard natural condition prunes, for the account of the committee. Any such substandard prunes, except as otherwise specifically provided, shall be treated the same as, and be subject to, the same provisions respecting surplus prunes, as contained in §§ 993.59 through 993.63, and, except those referred to in subparagraph (2) of this paragraph, shall be held by a handler separate and apart from any standard prunes held by him.

(2) *Equivalent quantity basis.* In the event a producer or dehydrator should elect to arrange with a handler for the receiving of substandard prunes tendered by him to such handler for sorting or disposing of such prunes unsorted in conformity with the provisions of this subpart, the inspection agency designated to make inspections of prunes shall issue, at the handler's expense, a certificate of appraisal on such prunes so tendered, which shall show the percentage thereof comprising offgrade prunes necessary to be removed therefrom for the remainder to be standard prunes. A quantity of prunes equivalent to the weight of such offgrade prunes represented by the application of such percentage to the total tonnage so appraised and certified shall be treated as substandard prunes and held as such for the account of the committee: *Provided*, That any prunes so treated as substandard prunes shall be in conformity with the applicable requirements as set forth in subparagraphs (3) and (4) of this paragraph. No certificate of inspection on such substandard natural condition prunes so tendered shall be required pursuant to this section after a certificate of appraisal has been issued applicable to such prunes.

(3) *Comparable size requirement of prunes treated as surplus substandard prunes.* The weighted average size count of substandard prunes of a size count of 121 or less prunes per pound which are held for the account of the committee by a handler on the equivalent quantity basis prescribed in subparagraph (2) of this paragraph shall not exceed by more than five prunes per pound, when delivered to the committee the weighted average size count of such offgrade prunes in appraisal lots as shown on the applicable certificates of appraisal issued to the handler for that crop year. The weighted average size count of substandard prunes of a size count of 121 or less prunes per pound, which are turned over to a handler unsorted to be held by him as substandard prunes, for the account of the committee, shall be no greater when delivered to the committee than the weighted average size count of such offgrade prunes as shown on the applicable certificates of inspection issued to the handler for that crop year, except for such tolerance allowances in connection with shrinkage in weight as the committee may establish. Any substandard prunes of a size count of 122 or more prunes per pound, whether received as such or in appraisal lots, which are held for the account of the committee by a handler shall have no limitation with respect to the weighted average size count thereof when deliv-

ered to the committee: *Provided*, That such substandard prunes shall be treated as a size category separate and apart from any other substandard prunes held by the handler, and when delivered to the committee, the weighted average size count thereof shall not be averaged in with nor affect the weighted average size count of any other substandard prunes which the handler delivers to the committee.

(4) *Special provisions for the receiving, holding and delivery of prunes excessively affected by the defects of mold, imbedded dirt, insect infestation, and decay.* Whenever a certificate of inspection applicable to substandard prunes turned over to a handler unsorted as substandard natural condition prunes, or whenever a certificate of appraisal shows that, if the quantity of substandard prunes to which such certificate applies were to have all defective prunes removed therefrom, such defective prunes would fail to meet the applicable minimum standards set forth in § 993.97 (Exhibit A) as they relate to the defects of mold, imbedded dirt, insect infestation, and decay a quantity of prunes equivalent to the quantity necessary to be removed from the total tonnage shown on the applicable certificate in order for the remainder to be standard prunes shall be held by the handler for delivery to the committee for disposition only in accordance with the provisions of § 993.63 (g)

13. Amend the provisions of § 993.49 (c) of the order to read as follows:

(c) *Superseding regulation.* In case the committee should recommend to the Secretary that the initial minimum standards as to grade, as provided for in paragraph (b) of this section, should be superseded by other minimum standards as to grades and sizes, it shall submit its recommendation to the Secretary together with the data and information upon which it acted in making such recommendation, including information as to factors affecting the supply of, and demand for, prunes by grades and sizes, and such other information as the Secretary may request. The Secretary shall issue such superseding regulation if he finds, upon the basis of the recommendation and supporting data submitted to him by the committee, or from other pertinent information available to him, that to do so would tend to effectuate the declared policy of the act. Any such superseding regulation, insofar as it applies to grades, shall not be below the applicable minimum standards for grades of standard prunes or standard processed prunes, as set forth in § 993.97 (Exhibit A) and any such minimum standards for grades shall provide a maximum tolerance for total defects, and may provide a maximum tolerance for single defects or classes of defects. Any superseding regulation issued by the Secretary may subsequently be modified, suspended, or terminated in case he finds that the pertinent facts and circumstances so warrant, and the committee, in submitting any recommendation therefor to the Secretary shall, in each instance, submit to him the information and data on the basis of which

such recommendation is made: *Provided*, That, at all times, the regulation shall be comparable so far as practicable, to the then current regulation in effect with respect to the receiving of natural condition prunes by handlers from producers or dehydrators. The committee shall promptly give reasonable publicity through newspapers having general circulation in the area or reasonable notice through other channels to handlers, dehydrators, and producers of each recommendation submitted by it to the Secretary and of each superseding regulation issued by the Secretary. Such notice of each regulation issued shall include, but not be limited to, written notice by registered mail to all handlers of whom the committee has a record.

14. Amend the provisions of § 993.50 of the order to read as follows:

§ 993.59 *Salable and surplus percentages—(a) Method of establishment.* (1) After considering all available information and factors used in formulating the marketing policy, the committee, not later than the third Tuesday of July in any crop year, shall recommend to the Secretary the establishment of a salable percentage and a surplus percentage during the crop year for which the marketing policy has been developed. Whenever the Secretary finds from the recommendation and information submitted by the committee, or from other available information, that to establish a salable percentage and surplus percentage of prunes for any crop year would tend to effectuate the declared policy of the act, he shall so establish such percentages. The total of the salable and surplus percentages fixed each crop year shall equal 100 percent. The salable and surplus percentages fixed for any crop year shall remain in full force and effect throughout the remainder of that crop year and during the following crop year until such percentages are fixed for the following crop year.

(2) The committee shall promptly give reasonable publicity through newspapers having general circulation in the area or reasonable notice through other channels to handlers, dehydrators and producers of each recommendation submitted by it to the Secretary and of any such percentages made effective by the Secretary.

(3) Such notice of the percentages made effective by the Secretary shall include, but not be limited to, written notice by registered mail to all handlers of whom the committee has a record.

(b) *Special conditions under which probable market requirements for prunes in foreign commerce may be excluded, in whole or in part, from the estimates upon which the salable percentage is based.* In the event the committee determines that, based upon then existing conditions, the total estimated supply of prunes in any crop year will exceed the total probable market requirements in domestic and foreign commerce for such crop year, to such an extent that to include all of such probable market requirements in the estimates upon which the salable percentage is based would not tend to effectuate the declared policy of the act, the committee may recommend

a salable percentage which excludes the estimated market requirements for prunes of any foreign country, or any group of foreign countries, designated by the committee in its recommendation: *Provided*, That the committee, in formulating its marketing policy, has determined that the market requirements for prunes of such country or group of countries, based on the factors expressed in paragraphs (f) (j) and (k) of § 993.41 and the projections derived therefrom, can be increased, to an extent sufficient to tend to effectuate the declared policy of the act, if such market requirements are supplied pursuant to the provisions of §§ 993.41 (l) and 993.63 (b) (2) *And provided further* That any disapproval relative to the committee's recommendation pursuant to said § 993.41 (l) that may have been registered by the Secretary shall have been removed prior to the time the committee makes its recommendation pursuant to the requirements of this paragraph.

15. Amend the provisions of § 993.63 (b) of the order to read as follows:

(b) *Sales for export*—(1) *Countries included in estimate of salable percentage*. In the event it appears that the total salable tonnage is not, or will not be, sufficient to meet the estimated domestic and foreign requirements due to the expansion of foreign markets in countries which were included in the estimates upon which the salable percentage was based, to a greater extent than was anticipated at the time the salable percentage was recommended to the Secretary, the committee may offer to sell, and sell, to handlers for resale, surplus standard prunes sufficient to meet such deficiency in the salable tonnage. The quantity of prunes included in any offer to sell to individual handlers shall be in such proportion as the committee determines will effect equity among all handlers. Prior to making any offer, the committee shall determine the price at which the prunes included in such offer shall be sold, taking into consideration all factors and conditions affecting the marketing of prunes at the time of such offer and establishing a price consistent with such factors and conditions.

(2) *Countries not included in estimate of salable percentage*. In any crop year in which the estimated market requirements of a foreign country or group of foreign countries are excluded from the estimates upon which the salable percentage is based, the committee shall offer to sell, and sell, to handlers a quantity of surplus standard prunes not greater than the quantity of prunes sold and shipped by all handlers for use in, or shipment to, such country or group of countries during such crop year, calculated on the basis of natural condition weight. At the end of each month, or at the end of any period shorter than a month that the committee may establish, to the extent that surplus standard prunes are available and uncommitted, the committee shall offer a quantity thereof equivalent to the quantity of prunes, calculated on the basis of natural

condition weight, sold by all handlers for use in, or shipment to, such foreign country or group of foreign countries during the period just ended. Any cancellation of a sale in, or for shipment to, such foreign country or group of foreign countries shall be adjusted in the period or periods immediately following such cancellation by reducing the tonnage subsequently offered by the amount of tonnage included in such cancelled sale. In any offer by the committee to sell surplus standard prunes to handlers pursuant to this subparagraph, each handler shall be given the first opportunity to purchase his share of the offer, which share shall be determined as the same proportion that the respective surplus tonnage held by him is of the total surplus tonnage held by all handlers. In the event that any handler declines or fails to purchase any or all of his share of such offer, the remaining portion thereof shall be reoffered by the committee to all handlers who purchased all of their respective shares of such offer, in proportion to their respective shares. Any such sales to handlers shall be made in accordance with terms and conditions, including pricing formulae, approved by the committee at its marketing policy meeting for such crop year, or in accordance with such amendments thereto as may be in effect at the time of the sale. The committee shall withhold from the proceeds from each pound of prunes it sells to handlers pursuant to this subparagraph an amount equal to that established by the committee as the compensating payment calculated to equalize the burden of the expense incurred by handlers in supplying the market requirements of a foreign country or group of foreign countries excluded from the estimates upon which the salable percentage for such crop year was based and thereby effecting disposition of surplus tonnage in accordance with the provisions of this subparagraph. The funds so withheld shall be distributed among handlers, each handler to share in such distribution in the proportion that the total tonnage sold and shipped by him for use in, or shipment to, such foreign country or group of foreign countries during such crop year is to the total tonnage sold and shipped by all handlers for use in, or shipment to, such foreign country or group of foreign countries during such crop year.

(3) *Countries estimated to have no probable market requirements*. In case a handler, during any crop year, sells a quantity of prunes for shipment to and for use in a foreign country which, at the time the salable and surplus percentages for such crop year were recommended, the committee estimated would have no probable market requirement, the committee may, upon adequate proof of such sale, offer to sell, and sell, to such handler a quantity of surplus standard prunes, held by him for the account of the committee, and uncommitted, equivalent to the quantity so sold for use in such foreign country calculated on the basis of natural condition weight. Prior to making any offer, the committee shall determine the price at which the prunes included in

such offer shall be sold, taking into consideration the price received for the quantity of salable tonnage prunes sold for use in such country by the handler, together with other factors and conditions affecting the marketing of prunes at the time of such offer. The committee may also sell direct to such a foreign market surplus standard prunes or surplus standard processed prunes for use in the foreign country in which such market develops if it determines that the sale cannot reasonably be made by handlers from salable tonnage. Any such direct sale by the committee may be made at a negotiated price.

(4) *Notice to Secretary of proposed sales for export*. The committee shall file with the Secretary, by telegram or air mail letter, seven calendar days prior to making any offer to sell under either subparagraph (1) or subparagraph (3) of this paragraph, surplus standard prunes or surplus standard processed prunes pursuant to this paragraph, complete information with respect thereto, including the basis for such proposal. The Secretary shall have the right to disapprove, within such seven-day period, the making of such an offer or any term or condition thereof. No such notice of individual offers under subparagraph (2) of this paragraph shall be required: *Provided*, That the Secretary has been given seven calendar days in which to disapprove any recommendation submitted by the committee pursuant to § 993.41 (l)

16. Amend the provisions of § 993.63 (e) (2) of the order to read as follows:

(2) *Manufacturing outlets not included in estimate of salable percentage*. The committee may offer to sell, and sell, to any handler, a quantity of surplus standard prunes for any manufacturing use, which manufacturing use was not included in the estimates upon which the salable percentage was based either because it was considered to have no probable market requirement or because it was not considered in any way by the committee, in the event of proof of demand for such quantity for such purpose. Such sale may be made at a negotiated price. The committee shall require proof that any standard prunes so sold were used for the purpose for which they were sold.

17. Amend the provisions of § 993.63 of the order by adding, immediately after paragraph (f) thereof, a new paragraph (g) to read as follows:

(g) *Sales of substandard prunes acquired pursuant to the provisions of § 993.43 (e) (4)* Notwithstanding any other provisions of this section, substandard prunes delivered to the committee pursuant to any of the provisions of § 993.43 (e) (4) shall be disposed of by the committee, to persons other than handlers, for animal feed, for distillation, or for any use other than for human consumption. The committee is hereby authorized to exercise such supervision as may be reasonably necessary to insure that such prunes are utilized for a purpose permitted herein. Such sales may be made at negotiated prices.

18. Renumber §§ 993.63 (g) (h) (i) and (j) of the order to read, respectively, §§ 993.63 (h) (i) (j) and (k)

19. Amend the provisions of § 993.63 of the order by adding, immediately after present paragraph (j) (amended paragraph (k)) a new paragraph (l) to read as follows:

(1) *Hypothecation of surplus sales commitments.* The committee may hypothecate surplus sales contracts or other documented surplus sales commitments to commercial banks, or other financial institutions, including government agencies, for the purpose of obtaining funds for the distribution of proceeds of sales of surplus tonnage in accordance with the provisions of paragraph (i) (proposed amended paragraph (j)) of this section: *Provided*, That any recourse thereon shall be limited to such contracts or commitments and the sales proceeds derived thereunder. No member or alternate member of the committee, nor any organization represented by such member or alternate member, nor any employee or agent of the committee or the Secretary shall be personally liable for the payment or repayment of any funds derived from such hypothecation.

20. Amend the provisions of § 993.73 of the order to read as follows:

§ 993.73 *Reports of prices.* Each handler shall file with the committee such price reports as may be requested by the committee, showing the weighted average price paid by such handlers to producers and dehydrators for each size of prunes and the quantity purchased at each such price, to enable the committee to determine the average price received by producers for the purposes set forth in § 993.63.

21. Amend the provisions of § 993.81 of the order to read as follows:

(c) *Use and refund of excess funds from assessments.* Any money collected as assessments during any crop year and not expended in connection with the respective crop year's operations hereunder may be used and shall be refunded by the committee in accordance with the provisions hereof. Such excess funds may be used by the committee during the period of five months subsequent to such crop year in paying the expenses of the committee incurred in connection with the new crop year. The committee shall, however, from funds on hand, including assessments, collected during the new crop year, distribute or otherwise make available, within six months after the beginning of the new crop year, the aforesaid excess, as verified by audit, to each handler from whom an assessment was collected, as aforesaid, in the proportion that the amount of the assessment paid by the respective handler bears to the total amount of the assessments paid by all handlers during said crop year. Any money collected from assessments hereunder and remaining unexpended in the possession of the committee upon the termination hereof shall be distributed in such manner as the Secretary may direct.

22. Amend the provisions of § 993.97 of the order to read as follows:

§ 993.97 *Exhibit A, minimum standards.*

I. Minimum standards for natural condition prunes:

A. *Defects.* Defects are: (1) Off-color; (2) inferior meat condition; (3) end cracks; (4) fermentation; (5) skin or flesh damage; (6) scab; (7) burned; (8) mold; (9) imbedded dirt; (10) insect infestation; (11) decay.

B. *Explanation of terms.* (1) "Off-color" means a dull color or skin differing noticeably in appearance from that which is characteristic of mature, properly handled fruit of a given variety or type.

(2) "Inferior meat condition" means flesh which is fibrous, woody or otherwise inferior due to immaturity to the extent that the characteristic texture of the meat is substantially affected.

(3) "End cracks" means callous growth cracks, at the blossom end of prunes, aggregating more than three-eighths of one inch ($\frac{3}{8}$ "') but not more than one-half of one inch ($\frac{1}{2}$ "') in length.

(4) "Fermentation" means damage to the flesh by fermentation to the extent that the characteristic appearance or flavor is substantially affected.

(5) "Skin or flesh damage" means growth cracks, splits, breaks in skin or flesh of the following descriptions:

(a) Callous growth cracks, except end cracks as defined in this section, aggregating three-eighths of one inch ($\frac{3}{8}$ "') in length;

(b) Splits or skin breaks exposing flesh and affecting materially the normal appearance of the prunes;

(c) Any cracks, splits or breaks open to the pit;

(d) Healed or unhealed surface or flesh blemishes caused by insect injury and which materially affect appearance, edibility or keeping quality;

(e) Skin damage caused by rain or over-dipping to the extent that the prunes cannot be processed normally without material sloughing of the skin.

(6) "Scab" means tough or thick scab exceeding in the aggregate the area of a circle three-eighths of one inch ($\frac{3}{8}$ "') in diameter or by unsightly scab of another character exceeding in the aggregate the area of a circle three-fourths of one inch ($\frac{3}{4}$ "') in diameter.

(7) "Burned" means injury by sunburn or excessive heat in dehydration to the extent that the characteristic appearance, flavor or edibility of the fruit is noticeably affected.

(8) "Mold" means a characteristic fungus growth and is self-explanatory.

(9) "Imbedded dirt" means the presence of dirt or other extraneous material so imbedded in, or adhering to, the prune that it cannot be removed in normal processing.

(10) "Insect infestation" means the presence of insects, insect fragments or insect remains.

C. *Maximum tolerances.* Tolerance allowances shall be on a weight basis and shall not exceed the following:

(1) The tolerance allowance for decay shall not exceed one percent (1%).

(2) The combined tolerance allowance for mold, imbedded dirt, insect infestation, and decay shall not exceed five percent (5%).

(3) The combined tolerance allowance for fermentation, skin, or flesh damage, scab, burned, mold, imbedded dirt, insect infestation, and decay shall not exceed eight percent (8%).

(4) The combined tolerance allowance for end cracks, fermentation, skin or flesh damage, scab, burned, mold, imbedded dirt, insect infestation, and decay shall not exceed ten percent (10%) except that the first eight percent (8%) of end cracks shall be given one-half value and any additional percentage of end cracks shall be given full value.

(5) The combined tolerance allowance for off-color, inferior meat condition, end cracks, fermentation, skin or flesh damage, scab,

burned, mold, imbedded dirt, insect infestation, and decay shall not exceed twenty percent (20%), except that the first eight percent (8%) of end cracks shall be given one-half value and any additional percentage of end cracks shall be given full value.

(6) Prunes showing obvious live insect infestation shall be fumigated prior to acceptance.

D. Natural condition prunes must be properly dried and cured in original natural condition, without the addition of water, and free from active infestation, so that they are capable of being received, stored and packed without deterioration or spoilage.

II. Minimum standards for processed prunes:

A. *Defects.* Defects are: (1) Off-color; (2) inferior meat condition; (3) end cracks; (4) fermentation; (5) skin or flesh damage; (6) scab; (7) burned; (8) mold; (9) imbedded dirt; (10) insect infestation; (11) decay.

B. *Explanation of terms.* (1) "Off-color" means a dull color or skin differing noticeably in appearance from that which is characteristic of mature, properly handled fruit of a given variety or type.

(2) "Inferior meat condition" means flesh which is fibrous, woody or otherwise inferior due to immaturity to the extent that the characteristic texture of the meat is substantially affected.

(3) "End cracks" means callous growth cracks, at the blossom end of prunes, aggregating more than three-eighths of one inch ($\frac{3}{8}$ "') but not more than one-half of one inch in length.

(4) "Fermentation" means damage to the flesh by fermentation to the extent that the characteristic appearance or flavor is substantially affected.

(5) "Skin or flesh damage" means growth cracks, splits, breaks in skin or flesh of the following descriptions:

(a) Callous growth cracks, except end cracks as defined in this section, aggregating three-eighths of one inch ($\frac{3}{8}$ "') in length;

(b) Splits or skin breaks exposing flesh and materially affecting the normal appearance of French prunes; or markedly affecting the normal appearance of varieties other than the French variety;

(c) Any cracks, splits or breaks open to the pit;

(d) Healed or unhealed surface or flesh blemishes caused by insect injury and which materially affect appearance, edibility or keeping quality.

(6) "Scab" means tough or thick scab exceeding in the aggregate the area of a circle three-eighths of one inch ($\frac{3}{8}$ "') in diameter or by unsightly scab of another character exceeding in the aggregate the area of a circle three-fourths of one inch ($\frac{3}{4}$ "') in diameter.

(7) "Burned" means injury by sunburn or excessive heat in dehydration to the extent that the characteristic appearance, flavor or edibility of the fruit is noticeably affected.

(8) "Mold" means a characteristic fungus growth and is self-explanatory.

(9) "Imbedded dirt" means the presence of dirt or other extraneous material so imbedded in, or adhering to, the prune that it cannot be readily removed in washing the fruit.

(10) "Insect infestation" means the presence of insects, insect fragments or insect remains.

C. *Maximum tolerances.* Tolerance allowances shall be on a weight basis and shall not exceed the following:

(1) There shall be no tolerance allowance for live insect infestation.

(2) The tolerance allowance for decay shall not exceed one percent (1%).

(3) The combined tolerance allowance for mold, imbedded dirt, insect infestation, and decay shall not exceed five percent (5%).

(4) The combined tolerance allowance for fermentation, skin or flesh damage, scab,

burned, mold, imbedded dirt, insect infestation, and decay shall not exceed eight percent (8%).

(5) The combined tolerance allowance for end cracks, fermentation, skin or flesh damage, scab, burned, mold, imbedded dirt, insect infestation, and decay shall not exceed ten percent (10%) except that the first eight percent (8%) of end cracks shall be given one-half value and any additional percentage of end cracks shall be given full value.

(6) The combined tolerance allowance for off-color, inferior meat condition, end cracks, fermentation, skin or flesh damage, scab, burned, mold, imbedded dirt, insect infestation, and decay shall not exceed twenty percent (20%) except that the first eight percent (8%) of end cracks shall be given one-half value and any additional percentage of end cracks shall be given full value.

The following amendment has been proposed by certain independent producers of dried prunes in California.

23. Amend the provisions of that portion of § 993.28 (a) (1) of the order which precedes the delineation of districts, to read as follows:

(1) *Independent producers.* One nominee for member on the committee and one nominee for alternate member shall be nominated to the Secretary by plurality vote in elections, in which only producers who are not members of a cooperative marketing association shall participate, conducted as hereinafter provided. The committee shall cause a nomination meeting to be held in each of the seven districts in the State of California, which are described below in this subparagraph, in each election year prior to March 1 for the purposes of selecting candidates for the member and alternate member positions of the respective district. Such candidates, to qualify for nomination, shall be producers in the district in which they are nominated. Prior to March 15 of such election year, the committee shall mail to each producer of record with the committee a ballot, segregated by districts, which shall contain the names of all candidates, selected at such nomination meetings, for such member and al-

ternate member positions with provision for write-in candidates for each district in such ballot. Each such producer shall be entitled to cast only one vote for member nominee and only one vote for alternate member nominee in a district in which he is a producer, and no producer shall vote for candidates in more than one district. In case a producer is a producer in more than one district, he shall elect in which of such districts he will cast his vote. In order to be counted, such ballot shall be returned to the committee postmarked not later than March 31 of the election year.

The following amendment has been proposed by certain independent handlers of dried prunes in California:

24. Amend the provisions of § 993.28 (b) of the order to read as follows:

(b) *Handler nominees.* Of the seven handler members, two shall be selected from and represent each of the three following divisions of handlers: (1) Handlers doing business as cooperative marketing associations; (2) handlers who are not cooperative marketing associations (referred to in this subpart as "independent handlers"), each of whom handled during the preceding crop year as the first handlers thereof, 17 or more percent of the total tonnage handled by independent handlers as the first handlers thereof; and (3) independent handlers, each of whom handled during the preceding crop year as the first handlers thereof, less than 8 percent of the total tonnage handled by independent handlers as the first handlers thereof. The seventh handler member shall be selected from and represent independent handlers, each of whom handled during the preceding crop year as the first handlers thereof more than 8 percent but less than 17 percent of the total tonnage handled by independent handlers as the first handlers thereof. The committee shall call a general meeting of independent handlers prior to March 31 in each election year for the purpose of electing independent handler member nominees

and independent handler alternate member nominees to represent the three groups of independent handlers herein described. At such meeting, nominations shall be made by each class of independent handlers for nominees of that class, on the basis of a majority vote of all handler members of that class present and participating in the voting and on the further basis of one vote for each handler in each class in each balloting for nominees of that class. Prior to March 31 of each election year, the cooperative marketing associations handling prunes shall nominate to the Secretary the handler member nominees and handler alternate member nominees who shall represent such cooperative marketing associations for the ensuing term.

The following amendment is proposed by the Fruit and Vegetable Branch, Production and Marketing Administration, United States Department of Agriculture:

25. Make such other changes in the marketing agreement and order as may be necessary to make the entire marketing agreement and order conform with any amendments thereto which may result from this hearing.

Copies of this notice of hearing may be obtained from the Hearing Clerk, Room 1353, South Building, United States Department of Agriculture, Washington 25, D. C., or may be there inspected, or from the San Francisco Marketing Field Office, Fruit and Vegetable Branch, Production and Marketing Administration, United States Department of Agriculture, 333 Fell Street, San Francisco 2, California.

Issued at Washington, D. C., this 25th day of March 1953.

[SEAL] ROY W. LERNARTSON,
Assistant Administrator,
Production and Marketing Administration.

[F. R. Doc. 53-2678; Filed, Mar. 27, 1953; 8:52 a. m.]

NOTICES

DEPARTMENT OF THE INTERIOR

Bureau of Land Management

[Arizona Dist. No. 4, Amdt. 1].

[New Mexico Dist. No. 3, Amdt. 2]

ARIZONA AND NEW MEXICO

MODIFICATION OF GRAZING DISTRICTS

MARCH 24, 1953.

Under and pursuant to the authority vested in the Secretary of the Interior by the act of June 28, 1934 (48 Stat. 1269: 43 U. S. C. 315 et seq.) as amended, known as the Taylor Grazing Act, and in accordance with Departmental Order No. 2583 of August 16, 1950, sec. 2.22, 15 F. R. 5643, the following-described lands are excluded from New Mexico Grazing District No. 3, as heretofore established and modified (Misc. 1609198)

and added to Arizona Grazing District No. 4, as heretofore established and modified (Misc. 1633262)

NEW MEXICO PRINCIPAL MERIDIAN

T. 20 S., R. 19 W.,

Sec. 27, W $\frac{1}{2}$,
Secs. 28 to 33, inclusive;
Sec. 34, W $\frac{1}{2}$.

T. 21 S., R. 19 W.,

Secs. 4 to 9, inclusive.

T. 16 S., R. 20 W.,

Sec. 18, S $\frac{1}{2}$, E $\frac{1}{2}$ NW $\frac{1}{4}$, SW $\frac{1}{4}$ NW $\frac{1}{4}$,
Secs. 19, 30, and 31.

T. 17 S., R. 20 W.,

Sec. 4, E $\frac{1}{2}$, E $\frac{1}{2}$ W $\frac{1}{2}$, W $\frac{1}{2}$ SW $\frac{1}{4}$;

Sec. 5, S $\frac{1}{2}$.

Secs. 6 to 9, inclusive;

Secs. 17 to 21, inclusive;

Sec. 22, N $\frac{1}{2}$ NW $\frac{1}{4}$, SW $\frac{1}{4}$ NW $\frac{1}{4}$, NW $\frac{1}{4}$ SW $\frac{1}{4}$;

Sec. 28, N $\frac{1}{2}$, NW $\frac{1}{4}$ SW $\frac{1}{4}$;

Sec. 29, N $\frac{1}{2}$, N $\frac{1}{2}$ SE $\frac{1}{4}$, NE $\frac{1}{4}$ SW $\frac{1}{4}$;

Secs. 30 and 31.

T. 18 S., R. 20 W.,

Sec. 6, W $\frac{1}{2}$, W $\frac{1}{2}$ NE $\frac{1}{4}$.

Sec. 7, W $\frac{1}{2}$,
Sec. 18, W $\frac{1}{2}$ NW $\frac{1}{4}$, NW $\frac{1}{4}$ SW $\frac{1}{4}$.
T. 19 S., R. 20 W.,

Sec. 7, SW $\frac{1}{4}$, SW $\frac{1}{4}$ SE $\frac{1}{4}$.
Sec. 17, S $\frac{1}{2}$, SW $\frac{1}{4}$ NW $\frac{1}{4}$.
Secs. 18 to 20, inclusive;
Sec. 21, W $\frac{1}{2}$ SW $\frac{1}{4}$, SE $\frac{1}{4}$ SW $\frac{1}{4}$.
Sec. 27, W $\frac{1}{2}$ W $\frac{1}{2}$, SE $\frac{1}{4}$ SW $\frac{1}{4}$.
Secs. 28 to 33, inclusive;
Sec. 34, W $\frac{1}{2}$, W $\frac{1}{2}$ SE $\frac{1}{4}$.

T. 20 S., R. 20 W.,

Sec. 3, W $\frac{1}{2}$, W $\frac{1}{2}$ E $\frac{1}{2}$, NE $\frac{1}{4}$ SE $\frac{1}{4}$.
Secs. 4 to 9, inclusive;
Sec. 10, W $\frac{1}{2}$, W $\frac{1}{2}$ E $\frac{1}{2}$.
Sec. 15, W $\frac{1}{2}$, W $\frac{1}{2}$ E $\frac{1}{2}$.
Secs. 16 to 21, inclusive;
Sec. 22, W $\frac{1}{2}$, W $\frac{1}{2}$ E $\frac{1}{2}$.
Secs. 25 to 30, inclusive.

T. 21 S., R. 20 W.,

Secs. 1 to 31, inclusive;
Sec. 32, NW $\frac{1}{4}$, N $\frac{1}{2}$ SW $\frac{1}{4}$, SW $\frac{1}{4}$ SW $\frac{1}{4}$.
W $\frac{1}{2}$ NE $\frac{1}{4}$, NE $\frac{1}{4}$ NE $\frac{1}{4}$.
Sec. 33, N $\frac{1}{2}$, NE $\frac{1}{4}$ SE $\frac{1}{4}$.
Sec. 34;

[Docket No. DA-116]

WASHINGTON

RESTORATION ORDER UNDER FEDERAL
POWER ACT

Pursuant to determination DA-116, Washington, of the Federal Power Commission and in accordance with order No. 427, Sec. 2.22 (a) (4) of the Director, Bureau of Land Management, approved August 16, 1950, 15 F. R. 5461, it is order as follows:

Subject to valid existing rights and the provisions of existing withdrawals the lands hereinafter described so far as they are withdrawn and reserved for power purposes are hereby restored to location and entry for mining purposes only, subject to the provisions of section 24 of the Federal Power Act of June 10, 1920 (41 Stat. 1075; 16 U. S. C. sec. 818) as amended, and subject to the reservation and stipulation that if and when the lands are required wholly or in part for purposes incident to power development, including the location of roads and power lines over and across the lands, all structures, machinery or improvements placed thereon, which shall be found to interfere with such development shall be removed or relocated so as to eliminate interference with power development, without cost or expense to the United States or its permittees or licensees and subject to the further stipulation that the United States or its permittees or licensees shall not be subject to any suit or claim for damages to any mining operations, structures, machinery or improvements placed thereon resulting from the construction operation or maintenance of any power development authorized by the United States.

WASHINGTON

T. 36 N., R. 11 E., W.M.,
Sec. 16, SE $\frac{1}{4}$ SE $\frac{1}{4}$,
Sec. 21, NE $\frac{1}{4}$ NE $\frac{1}{4}$.

The areas described aggregate 80 acres. The lands are located in the vicinity of the Skagit River and within the Mt. Baker National Forest.

This order shall become effective on publication in the FEDERAL REGISTER at which time the lands described will be available for location and entry under the United States mining laws, subject to the reservations, stipulations and conditions herein provided.

ROSCOE E. BELL,
Regional Administrator

[F. R. Doc. 53-2671; Filed, Mar. 27, 1953;
8:50 a. m.]

DEPARTMENT OF COMMERCE

Federal Maritime Board

GRACE LINE, INC., ET AL.

NOTICE OF AGREEMENTS FILED FOR APPROVAL

Notice is hereby given that the following described agreements have been filed with the Board for approval pursuant to section 15 of the Shipping Act, 1916, as amended.

(1) Agreement No. 7796-4 between Grace Line Inc., and Cia. Sud-Americana de Vapores (Chilean Lane) modifies pool-

ing Agreement No. 7796 in the trade between U. S. Atlantic ports and Chilean ports, to provide that prior to pooling a handling charge of \$14.00 rather than \$11.00, per revenue ton, is to be deducted from the gross freight earnings on all southbound pool tonnage, and that a handling charge of \$8.50 rather than \$7.50, per revenue ton, is to be deducted from the gross freight earnings on all northbound pool tonnage.

(2) Agreement No. 7797-2 between Cia. Sud-Americana de Vapores (Chilean Lane) and Gulf & South American Steamship Co., Inc., modifies pooling Agreement No. 7797 in the trade from U. S. Gulf ports to Chilean ports, to provide that prior to pooling a handling charge of \$10.00, rather than \$8.00 per revenue ton, is to be deducted from the gross freight earnings on all pool tonnage.

(3) Agreement No. 7855, between the carriers comprising the Java Pacific & Hoegh Lines Joint Service and Waterman Steamship Corporation, covers the transportation of cargo under through bills of lading from Siam, Indo-China, and the Philippine Islands to Puerto Rico, with transshipment at specified U. S. Pacific Coast ports.

(4) Agreement No. 7855-1 modifies the above identified agreement so that it will cover the trade from Iran, Iraq, Pakistan, India, Ceylon, Burma, Thailand, Malaya, Indonesia, and the Philippine Islands to Puerto Rico, with transshipment at specified U. S. Pacific Coast ports.

Interested parties may inspect these agreements and obtain copies thereof at the Regulation Office, Federal Maritime Board, Washington, D. C., and may submit, within 20 days after publication of this notice in the FEDERAL REGISTER, written statements with reference to any of the agreements and their position as to approval, disapproval, or modification, together with request for hearing should such hearing be desired.

Dated: March 25, 1953.

By order of the Federal Maritime Board.

[SEAL] A. J. WILLIAMS,
Secretary.

[F. R. Doc. 53-2673; Filed, Mar. 27, 1953;
8:51 a. m.]

DEPARTMENT OF LABOR

Wage and Hour Division

LEARNER EMPLOYMENT CERTIFICATES

ISSUANCE TO VARIOUS INDUSTRIES

Notice is hereby given that pursuant to section 14 of the Fair Labor Standards Act of 1938, as amended (52 Stat. 1068, as amended; 29 U. S. C. and Sup. 214), and Part 522 of the regulations issued thereunder (29 CFR Part 522), special certificates authorizing the employment of learners at hourly wage rates lower than the minimum wage rates applicable under section 6 of the act have been issued to the firms listed below. The employment of learners under these certificates is limited to the terms and conditions therein contained and is subject to the provisions of Part 522. The effect-

Sec. 35, N $\frac{1}{2}$, N $\frac{1}{2}$ SW $\frac{1}{4}$.

Sec. 36, N $\frac{1}{2}$ NW $\frac{1}{4}$, SW $\frac{1}{4}$ NW $\frac{1}{4}$.

T. 22 S., R. 20 W.,

Sec. 3, NW $\frac{1}{4}$ NE $\frac{1}{4}$, NE $\frac{1}{4}$ NW $\frac{1}{4}$ (lots 2 and 3).

T. 16 S., R. 21 W.,

Secs. 2 to 11, inclusive;

Sec. 12, W $\frac{1}{2}$, W $\frac{1}{2}$ E $\frac{1}{2}$.

Sec. 13, W $\frac{1}{2}$, W $\frac{1}{2}$ E $\frac{1}{2}$, E $\frac{1}{2}$ SE $\frac{1}{4}$, SE $\frac{1}{4}$ NE $\frac{1}{4}$.

Secs. 14 to 36, inclusive.

T. 17 S., R. 21 W.,

T. 18 S., R. 21 W.,

Secs. 1 to 22, inclusive;

Sec. 23, N $\frac{1}{2}$.

Sec. 24, NW $\frac{1}{4}$, W $\frac{1}{2}$ NE $\frac{1}{4}$.

Secs. 27 to 34, inclusive;

Sec. 35, S $\frac{1}{2}$.

T. 19 S., R. 21 W.,

Secs. 2 to 11, inclusive;

Sec. 12, W $\frac{1}{2}$, SE $\frac{1}{4}$, S $\frac{1}{2}$ NE $\frac{1}{4}$.

Secs. 13 to 36, inclusive.

T. 20 S., R. 21 W.,

T. 21 S., R. 21 W.,

T. 22 S., R. 21 W.,

Secs. 6 and 7;

Secs. 18 and 19;

Sec. 30, W $\frac{1}{2}$.

T. 23 S., R. 21 W.,

Secs. 30 and 31.

T. 25 S., R. 21 W.,

Secs. 6 and 7;

Secs. 16 to 21, inclusive;

Sec. 27, W $\frac{1}{2}$,

Secs. 28 to 33, inclusive;

Sec. 34, W $\frac{1}{2}$.

T. 26 S., R. 21 W.,

Secs. 4 to 9, inclusive;

Sec. 15, W $\frac{1}{2}$,

Secs. 16 to 21, inclusive;

Sec. 22, W $\frac{1}{2}$, S $\frac{1}{2}$ SE $\frac{1}{4}$.

Secs. 27 to 34, inclusive;

T. 27 S., R. 21 W.,

Secs. 3 to 10, inclusive;

Sec. 14, W $\frac{1}{2}$,

Secs. 15 to 22, inclusive;

Sec. 23, W $\frac{1}{2}$, SE $\frac{1}{4}$, SW $\frac{1}{4}$ NE $\frac{1}{4}$.

Sec. 26, NW $\frac{1}{4}$, NW $\frac{1}{4}$ NE $\frac{1}{4}$,

Sec. 27, N $\frac{1}{2}$, SW $\frac{1}{4}$, N $\frac{1}{2}$ SE $\frac{1}{4}$, SW $\frac{1}{4}$ SE $\frac{1}{4}$,

Secs. 28, 29, 30, 31, 32, and 33;

Sec. 34, W $\frac{1}{2}$, NW $\frac{1}{4}$ NE $\frac{1}{4}$.

T. 28 S., R. 21 W.,

Sec. 3, W $\frac{1}{2}$ W $\frac{1}{2}$, SE $\frac{1}{4}$ SW $\frac{1}{4}$,

Secs. 4 to 10, inclusive;

Sec. 11, W $\frac{1}{2}$, SE $\frac{1}{4}$, SW $\frac{1}{4}$ NE $\frac{1}{4}$,

Secs. 13 to 23, inclusive;

Sec. 24, W $\frac{1}{2}$, W $\frac{1}{2}$ NE $\frac{1}{4}$,

Sec. 25, NW $\frac{1}{4}$,

Secs. 26 to 34, inclusive.

T. 29 S., R. 21 W.,

Secs. 3 to 10, inclusive;

Sec. 11, W $\frac{1}{2}$, W $\frac{1}{2}$ NE $\frac{1}{4}$,

Sec. 14, N $\frac{1}{2}$ NW $\frac{1}{4}$,

Sec. 15, N $\frac{1}{2}$, N $\frac{1}{2}$ S $\frac{1}{2}$, SW $\frac{1}{4}$ SW $\frac{1}{4}$,

Secs. 16 to 20, inclusive;

Sec. 21, N $\frac{1}{2}$, SW $\frac{1}{4}$, NW $\frac{1}{4}$ SE $\frac{1}{4}$,

Sec. 22, NW $\frac{1}{4}$ NW $\frac{1}{4}$,

Sec. 28, W $\frac{1}{2}$ NW $\frac{1}{4}$, SW $\frac{1}{4}$ SW $\frac{1}{4}$,

Secs. 29 to 32, inclusive;

Sec. 33, W $\frac{1}{2}$.

T. 30 S., R. 21 W.,

Sec. 4, W $\frac{1}{2}$, SE $\frac{1}{4}$,

Secs. 5 to 9, inclusive;

Secs. 17 and 18.

T. 34 S., R. 21 W.,

Sec. 4, W $\frac{1}{2}$ W $\frac{1}{2}$,

Secs. 5 to 8, inclusive;

Sec. 9, W $\frac{1}{2}$ W $\frac{1}{2}$,

Sec. 15, N $\frac{1}{2}$,

Sec. 16;

Sec. 17, N $\frac{1}{2}$ NW $\frac{1}{4}$, SW $\frac{1}{4}$ NW $\frac{1}{4}$,

Sec. 18;

Sec. 19.

Tps. 26, 27, 28, 29, and 30 S., R. 22 W.

T. 31 S., R. 22 W.,

Secs. 1 and 2;

Secs. 11 and 12.

T. 34 S., R. 22 W.

WILLIAM PINCUS,
Assistant Director

[F. R. Doc. 53-2647; Filed, Mar. 27, 1953;
8:45 a. m.]

tive and expiration dates, occupations, wage rates, number or proportion of learners, and learning period for certificates issued under the general learner regulations (§§ 522.1 to 522.14) are as indicated below—conditions provided in certificates issued under special industry regulations are as established in these regulations.

Single Pants, Shirts and Allied Garments, Women's Apparel, Sportswear and Other Odd Outerwear, Rainwear, Robes and Leather and Sheep-Lined Garments Divisions of the Apparel Industry Learner Regulations (29 CFR 522.160 to 522.166, as amended December 31, 1951, 16 F. R. 12043, and June 2, 1952; 17 F. R. 3818).

Anthracite Shirt Co., 1 South Franklin Street, Shamokin, Pa., effective 4-1-53 to 3-31-54; 10 percent of the productive factory force (men's dress and sport shirts).

Biflex Bishopville, Inc., Bishopville, S. C., effective 3-20-53 to 3-19-54; 10 percent of the productive factory force (brassieres and garter belts).

California Manufacturing Co., California, Mo., effective 4-1-53 to 3-31-54; 10 percent of the productive factory force (jackets).

Dalomar Dress Co., 41 Polk Street, Riverside, N. J., effective 4-1-53 to 3-31-54; 10 percent of the productive factory force or 10 learners, whichever is greater (dresses).

Ellorese Garment Corp., Ellorese, S. C., effective 3-19-53 to 3-18-54; 10 percent of the productive factory force or 10 learners, whichever is greater (ladies' lingerie, night gowns, pajamas).

Hurlock Garment Co., Inc., Hurlock, Md., effective 3-19-53 to 3-18-54; 10 learners (blouses).

F. Jacobson & Sons, Inc., Charlottesville, Va., effective 3-19-53 to 9-18-53; 50 learners for expansion purposes (pajamas).

Kahn Manufacturing Co., Inc., Royal and St. Louis Streets, Mobile, Ala., effective 4-1-53 to 3-31-54; 10 percent of the productive factory force (men's and boys' semidress trousers).

Lee Champion Garment Co., Inc., 900 Lagarde Avenue, Anniston, Ala., effective 4-1-53 to 3-31-54; 10 percent of the productive factory force or 10 learners, whichever is greater (popular priced dress trousers).

Loungeray, Inc., Canal Street, Hollidaysburg, Pa., effective 3-18-53 to 9-17-53; 25 learners for expansion purposes (ladies' negligees and robes).

Lykens Dress Co., Inc., South Street, Lykens, Pa., effective 4-1-53 to 3-31-54; 10 percent of the productive factory force (women's dresses).

MacLaren Sportswear Corp., Buckhannon, W. Va., effective 4-1-53 to 3-31-54; 10 percent of the productive factory force or 10 learners, whichever is greater (men's wool, pant wool, rayon cotton slacks).

New England Shirt Co., Inc., 7 Montgomery Street, Danbury, Conn., effective 4-1-53 to 3-31-54; 10 percent of the productive factory force (men's dress and sport shirts).

Primo Pants Co., Versailles, Mo., effective 4-1-53 to 3-31-54; 10 learners (men's and boys' pants).

Reliance Manufacturing Co., "Keystone" Factory, Tyrone, Pa., effective 3-27-53 to 3-26-54; 10 percent of the productive factory force (boys' flannel shirts, sport shirts, etc.).

Rob Roy Co., Inc., Cambridge, Md., effective 3-19-53 to 3-18-54; 10 percent of the productive factory force (boys' sport shirts).

The Solomon Co., Leeds, Ala., effective 4-1-53 to 3-31-54; 10 percent of the productive factory force (men's and boys' dress trousers and jackets).

Southern Garment Manufacturing Co., Inc., Culpeper, Va., effective 4-1-53 to 3-31-54; 10 percent of the productive factory

force (cotton work pants and cotton dungarees).

Southern Manufacturing Co., Plant No. 1, 333 Fifth Avenue N., Nashville, Tenn., effective 3-19-53 to 3-18-54; 10 percent of the productive factory force (men's and boys' work shirts).

Southern Textiles, Inc., Alamo, Tenn., effective 3-19-53 to 9-18-53; 20 additional learners for expansion purposes (supplemental certificate) (foundation garments).

Sun Garment Co., Twelfth and Penn Streets, St. Joseph, Mo., effective 3-23-53 to 3-22-54; 10 percent of the productive factory force (shirts and pants).

I. Taitel & Son, 12 South Prottymann Street, Knox, Ind., effective 3-23-53 to 9-22-53; 10 learners for expansion purposes (work pants).

Top Mode Manufacturing Co., Salemburg, N. C., effective 3-19-53 to 9-18-53; 40 learners for expansion purposes (women's dresses).

Troy Textiles, Inc., Troy, Ala., effective 4-1-53 to 3-31-54; 10 percent of the productive factory force (sport shirts).

United Pants Co., Inc., 222-228 Beade Street, Plymouth, Pa., effective 4-1-53 to 3-31-54; 10 percent of the productive factory force (pants).

United Pants Co., Inc., Shoemaker Street, Swoyersville, Pa., effective 4-1-53 to 3-31-54; 10 percent of the productive factory force (pants and jackets).

Vanderbilt Shirt Co., 29½ Broadway, Asheville, N. C., effective 3-18-53 to 9-17-53; 10 learners for expansion purposes (men's sport shirts, men's and boys' western shirts).

Vesta Corset Co., McGraw, N. Y., effective 3-20-53 to 3-19-54; 10 percent of the productive factory force or 10 learners, whichever is greater (corsets).

The Warner Bros. Co., Thomasville, Ga., effective 3-18-53 to 9-17-53; 30 learners for expansion purposes (corsets and brassieres).

The Watson-Scott Co., Thomasville, Ga., effective 4-1-53 to 3-31-54; 8 learners (industrial uniforms).

Cigar Industry Learner Regulations (29 CFR 522.201 to 522.211, as amended October 27, 1952; 17 F. R. 8633).

General Cigar Co., Inc., Division and Brook Streets, Kingston, Pa., effective 3-24-53 to 3-23-54; 10 percent of the productive factory workers engaged in the learner occupations; cigar machine operating, 320 hours; packing (cigars retailing for more than 6 cents each), 320 hours; machine stripping, 160 hours; each 65 cents per hour.

Glove Industry Learner Regulations (29 CFR 522.220 to 522.231, as amended October 26, 1950; 15 F. R. 6888)

Lambert Manufacturing Co., 1123 North Osteopathy, Kirksville, Mo., effective 3-18-53 to 3-17-54; 10 learners (cotton work gloves).

Wells Lamont Corp., Waynesboro, Miss., effective 3-20-53 to 9-19-53; 10 learners for expansion purposes (leather palm work gloves).

Hosiery Industry Learner Regulations (29 CFR 522.40 to 522.51, as revised November 19, 1951; 16 F. R. 10733).

Athens Hosiery Mills, Inc., Athens, Tenn., effective 3-20-53 to 11-19-53; 10 additional learners for expansion purposes.

Helen Hosiery Mills, Helen, Ga., effective 3-27-53 to 3-26-54; 5 learners.

McDonough Hosiery Mills, Inc., McDonough, Ga., effective 3-17-53 to 3-16-54; 5 learners.

Knitted Wear Industry Learner Regulations (29 CFR 522.68 to 522.79, as amended January 21, 1952; 16 F. R. 12866).

Hamburg Knitting Mills, Inc., 239 Pine Street, Hamburg, Pa., effective 4-1-53 to 3-31-54; 5 percent of the productive factory

force (ladies', men's and children's cotton knitted underwear.)

Keyser Undergarment Co., Inc., Keyser, W. Va., effective 3-24-53 to 9-22-53; 15 learners for expansion purposes (ladies' undergarments).

Shoe Industry Learner Regulations (29 CFR 522.250 to 522.260, as amended March 17, 1952; 17 F. R. 1500).

Martinsburg Shoe Co., Inc., 107 Highland Street, Martinsburg, Pa., effective 4-1-53 to 9-30-53; 100 learners for expansion purposes.

Regulations Applicable to the Employment of Learners (29 CFR 522.1 to 522.14).

Grant County Manufacturing Co., Williamstown Division, Williamstown, Ky., effective 3-24-53 to 9-23-53; 10 learners; hand cowers; 480 hours; 65 cents per hour for the first 320 hours and 70 cents per hour for the remaining 160 hours (baseballs and cotballs).

The following special learner certificate was issued in Puerto Rico to the company hereinafter named. The effective and expiration dates, the number of learners, the learner occupations, the length of the learning period and the learner wage rates are indicated, respectively.

Leemar Engineering Corp., Hato Rey, P. R., effective 3-18-53 to 9-17-53; 14 learners; grinding, polishing, buffing; 240 hours at 40 cents per hour, 240 hours at 43 cents per hour; assembly of parts; 240 hours at 40 cents per hour, 240 hours at 43 cents per hour; machine shop; 240 hours at 40 cents per hour, 240 hours at 43 cents per hour, 240 hours at 46 cents per hour, 240 hours at 49 cents per hour (ice cream freezers).

Each certificate has been issued upon the employer's representation that employment of learners at subminimum rates is necessary in order to prevent curtailment of opportunities for employment, and that experienced workers for the learner occupations are not available. The certificates may be cancelled in the manner provided in the regulations and as indicated in the certificates. Any person aggrieved by the issuance of any of these certificates may seek a review or reconsideration thereof within fifteen days after publication of this notice in the FEDERAL REGISTER pursuant to the provisions of Part 522.

Signed at Washington, D. C., this 23d day of March 1953.

MILTON BROOKE,
Authorized Representative
of the Administrator.

[F. R. Doc. 53-2648; Filed, Mar. 27, 1953; 8:45 a. m.]

FEDERAL POWER COMMISSION

[Docket No. E-6462]

MONTANA-DAKOTA UTILITIES CO.

NOTICE OF EXTENSION OF TIME

MARCH 23, 1953.

Upon consideration of the request of Montana-Dakota Utilities Co., filed March 16, 1953, paragraph E of the Commission's order entered December 2, 1952, is hereby amended so that Applicant shall on or before May 1, 1953, consummate the issuance of short-term notes authorized by the Commission's order

entered December 2, 1952, in the above-designated matter.

[SEAL] LEON M. FUQUAY,
Secretary,

[F. R. Doc. 53-2649; Filed, Mar. 27, 1953;
8:45 a. m.]

[Docket No. G-1940]

OHIO VALLEY GAS CORP.

NOTICE OF EXTENSION OF TIME

MARCH 23, 1953.

Upon consideration of the telegraphic request dated March 18, 1953, by Ohio Valley Gas Corporation, an extension of time is hereby granted to and including June 24, 1953, within which Applicant shall furnish to the Commission the data with respect to its financing of the proposed project required by paragraph (B) (2) of the order entered January 27, 1953, in the above-designated matter.

[SEAL] LEON M. FUQUAY,
Secretary.

[F. R. Doc. 53-2650; Filed, Mar. 27, 1953;
8:46 a. m.]

SECURITIES AND EXCHANGE COMMISSION

[File No. 70-2829]

INTERNATIONAL HYDRO-ELECTRIC SYSTEM

SUPPLEMENTARY NOTICE OF FILING REGARDING SALES OF ELECTRIC PROPERTIES OF EASTERN NEW YORK POWER CORPORATION AND CERTAIN PORTFOLIO SECURITIES

MARCH 24, 1953.

Bartholomew A. Brickley, Trustee of International Hydro-Electric System ("IHES") a registered holding company on March 19, 1952, having filed a declaration herein pursuant to section 12 (d) of the Public Utility Holding Company Act of 1935 ("the act") and Rules U-23 and U-44 thereunder, and in furtherance of the enforcement proceedings now pending in the United States District Court of the District of Massachusetts ("the Court") under section 11 (d) of the act, regarding the contemplated sale of the properties of Eastern New York Power Corporation ("ENYP") a wholly owned subsidiary of IHES, and also the contemplated sale of the entire investment of IHES in its subsidiaries Corinth Electric Light and Power Company ("Corinth") and Moreau Manufacturing Corporation ("Moreau") and

Notice having been duly given and hearings having been held with respect to said declaration, and the Commission on June 5, 1952, having entered its findings and opinion herein (Holding Company Act Release No. 11299) approving the Trustee's proposed acceptance of certain offers for said properties, subject to review and approval by the Commission and the Court of the definitive contracts when executed:

Notice is hereby given that said Trustee on March 12, 1953, filed an amendment to said declaration wherein he proposes to consummate the following definitive agreements for the sale of said properties:

(1) Agreement dated September 24, 1952, whereby IHES will cause ENYP to sell and convey to Niagara Mohawk Power Company ("Niagara Mohawk") a non-affiliate, the Hudson River hydro-electric properties of ENYP in Warren, Sarasota and Washington counties, New York, together with certain lands and water rights of ENYP on the Grass and Black rivers, in St. Lawrence and Jefferson counties, New York, for a cash consideration of \$8,000,000;

(2) Agreement dated September 25, 1952, whereby IHES will sell, assign and transfer to Niagara Mohawk all interest of IHES in its minor subsidiaries Corinth and Moreau, for a cash consideration of \$500,000;

(3) Agreement dated August 13, 1952, whereby IHES will cause ENYP to sell and convey to New York State Electric & Gas Corporation, a non-affiliate, the Saranac Division properties of ENYP, in Franklin and Clinton counties, New York, for a cash consideration of \$5,600,000.

Reference is made to the copies of said agreements annexed to the amended declaration for a recital of their exact terms and conditions. All agreements are subject to the approval of this Commission and the Court, and of such other regulatory agencies, state or federal, as may have jurisdiction in the premises. Petitions are now pending before the New York Public Service Commission for approval of the several agreements.

The Trustee states that, upon consummation of these sales, he proposes to apply the proceeds as follows: First, to the retirement of ENYP's First Mortgage Bonds, 3 1/4 percent Sinking Fund Series due 1961 (\$7,886,000 principal amount at December 31, 1952) secondly either to the retirement of the preferred stock of ENYP (\$3,000,000 par value) or as a distribution to IHES, or both. He further states that any amounts so received by IHES will be applied to the payment of its bank debt (\$6,050,000 balance due at December 31, 1952)

Notice is further given that any interested person may, not later than April 6, 1953, at 5:30 p. m., e. s. t., request the Commission in writing that a hearing be held on such matter, stating the nature of his interest, the reasons for such request, and the issues of fact or law, if any, raised by the amended declaration which he desires to controvert; or he may request that he be notified if the Commission should order a hearing thereon. Any such request should be addressed: Secretary, Securities and Exchange Commission, 425 Second Street NW., Washington 25, D. C. At any time after said date said declaration, as now amended or as further amended, may be permitted to become effective as provided by Rule U-23 of the rules and regulations promulgated under the act, or the Commission may exempt such transactions as provided in Rule U-20 (a) and Rule U-100 thereof.

By the Commission.

[SEAL] ORVAL L. DuBOIS,
Secretary.

[F. R. Doc. 53-2653; Filed, Mar. 27, 1953;
8:46 a. m.]

[File No. 70-3004]

CENTRAL AND SOUTH WEST CORP.

ORDER PERMITTING SUBMISSION OF COMMON STOCK RIGHTS OFFERING TO BIDDING FOR UNDERWRITING

MARCH 24, 1953.

Central and South West Corporation ("Central") a registered holding company, having filed a declaration and amendments thereto, pursuant to sections 6 (a) and 7 of the Public Utility Holding Company Act of 1935 ("act"), and Rule U-50 of the Rules and Regulations promulgated thereunder, with respect to the following transactions:

Central proposes to issue and sell 606,084 additional shares of its \$5 par value common stock. The shares of common stock are to be offered first to the holders of the presently outstanding common stock for subscription in the ratio of one share of additional common stock for each fourteen shares now held. The rights to subscribe will be evidenced by transferable subscription warrants. No fractional shares will be issued. It is stated that the subscription agent will endeavor, for the account of warrant holders, to purchase additional rights required to complete a full share subscription or to sell rights in excess of those required for full share subscription. In each case, the purchase or sale may not exceed thirteen rights for any single stockholder and no charge to the warrant holders will be made for such service.

The above described offering is to be underwritten and Central proposes to select the purchasers of any unsubscribed stock at competitive bidding pursuant to Rule U-50. The price per share at which said shares will be offered to stockholders will be fixed by Central not later than 3:30 o'clock p. m., c. s. t., on the second full business day next preceding the day on which bids for the purchase of any shares, not subscribed for and purchased pursuant to said subscription offer, are to be presented to Central pursuant to its invitation for such bids; and prospective bidders will be advised promptly of the subscription price, which will also be the price per share at which unsubscribed shares will be sold to the successful bidder. Prospective bidders are to be required to specify the aggregate amount to be paid by Central as compensation for their commitments.

Central also proposes, if considered necessary or desirable, to stabilize the price of the common stock of the company for the purpose of facilitating the offering and distribution of the shares of additional common stock proposed to be issued. In connection therewith, the company may, during the period commencing with the second full business day next preceding the day on which bids for the purchase of any unsubscribed shares are presented to it and continuing until the time fixed for the opening of such bids purchase shares of its common stock, but not in excess of 60,608 shares, on the New York Stock Exchange or the Midwest Stock Exchange, or otherwise. Such purchases are to be made through brokers with the payment of regular stock exchange commissions. The prospective bidders will be asked to bid not

only for the purchase of the unsubscribed stock but also for the purchase of any shares, within the above limitation, acquired by the company through such stabilizing transactions.

The company proposes to use the proceeds from the sale of the additional shares of common stock, together with funds in its treasury, to purchase additional shares of common stock of its four principal subsidiaries (approximately \$5,000,000 in 1953 and approximately \$7,000,000 in 1954). The subsidiaries, in turn, will utilize the funds to finance in part their construction programs.

Central requests that the ten-day publication period required by Rule U-50 for inviting bids for the unsubscribed shares of common stock be shortened to a period of not less than six days.

The filing indicates that no regulatory agency or authority other than this Commission has jurisdiction over the proposed transactions.

It is requested that the Commission's order herein become effective upon issuance.

Notice of said filing having been duly given in the form and manner prescribed by Rule U-23 promulgated pursuant to the act, and the Commission not having received a request for hearing with respect to said declaration, as amended, within the period specified in said notice, or otherwise, and not having ordered a hearing thereon; and

The Commission finding with respect to said declaration, as amended, that the requirements of the applicable provisions of the act and rules thereunder are satisfied, and deeming it appropriate in the public interest and in the interest of investors and consumers that the said declaration, as amended, be permitted to become effective forthwith:

It is ordered, Pursuant to Rule U-23 and the applicable provisions of the act, that the said declaration, as amended, be and hereby is, permitted to become effective forthwith, subject to the terms and conditions prescribed in Rule U-24 and to the following additional conditions:

(1) That the proposed issuance and sale of the 606,084 additional shares of common stock by Central shall not be consummated until the results of competitive bidding, pursuant to Rule U-50, and the proposed subscription price for the common stock have been made a matter of record in this proceeding and a further order shall have been entered with respect thereto, which order shall contain such further terms and conditions as may then be deemed appropriate, for which purpose jurisdiction be, and hereby is, reserved;

(2) That jurisdiction is reserved in respect of any and all fees and expenses incurred or to be incurred in connection with the consummation of the proposed transactions.

It is further ordered, That the ten day bidding period prescribed by Rule U-50

be, and hereby is, shortened to a period of six days.

By the Commission.

[SEAL]

ORVAL L. DuBOIS,
Secretary.

[F. R. Doc. 53-2052; Filed, Mar. 27, 1953;
8:46 a. m.]

[File No. 70-3007]

PUBLIC SERVICE COMPANY OF OKLAHOMA,
AND CENTRAL AND SOUTH WEST CORP.

ORDER AUTHORIZING ISSUANCE AND SALE AT
COMPETITIVE BIDDING OF PRINCIPAL
AMOUNT OF BONDS AND RESERVING JURIS-
DICTION OVER PROPOSED ISSUANCE AND
SALE OF COMMON STOCK

MARCH 24, 1953.

Public Service Company of Oklahoma ("Public Service") and its registered holding company parent, Central and South West Corporation ("Central") having filed a joint application-declaration and amendments thereto, pursuant to the Public Utility Holding Company Act of 1935 ("act") regarding the following proposed transactions, more fully described in the application-declaration as amended:

Public Service proposes to issue and sell \$6,000,000 principal amount of First Mortgage Bonds, Series D — percent, due March 1, 1983, to be issued under the company's Indenture of Mortgage dated July 1, 1946, to First National Bank of Tulsa, as Trustee, as heretofore amended and supplemented, and as to be further amended and supplemented by a Supplemental Indenture to be dated as of March 1, 1953.

The coupon rate of the bonds (which shall be a multiple of $\frac{1}{8}$ of 1 percent) and the price, exclusive of accrued interest, to be paid to the company for the bonds (which shall be not less than 97.25 percent nor more than 102.75 percent of the principal amount of such bonds) and the redemption prices are to be fixed at competitive bidding in accordance with Rule U-50 of the rules and regulations promulgated under the act.

Public Service also proposes to issue and sell 100,000 additional shares of authorized but unissued \$10 par value common stock, and Central proposes to purchase such additional shares of common stock for a cash consideration of \$1,000,000.

The application-declaration states that Public Service's construction requirements for the years 1953 and 1954 are estimated at \$30,200,000 and that the proceeds from the proposed sale of securities are to be used, in part, to pay, or reimburse the company for the payment, of the cost of such additional facilities.

Said application-declaration having been filed February 24, 1953, and the last amendment thereto having been filed March 23, 1953, notice of said filing having been given in the form and manner provided in Rule U-23 promulgated under the act, the Commission not having received a request for or ordered a

hearing within the time specified in said notice, or otherwise; and

Applicants-declarants having requested the Commission to issue at this time its order in respect of the proposed issuance of bonds, and to reserve jurisdiction in respect of the issuance and sale of stock until the record in respect thereof is completed; and

The Corporation Commission of the State of Oklahoma, the state commission of the state in which Public Service is organized and doing business, having authorized the proposed issuance and sale of bonds; and

The Commission finding with respect to the proposed transactions that the applicable provisions of the act and the rules and regulations thereunder have been satisfied, observing no basis for adverse findings, and deeming it appropriate in the public interest and in the interest of investors and consumers to grant and permit to become effective, forthwith, said application-declaration without the imposition of conditions other than those set forth herein:

It is ordered, Pursuant to Rule U-23 and the applicable provisions of the act, subject to the terms and conditions specified in Rule U-24, that said application-declaration, as amended, be, and it hereby is, granted and permitted to become effective, subject to the following conditions and reservations:

1. The proposed issuance and sale of bonds shall not be consummated until the results of competitive bidding pursuant to Rule U-50 shall have been made a matter of record herein and a further order shall have been entered by the Commission in the light of the record as so completed, which order may contain such further terms and conditions as may then be deemed appropriate;

2. Jurisdiction be, and it hereby is, reserved with respect to the proposed issuance and sale of common stock, and with respect to the payment of all fees and expenses incurred and to be incurred in connection with the proposed transactions.

It is further ordered, That the ten-day period for inviting bids, pursuant to Rule U-50, with respect to said bonds be, and it hereby is, shortened to a period of not less than six days.

It is further ordered, That this order shall become effective upon its issuance.

By the Commission.

[SEAL]

ORVAL L. DuBOIS,
Secretary.

[F. R. Doc. 53-2651; Filed, Mar. 27, 1953;
8:46 a. m.]

FRANKLIN DISTRIBUTORS, INC.

NOTICE OF APPLICATION FOR CONTINUANCE
OF MEMBERSHIP IN NATIONAL ASSOCIATION
OF SECURITIES DEALERS, INC., AND OF
OPPORTUNITY FOR FILING REQUESTS FOR
HEARING

At a regular session of the Securities and Exchange Commission held at its office in the city of Washington, D. C., on the 23d day of March 1953.

ECONOMIC STABILIZATION AGENCY

Office of Price Stabilization

[Delegation of Authority No. 4,
Supplement 2]

REGIONAL ENFORCEMENT DIRECTORS AND ACTING REGIONAL ENFORCEMENT DIRECTORS

REDELEGATION OF AUTHORITY WITH RESPECT TO ENFORCEMENT FUNCTIONS

By virtue of the authority vested in me as Assistant Director of Price Stabilization for Enforcement (Director of Enforcement) by Delegation of Authority 4 of the Director of Price Stabilization (16 F. R. 3595) Delegation of Authority 40 of the Director of Price Stabilization (16 F. R. 12411) and by General Disallowance Order 1 (17 F. R. 9934) this Supplement 2 to Delegation of Authority 4 is hereby issued.

1. Those functions relating to the enforcement of price stabilization, including those with respect to the allocation of meat, which were delegated to the Assistant Director of Price Stabilization for Enforcement (Director of Enforcement) by Delegation of Authority 4 and Delegation of Authority 40 are hereby re-delegated to the several Regional Enforcement Directors or Acting Regional Enforcement Directors subject to such rules, regulations, and orders as may hereafter be issued by the Assistant Director of Price Stabilization for Enforcement, and the several Regional Enforcement Directors or Acting Regional Enforcement Directors are each hereby authorized and empowered, within their respective regions, to make such investigations, inspections, or inquiries as may be necessary or appropriate in their discretion, to the enforcement or the administration of the Defense Production Act of 1950, as amended by the Defense Production Act Amendments of 1951 and 1952, and the regulations or orders issued thereunder, subject to such supervision, direction, and control as the Assistant Director of Price Stabilization for Enforcement (Director of Enforcement) deems necessary and expedient.

2. The authority of section 705 (a) in the Defense Production Act of 1950, as amended by the Defense Production Act Amendments of 1951 and 1952, will be utilized only after the scope and purpose of the investigation, inspection or inquiry to be made thereunder have been defined by competent authority, and it is assured that no adequate and authoritative data are available from any Federal or other responsible agency. The several Regional Enforcement Directors or Acting Regional Enforcement Directors are each hereby designated and constituted as such competent authority within their respective regions.

3. In connection with any investigation, inspection, or inquiry necessary or appropriate, in their discretion, to the enforcement or administration of the Defense Production Act of 1950, as amended by the Defense Production Act Amendments of 1951 and 1952, and the regulations or orders issued thereunder, the several Regional Enforcement Direc-

tors or Acting Regional Enforcement Directors of the Office of Price Stabilization, subject to such supervision, direction, and control as the Assistant Director of Price Stabilization for Enforcement (Director of Enforcement) deems necessary and expedient, are each authorized within their respective regions:

(a) To sign and issue Subpenas requiring any person to appear and testify or to appear and produce documents, or both, at any designated place;

(b) To sign and issue Inspection Authorizations requiring any person to permit a duly authorized representative of the Office of Price Stabilization to inspect books, records, and other writings in the possession or control of said person at the place where such person usually keeps them, and to inspect the premises or property of said person;

(c) To issue and use Letters requesting the inspection of books, documents, and records and inspection of premises or property.

Such Subpenas, Inspection Authorizations, and Request Letters will be utilized only after the scope and purpose of the investigation, inspection or inquiry to be made have been defined by the Regional Enforcement Director or Acting Regional Enforcement Director in whose region such investigation, inspection, or inquiry is to take place, and it is assured that no adequate and authoritative data sought thereby are available from any Federal or other responsible agency.

4. The authority contained in section 3 of General Disallowance Order 1 to forward to the Commissioner of Internal Revenue and to all other appropriate governmental agencies, a statement indicating any payment of that kind described in said order which, pursuant to the provisions of said order, should be disregarded by the executive departments and other governmental agencies for the purposes indicated in said order is hereby re-delegated to the several Regional Enforcement Directors or Acting Regional Enforcement Directors of the Office of Price Stabilization, to be exercised by each of them within their respective jurisdictions.

5. The terms herein shall have the same meaning as in the Defense Production Act of 1950, as amended by the Defense Production Act Amendments of 1951 and 1952.

This delegation of authority shall take effect on March 25, 1953.

LAMBERT S. O'MALLEY,
*Assistant Director of Price
Stabilization for Enforcement.*

MARCH 25, 1953.

[F. R. Doc. 53-2669; Filed, Mar. 25, 1953;
4:03 p. m.]

CERTAIN REGIONS

LIST OF COMMUNITY CEILING PRICE ORDERS

The following orders under General Overriding Regulation 24 were filed with the Division of the Federal Register on March 23, 1953.

I. On February 6, 1953, Franklin Distributors, Inc., filed with this Commission an application for an order directing the National Association of Securities Dealers, Inc. (hereinafter referred to as the Association) to continue Franklin Distributors, Inc., in membership in such Association.

Among other things, the application states in substance that:

(1) Franklin Distributors, Inc. (hereinafter referred to as Franklin) is a corporation organized under the laws of the State of New York, with its principal place of business at 64 Wall Street, New York, New York. It was a member of the Association for many years. Its principal function has been the wholesaling of the shares of Franklin Custodian Funds, Inc., an open-end diversified management investment company.

(2) On November 6, 1952, Franklin was notified by the Association that it appeared that Franklin was no longer eligible for membership in the Association by reason of the fact that Rupert H. Johnson, who owns all of the stock of Franklin, "by decision of the Securities & Exchange Commission, dated April 2, 1952, has been found to be the cause of the expulsion of R. H. Johnson & Co. from the Association."

(3) Thereafter, Franklin requested the Association that it be continued in membership notwithstanding the ownership by Rupert H. Johnson of the stock of Franklin, subject to the approval of the Securities and Exchange Commission in accordance with the provisions of section 15A (b) (4) of the Securities Exchange Act of 1934. After consideration of such request by the Association, the Board of Governors of the Association cancelled the membership of Franklin.

(4) Franklin, pursuant to section 15A (b) (4) of the Securities Exchange Act of 1934, requests that the Securities and Exchange Commission direct the Association to continue Franklin in membership.

II. The Commission's public official files disclose that:

The National Association of Securities Dealers, Inc., by order dated January 15, 1951, expelled R. H. Johnson & Company from membership in the Association and found Rupert H. Johnson to be a cause of such order of expulsion (Complaint 42, District 14)

III. Any person desiring to intervene or to be given leave to be heard shall promptly file a request pursuant to Rule XVII of the rules of practice with the Secretary of the Commission.

IV This notice shall be served on Franklin Distributors, Inc., and the National Association of Securities Dealers, Inc., and published in the FEDERAL REGISTER in the manner prescribed by the Federal Register Act.

By the Commission.

[SEAL] ORVAL L. DUBOIS,
Secretary.

[F. R. Doc. 53-2654; Filed, Mar. 27, 1953;
8:47 a. m.]

REGION III

Philadelphia Order I-G4-3, Amendment 4, filed 1:51 p. m., I-G4-3, Amendment 5, filed 1:51 p. m., I-G4-3, Amendment 6, filed 1:51 p. m., I-G4-3, Amendment 7, filed 1:53 p. m., V-G1-1, Amendment 3, filed 1:53 p. m., V-G2-1, Amendment 3, filed 1:53 p. m., V-G3-1, Amendment 3, filed 1:53 p. m., V-G4-1, Amendment 3, filed 1:53 p. m.

REGION V

Nashville Order II-G1-3, Amendment 2, filed 1:54 p. m., II-G2-3, Amendment 2, filed 1:54 p. m., II-G3-3, Amendment 2, filed 1:55 p. m., II-G4-3, Amendment 2, filed 1:55 p. m., II-G4A-3, Amendment 2, filed 1:55 p. m., III-G1-3, Amendment 2, filed 1:55 p. m., III-G2-3, Amendment 2, filed 1:55 p. m., III-G3-3, Amendment 2, filed 1:55 p. m., III-G4-3, Amendment 3, filed 1:56 p. m., II-G4A-3, Amendment 2, filed 1:56 p. m.

Atlanta Order II-G3A-2, Amendment 1, filed 1:56 p. m., II-G4A-2, Amendment 1, filed 1:56 p. m., I-G3-3, Amendment 3, filed 1:58 p. m.

Jacksonville Order IV-G4A-2, Amendment 8, filed 1:57 p. m., IV-G4A-2, Amendment 9, filed 1:57 p. m., IV-G4A-2, Amendment 10, filed 1:57 p. m., IV-G4A-2, Amendment 11, filed 1:57 p. m.; IV-G4A-2, Amendment 12, filed 1:57 p. m., IV-G4A-2, Amendment 13, filed 1:57 p. m., IV-G4A-3, Amendment 13, filed 1:58 p. m.

REGION VII

Chicago Order I-G3A-3, Amendment 6, filed 1:58 p. m., I-G3A-3, Amendment 7, filed 1:58 p. m., I-G3A-3, Amendment 8, filed 1:58 p. m.; I-G4A-3, Amendment 6, filed 1:59 p. m., I-G4A-3, Amendment 7, filed 1:59 p. m., I-G4A-3, Amendment 8, filed 1:59 p. m., I-G3A-4, Amendment 1, filed 1:59 p. m., I-G4A-4, Amendment 1, filed 2:00 p. m.

REGION VIII

Sioux Falls Order II-G4A-3, Amendment 4, filed 2:00 p. m.

REGION X

Houston Order II-G3A-2, Amendment 4, filed 2:00 p. m., II-G4A-2, Amendment 4, filed 2:00 p. m.

REGION XI

New Mexico Order I-G1-3, Amendment 2, filed 2:00 p. m., I-G2-3, Amendment 2, filed 2:00 p. m., I-G4A-3, Amendment 2, filed 2:01 p. m.

REGION XIII

Reno Order I-G1-1, Amendment 3, filed 2:01 p. m., I-G2-1, Amendment 4, filed 2:01 p. m., I-G4-1, Amendment 3, filed 2:01 p. m., I-G4A-1, Amendment 3, filed 2:01 p. m., II-G1-1, Amendment 2, filed 2:01 p. m., II-G2-1, Amendment 2, filed 2:02 p. m., II-G4-1, Amendment 3, filed 2:02 p. m., III-G1-2, Amendment 1, filed 2:02 p. m., III-G1-2, Amendment 2, filed 2:02 p. m., III-G2-2, Amendment 1, filed 2:03 p. m., III-G2-2, Amendment 2, filed 2:03 p. m., III-G4-1, Amendment 3, filed 2:03 p. m., III-G4-2, filed 2:04 p. m.; III-G4-2, Amendment 1, filed 2:04 p. m., III-G4-2, Amendment 2, filed 2:04 p. m., III-G4-2, Amendment 3, filed 2:04 p. m.

Copies of any of these orders may be obtained in any OPS office in the designated city.

JOSEPH L. DWYER,
Recording Secretary.

[F. R. Doc. 53-2670; Filed, Mar. 25, 1953; 4:03 p. m.]

INTERSTATE COMMERCE
COMMISSION

[4th Sec. Application 27917]

MIXED CARLOADS MERCHANDISE FROM CIN-
CINNATI, OHIO TO COLUMBIA, S. C.

APPLICATION FOR RELIEF

MARCH 25, 1953.

The Commission is in receipt of the above-entitled and numbered application for relief from the long-and-short-haul provision of section 4 (1) of the Interstate Commerce Act.

Filed by R. E. Boyle, Jr., Agent, for carriers parties to schedule listed below.

Commodities involved: Merchandise, in mixed carloads.

From: Cincinnati, Ohio.

To: Columbia, S. C.

Grounds for relief: Circuitous routes

Schedules filed containing proposed rates: C. A. Spaninger, Agent, I. C. C. No. 1305, Supp. 18.

Any interested person desiring the Commission to hold a hearing upon such application shall request the Commission in writing so to do within 15 days from the date of this notice. As provided by the general rules of practice of the Commission, Rule 73, persons other than applicants should fairly disclose their interest, and the position they intend to take at the hearing with respect to the application. Otherwise the Commission, in its discretion, may proceed to investigate and determine the matters involved in such application without further or formal hearing. If because of an emergency a grant of temporary relief is found to be necessary before the expiration of the 15-day period, a hearing, upon a request filed within that period, may be held subsequently.

By the Commission.

[SEAL]

GEORGE W. LAIRD,
Acting Secretary.

[F. R. Doc. 53-2655; Filed, Mar. 27, 1953; 8:47 a. m.]

[4th Sec. Application 27918]

SULPHURIC ACID FROM FRONT ROYAL, VA.,
TO MIDDLESBORO, KY.

APPLICATION FOR RELIEF

MARCH 25, 1953.

The Commission is in receipt of the above-entitled and numbered application for relief from the long-and-short-haul provision of section 4 (1) of the Interstate Commerce Act.

Filed by R. E. Boyle, Jr., Agent, for the Norfolk and Western Railway Company and the Southern Railway Company.

Commodities involved: Sulphuric acid, in tank-car loads.

From: Front Royal, Va.

To: Middlesboro, Ky.

Grounds for relief: Rail competition, circuitous routes, and to maintain rates constructed on basis of a short line distance formula.

Schedules filed containing proposed rates: C. A. Spaninger, Agent, I. C. C. No. 1200, Supp. 84.

Any interested person desiring the Commission to hold a hearing upon such application shall request the Commission in writing so to do within 15 days from the date of this notice. As provided by the general rules of practice of the Commission, Rule 73, persons other than applicants should fairly disclose their interest, and the position they intend to take at the hearing with respect to the application. Otherwise the Commission, in its discretion, may proceed to investigate and determine the matters involved in such application without further or formal hearing. If because of an emergency a grant of temporary relief is found to be necessary before the expiration of the 15-day period, a hearing, upon a request filed within that period, may be held subsequently.

By the Commission.

[SEAL]

GEORGE W. LAIRD,
Acting Secretary.

[F. R. Doc. 53-2656; Filed, Mar. 27, 1953; 8:47 a. m.]

[4th Sec. Application 27919]

PAPER FROM SOUTH JACKSONVILLE, FLA., TO
POINTS IN WESTERN TRUNK-LINE TER-
RITORY

APPLICATION FOR RELIEF

MARCH 25, 1953.

The Commission is in receipt of the above-entitled and numbered application for relief from the long-and-short-haul provision of section 4 (1) of the Interstate Commerce Act.

Filed by R. E. Boyle, Jr., Agent, for carriers parties to schedule listed below.

Commodities involved: Paper and related articles, carloads.

From: South Jacksonville, Fla.

To: Points in western trunk-line territory.

Grounds for relief: Rail competition, circuitous routes, and to maintain grouping.

Schedules filed containing proposed rates: C. A. Spaninger, Agent, I. C. C. No. 1317, Supp. 9.

Any interested person desiring the Commission to hold a hearing upon such application shall request the Commission in writing so to do within 15 days from the date of this notice. As provided by the general rules of practice of the Commission, Rule 73, persons other than applicants should fairly disclose their interest, and the position they intend to take at the hearing with respect to the application. Otherwise the Commission, in its discretion, may proceed to investigate and determine the matters involved in such application without further or formal hearing. If because of an emergency a grant of temporary relief is found to be necessary before the expiration of the 15-day period, a hearing,

upon a request filed within that period, may be held subsequently.

By the Commission.

[SEAL] GEORGE W. LAIRD,
 Acting Secretary.

[F. R. Doc. 53-2657; Filed, Mar. 27, 1953;
8:47 a. m.]

[4th Sec. Application 27920]

KINDRED GRAIN ARTICLES TO, FROM, AND
BETWEEN POINTS IN THE SOUTH

APPLICATION FOR RELIEF

MARCH 25, 1953.

The Commission is in receipt of the above-entitled and numbered application for relief from the long-and-short-haul

provision of section 4 (1) of the Interstate Commerce Act.

Filed by R. E. Boyle, Jr., Agent, for carriers parties to Grain, to, from, and within Southern Territory, 259 I. C. C. 629.

Commodities involved: Kindred articles which may be added from time to time to lists of articles taking grain or grain products rates, etc.

Territory: From, to, and between points in southern territory.

Grounds for relief: Rail competition, circuitous routes, to maintain grouping, and analogous articles.

Any interested person desiring the Commission to hold a hearing upon such application shall request the Commission in writing so to do within 15 days from the date of this notice. As provided by the general rules of practice of

the Commission, Rule 73, persons other than applicants should fairly disclose their interest, and the position they intend to take at the hearing with respect to the application. Otherwise the Commission, in its discretion, may proceed to investigate and determine the matters involved in such application without further or formal hearing. If because of an emergency a grant of temporary relief is found to be necessary before the expiration of the 15-day period, a hearing, upon a request filed within that period, may be held subsequently.

By the Commission.

[SEAL] GEORGE W. LAIRD,
 Acting Secretary.

[F. R. Doc. 53-2658; Filed, Mar. 27, 1953;
8:47 a. m.]