

Tuesday, July 28, 1936

No. 97

TREASURY DEPARTMENT.

Bureau of Customs.

[T. D. 48444]

COUNTERVAILING DUTIES

TREASURY DECISION 48360, OF JUNE 4, 1936, RESPECTING COUNTERVAILING DUTIES ON CERTAIN ARTICLES IMPORTED FROM GERMANY AMENDED TO EXCLUDE FROM ITS OPERATION GIFTS AND ARTICLES PURCHASED AT RETAIL FOR PERSONAL USE

JULY 22, 1936.

To Collectors of Customs and Others Concerned:

Treasury Decision 48360, dated June 4, 1936, is hereby amended by adding the following paragraph after the list showing the names of the articles and the percentages of invoice value to be deposited as estimated duties:

The provisions of this decision shall not be applied to importations consisting of gifts for the personal use of the donee or articles purchased at retail for personal use. Entries covering such gifts or purchases may be liquidated without reference to any question of countervailing duty.

[SEAL]

WAYNE C. TAYLOR,
Acting Secretary of the Treasury.

[F. R. Doc. 1425—Filed, July 25, 1936; 12:53 p. m.]

[T. D. 48446]

AIRPORTS OF ENTRY

CERTAIN AIRPORTS REDESIGNATED AS AIRPORTS OF ENTRY FOR A PERIOD OF ONE YEAR

To Collectors of Customs and Others Concerned:

Under the authority of Section 7 (b) of the Air Commerce Act of 1926 (49 U. S. C., 1934 ed., 177 (b)) the following-named airports are hereby redesignated as Airports of Entry for the landing of aircraft from foreign countries for a period of one year from the dates shown opposite their names:

Buffalo Marine Airport, Buffalo, New York, July 29, 1936.
Sault Ste. Marie Airport, Sault Ste. Marie, Mich., August 4, 1936.

[SEAL]

J. H. MOYLE,
Commissioner of Customs.

Approved, July 23, 1936.

WAYNE C. TAYLOR,
Acting Secretary of the Treasury.

[F. R. Doc. 1424—Filed, July 25, 1936; 12:52 p. m.]

Bureau of Internal Revenue.

[T. D. 4668]

SUBDIVISION PACKAGES FOR CIGARS AND CIGARETTES

REGULATIONS NO. 8, RELATING TO THE TAXES ON TOBACCO, SNUFF, CIGARS, AND CIGARETTES, ALSO ON CIGARETTE PAPERS AND TUBES, AND PURCHASE AND SALE OF LEAF TOBACCO, AMENDED.

To Collectors of Internal Revenue and Others Concerned:

Article 76, Regulations No. 8, as revised and approved November 12, 1934, is amended to read as follows:

ART. 76. *Subdivision packages.*—The statutory number of cigars and cigarettes contained in the box or package may be subdivided by the use of paper or ribbon bands or separated into parcels. Cigars weighing more than three pounds per thousand may be separated into parcels containing not more than ten cigars each by enclosure in foil, foil paper, wax paper, cellophane, or light-weight cardboard with cut-out windows or open at one end. Cigarettes (including small cigars weighing not more than three pounds per thousand) may not be separated into parcels containing a statutory number, i. e., five, eight, ten, twelve, fifteen, sixteen, twenty, twenty-four, forty, fifty, eighty, or one hundred cigars

or cigarettes, unless such parcels are made of foil, foil paper, wax paper, cellophane, or other unsubstantial material upon which it would be impracticable to print the required factory brand and caution notice, or to affix the internal revenue stamp. However, separate parcels of such cigars or cigarettes which contain a number not prescribed by section 400 (d) of the Revenue Act of 1926 to be put up by the manufacturer in packages or parcels, may be made of the same materials as the separate parcels used in packing cigars weighing more than three pounds per thousand.

The caution notice label (article 84), factory brand (article 85), and classification label (article 86) must not appear on any subdivision or parcel of a statutory package, but must appear only on the statutory package on which the requisite stamp is affixed. No subdivision or separate parcel shall bear any statement which indicates that the tax has been paid on the contents of any such subdivision or parcel.

Cigars and cigarettes, so subdivided or separated into parcels must remain in the stamped statutory box or package until they are sold or delivered direct to the consumer, and the whole number of cigars or cigarettes packed in each statutory box or package must correspond to the denomination of the stamp affixed to the box or package.

This Treasury Decision is promulgated under the authority contained in section 1101 of the Revenue Act of 1926.

[SEAL]

GUY T. HELVERING,
Commissioner of Internal Revenue.

Approved, July 22, 1936.

WAYNE C. TAYLOR,
Acting Secretary of the Treasury.

[F. R. Doc. 1422—Filed, July 25, 1936; 12:51 p. m.]

[T. D. 4669]

TAX ON FURS

SECTION 604 OF THE REVENUE ACT OF 1932, SECTION 608 OF THE REVENUE ACT OF 1934, AND SECTION 810 OF THE REVENUE ACT OF 1936

To Collectors of Internal Revenue and Others Concerned:

Chapter IV of Regulations 46, approved June 18, 1932, as amended by Treasury Decision 4361 (C. B. XII-1, 392), approved January 25, 1933, and Treasury Decision 4449 (C. B. XIII-2, 402), approved July 16, 1934, is further amended in conformity with the provisions of section 810 of the Revenue Act of 1936, to read as follows:

CHAPTER IV

FURS

SECTION 604 OF THE REVENUE ACT OF 1932

There is hereby imposed upon the following articles, sold by the manufacturer, producer, or importer, a tax equivalent to 10 per centum of the price for which so sold: Articles made of fur on the hide or pelt or of which any such fur is the component material of chief value.

SECTION 608 OF THE REVENUE ACT OF 1934

The tax imposed by section 604 of the Revenue Act of 1932 shall not apply to articles sold by the manufacturer, producer, or importer, after the date of the enactment of this Act, for less than 75.

SECTION 810 OF THE REVENUE ACT OF 1936

(a) Effective after the date of the enactment of this Act, section 604 of the Revenue Act of 1932 is amended by striking out "10 per centum" and inserting in lieu thereof "3 per centum."

(b) The exemption of articles sold for less than 75, provided by section 608 of the Revenue Act of 1934, shall not apply to articles sold after the date of the enactment of this Act.

ART. 24. *Scope of tax.*—The tax is imposed upon the sale by the manufacturer of (1) articles made of fur on the hide or pelt and (2) articles of which fur on the hide or pelt is the component material of chief value.

From June 21, 1932, to May 10, 1934 (both dates inclusive), and on or after June 23, 1936, the tax attaches to the full selling price of the foregoing articles regardless of the amount for which sold.

During the period May 11, 1934, to June 22, 1936 (both dates inclusive), the tax attaches to the entire amount for which any of the foregoing articles are sold, if sold for 75 or more.

In the event the manufacturer sells the article during the period May 11, 1934, to June 22, 1936 (both dates inclusive), for 75 or more, the tax attaches to the entire price for which it is sold and not to the amount by which such price exceeds 75.

The tax is not confined to the sale of articles of fur used as wearing apparel but also attaches to articles susceptible of other uses, such as rugs, robes, etc. Raw fur is not subject to the tax.

The tax attaches to the sale as specified in the foregoing paragraphs of any article if such article is made of fur on the hide or pelt, or if the component material of chief value of such article is fur on the hide or pelt. To determine whether fur is the component material of chief value, the respective values of the various materials, including the fur, should be compared. The comparison should be made immediately before the assembling of the materials after they have been completely prepared and nothing remains to be done to make the completed article except assembling the component parts. Labor charges for assembling the components into the completed article or for other work required shall not be taken into consideration in determining the value of the fur or other components. If the fur is not exceeded in value by any other single component material, the fur is considered the component material of chief value.

Fur collars, fur cuffs, fur trimmings, fur linings, and other completed articles of fur are taxable when sold by the manufacturer thereof during the period June 21, 1932, to May 10, 1934 (both dates inclusive), and on or after June 23, 1936, regardless of the price for which sold, or when sold by the manufacturer thereof during the period May 11, 1934, to June 22, 1936 (both dates inclusive), for \$75 or more, even though to be incorporated into other articles of which fur is not the component material of chief value.

ART. 25. *Repairs.*—Ordinary repairs to an article made wholly or in part of fur on the hide or pelt are not taxable, but where new fur is supplied the tax attaches to the sale of such new fur. The price paid for the repair job will be presumed to be the price for which such fur is sold unless the labor and new fur are billed as separate items. Where the price attributable to the new fur is shown as a separate item on the invoice furnished to the customer, or if the price of the new fur used can be established to the satisfaction of the Commissioner by adequate records, the tax will attach to the sale price of the new fur only. New fur furnished in repair jobs completed or delivered during the period June 21, 1932, to May 10, 1934 (both dates inclusive), and on or after June 23, 1936, is subject to tax regardless of the price charged for such fur. No tax will attach to new fur furnished in repair jobs completed and delivered during the period May 11, 1934, to June 22, 1936 (both dates inclusive), where the price charged for such fur is less than \$75.

ART. 26. *Sales for further manufacture.*—Articles made of fur on the hide or pelt may not be sold tax free under certificate for further manufacture, because such articles are specifically excepted from the terms of the law authorizing the sale of certain articles free of tax for further manufacture. (See article 7.) Provisions under which a manufacturer may take credit for tax paid by a prior manufacturer, etc., are set forth in article 71.

ART. 27. *Rate of tax.*—The tax is payable by the manufacturer at the rate of 10 per cent of the sale price during the period June 21, 1932, to June 22, 1936 (both dates inclusive), and 3 per cent of the sale price on or after June 23, 1936, as outlined in articles 8 to 15, inclusive, and in article 24.

These regulations are prescribed under the authority of section 1101 of the Revenue Act of 1926 and section 628 of the Revenue Act of 1932.

[SEAL]

GUY T. HELVERING,

Commissioner of Internal Revenue.

Approved, July 22, 1936.

WAYNE C. TAYLOR,

Acting Secretary of the Treasury.

[F. R. Doc. 1427—Filed, July 25, 1936; 12:54 p. m.]

Public Health Service.

REGULATIONS FOR THE ISSUE OF TRANSPORTATION TO VOLUNTARY PATIENTS DISCHARGED FROM THE UNITED STATES PUBLIC HEALTH SERVICE HOSPITAL, LEXINGTON, KENTUCKY

JULY 7, 1936.

Pursuant to authority contained in the Treasury Department Appropriation Act, 1937 (Public No. 761—74th Congress), the following regulations governing the issue of transportation to voluntary patients discharged from the United States Public Health Service Hospital, Lexington, Kentucky, are hereby promulgated:

1. Any person admitted to the United States Public Health Service Hospital, Lexington, Kentucky, as a voluntary patient may upon discharge be furnished transportation when necessary by way of the cheapest and most direct and most usually traveled route to the place of bona fide residence within the continental United States or to such other place within the continental United States as the Medical Officer in Charge considers will afford the best opportunity for permanent rehabilitation, provided that in the opinion of the

Medical Officer in Charge such discharged person is cured of addiction to habit-forming narcotic drugs.

[SEAL]

THOMAS PARRAN,

Surgeon General.

Approved, July 22, 1936.

WAYNE C. TAYLOR,

Acting Secretary of the Treasury.

[F. R. Doc. 1423—Filed, July 25, 1936; 12:52 p. m.]

DEPARTMENT OF THE INTERIOR.

Division of Grazing.

INSTRUCTIONS CONCERNING PERMITS AND COOPERATIVE ARRANGEMENTS RELATING TO THE CONSTRUCTION AND MAINTENANCE OF IMPROVEMENTS ON THE PUBLIC LANDS WITHIN GRAZING DISTRICTS

Regional Graziers, Division of Grazing:

Sms: Section 4 of the act of June 28, 1934 (48 Stat. 1269), reads as follows:

Fences, wells, reservoirs, and other improvements necessary to the care and management of the permitted livestock may be constructed on the public lands within such grazing districts under permit issued by the authority of the Secretary, or under such cooperative arrangement as the Secretary may approve. Permittees shall be required by the Secretary of the Interior to comply with the provisions of law of the State within which the grazing district is located with respect to the cost and maintenance of partition fences. No permit shall be issued which shall entitle the permittee to the use of such improvements constructed and owned by a prior occupant until the applicant has paid to such prior occupant the reasonable value of such improvements to be determined under rules and regulations of the Secretary of the Interior. The decision of the Secretary in such cases is to be final and conclusive.

The following regulations are prescribed for the filing of applications for permit or cooperative agreement under said section of the act:

1. Applications for a permit or for a cooperative agreement or an arrangement to construct and maintain improvements of the character contemplated by said section 4, or to use improvements of such character constructed and owned by a prior occupant, on the public lands within a grazing district, should set forth the location of such improvements by legal subdivision of the public land survey, necessity, use, cost, and description of such improvements, item by item, and also designate the time and manner of their construction and the period of use, the method of operation, protection, repair, removal, or other disposition, and any other pertinent information. When necessary properly to explain the improvements and matters connected therewith, the application should be accompanied by a sketch of the improvements with specifications and a map showing their location in the grazing district.

2. The applicant, if an individual, must be a citizen of the United States or must have declared his intention to become such; if an association, its members must possess like qualifications, and if a corporation, it must have complied with the laws of the State in which the lands upon which the improvements to be erected are situated.

3. The applications must be filed with the regional grazer, who will consider the same together with the recommendation of the advisory board, and, if the improvement entails a cost of not more than three hundred dollars in labor and materials, the action of the regional grazer shall be final in the matter unless the applicant, advisory board, or other interested party appeals from his action. If the improvement exceeds three hundred dollars in cost of labor and materials, the application shall be submitted to the Director of Grazing, whose action shall be final unless an appeal is taken to the Secretary of the Interior. Appeals in these matters will follow the procedure provided for appeals in the granting of grazing licenses. All such applications shall be filed in duplicate, and in all cases where the improvements exceed three hundred dollars in cost of labor and materials one copy of the application, together with the recommendation

of the advisory board and the report and recommendation of the regional grazer, shall be immediately forwarded to the Director of Grazing; and similarly, and in due season, in all cases where an appeal is filed from the action of the regional grazer. In cases where the application concerns improvements constructed and owned by a prior occupant and where a determination, by the Government, of the reasonable value thereof becomes necessary, the application should be filed in triplicate, such triplicate and triplicate of the accompanying papers to be disposed of as hereinafter provided.

4 (a) In all cases where the application involves and relates to improvements of the character contemplated by said section 4, constructed on the public lands within the grazing district and owned by a prior occupant, the applicant, in addition to setting forth in the application the matters hereinbefore prescribed to be set forth therein, must, at the time of filing of such application, describe and enumerate said improvements, state their reasonable value, item by item, furnish evidence that the applicant has paid to the owner of such improvements the reasonable value thereof and that the title thereto, free and clear of all liens and encumbrances, has vested in the applicant for such permit or cooperative arrangement or agreement.

(b) In all cases where the owner and the applicant fail or refuse to contract and agree, as provided for in paragraph 4 (a) hereof, as to what shall constitute the reasonable value of the improvements constructed and owned by such owner and prior occupant, the applicant should, at the time of filing the application, submit the matter to the regional grazer for determination, with a clear, concise statement of reasons therefor.

On receipt of the application and showing that the parties in interest are unable to agree upon the reasonable value of the improvements, together with a request for a determination of the reasonable value of such improvements pursuant to said section 4 and the regulations thereunder, the regional grazer will immediately, and at applicant's expense, issue to the owner of the improvements a notice, personally or by registered mail, of the filing of the application, showing and request (such notice to be accompanied by a copy of the application, showing, and request for determination, all of which are to be furnished the regional grazer by the applicant); and that such owner will be allowed thirty days from date of service of such notice to show cause why the improvements should not be determined to be of the value alleged by the applicant, or as may be found and determined by the Government to be the reasonable value thereof, or to apply for a hearing for the purpose of determining the reasonable value of such improvements, and that upon the failure of such owner to do either of said things, a determination by the Government will be made of the reasonable value of such improvements and of the amount to be paid therefor by the applicant to the owner of such improvements as a condition precedent to the issuance of the permit or approval of the cooperative arrangement or agreement. Where the determination of the reasonable value of the improvements authorized by said section 4 has been made, decision in the premises has become final and payment has been made in accordance therewith, and permit is issued or cooperative arrangement or agreement is approved, as the case may be, and where it further appears that there are no outstanding liens or encumbrances affecting said improvements or to the title thereto, no further evidence of vesting of title in the applicant to the said improvements need be furnished.

If a hearing should be applied for and held, such hearing shall be conducted and held, and likewise all appeals, if any connected therewith, in accordance with the rules prescribed by the circular dated March 2, 1936, under the heading "Hearings and Appeals."

The test is the reasonable value of the improvements, not necessarily what was paid for them or contracted to be paid for them.

5. When such applications are approved, as above-provided for, a permit or cooperative agreement or arrangement will be issued or approved, and, upon its receipt, the applicant may

construct and maintain such improvement, or be entitled to the use of the improvements constructed and owned by the prior occupant, as the case may be.

6. Approved forms for application for permit or cooperative agreement, and for a permit are attached, but such forms are not exclusive although their use, as far as may be practicable, and modified where necessary, is advised and recommended.

Very respectfully,

F. R. CARPENTER, Director.

Approved, July 22, 1936.

HAROLD L. ICKES, Secretary of the Interior.

APPLICATION FOR PERMIT TO CONSTRUCT AND MAINTAIN IMPROVEMENTS ON PUBLIC LANDS IN A GRAZING DISTRICT

The undersigned _____, of _____ (Name)

_____, hereby applies for a permit to construct the following listed improvement in Grazing District No. _____, State of _____, to wit:

The applicant is a _____ citizen of the United States or has declared his intention to become a citizen (If naturalized, or one who has declared his intention, proof must be furnished, unless same has heretofore been filed with the Division of Grazing); or a corporation authorized by law to transact business within the State (Copy of its articles of incorporation and a certificate by the proper officer must be furnished).

The purpose, need, and use for such improvement are as follows:

The improvement is located in _____, Sec. _____, T. _____, R. _____. A description of the improvement is shown on the accompanying sketch, map, and specifications. (These papers are to be attached if necessary to properly set forth the nature of the improvement further than the above statement.)

The cost of the improvement will be \$_____ in labor and \$_____ in material and will be borne by _____.

The period for which the improvement will be used is as follows: _____.

Construction on said improvement will be begun as soon as permit or agreement therefor is issued, and work will be continued with diligence until completion. When completed, the operation, repair, and maintenance of the improvement will be as follows: _____.

The right to remove the improvement is to belong to _____ upon approval by _____.

Subscribed and sworn to before me this _____ day of _____, 193_____.

Recommended: _____

DISTRICT ADVISORY BOARD OF _____, GRAZING DISTRICT NO. _____.

By _____, Chairman.

Recommended for approval: _____

_____ Regional Grazer.

_____ Director of Grazing.

PERMIT TO CONSTRUCT AND MAINTAIN IMPROVEMENTS IN GRAZING DISTRICT No. _____ STATE OF _____

Under and by virtue of section 4 of the act of Congress, approved June 28, 1934 (48 Stat. 1269), permission is hereby granted to _____ of _____

-----, to construct necessary improvements on the -----, Sec. -----, T. -----, R. -----, of Grazing District No. -----, State of -----, according to the description and plans contained in the application for this permit, which was approved by the -----, on -----, 193-----, made a part hereof, together with the exclusive right, so long as needed, to use same during the life of such grazing permit or license as may be issued to this permittee under the provisions of said act, subject to the following conditions:

1. That permittee shall comply with the law of the State of ----- with respect to the cost and maintenance of any partition fences which may be constructed under this permit.

2. That permittee shall comply with the provisions of the act under which this permit has issued relating to the use of the improvements and the grazing of livestock.

Violation of any provision of these regulations or of the Rules for Administration of Grazing Districts in which the lands are situated shall be sufficient ground for revocation of this permit.

Regional Grazier.

Approved:

[F. R. Doc. 1428—Filed, July 27, 1936; 9:32 a. m.]

DEPARTMENT OF AGRICULTURE.

Agricultural Adjustment Administration.

ECR—B-1 Revised—Supplement (m) Issued July 27, 1936
1936 AGRICULTURAL CONSERVATION PROGRAM—EAST CENTRAL REGION

BULLETIN NO. 1 REVISED—SUPPLEMENT (M)

Increase of Acreage in 1936 of Crops in the General Soil-Depleting Base

Section 7, "Food and Feed Crops", of part II, "Rates and Conditions of Payment", of E. C. R.—B-1 Revised, as amended by Supplement (i), is hereby further amended by striking out subsections (b) and (c) and substituting therefor the following new subsection (b):

(b) Notwithstanding the provisions of subsection (a) of section 5, "Increase in Acreage of Soil-Depleting Crops", of this part II, no deduction will be made from any payment with respect to any farm because the acreage of crops in the general soil-depleting base on such farm in 1936 exceeds the number of acres in the general soil-depleting base for such farm, except as provided in section 5 of part V as amended.

Subsection (b) of section 5, "Amount of Soil-Conserving Payment Where Two or More Farms are Owned or Operated in One County", of part V, "Miscellaneous Provisions", of ECR—B-1 Revised, is hereby amended by changing the period at the end of said subsection to a semicolon and adding the following:

(6) If the total of the sums obtained under (1) above is greater than the total of the sums obtained under (1) of subsection (a), subtract the difference between such totals from the total obtained under (5) above.

In testimony whereof, R. G. Tugwell, Acting Secretary of Agriculture, has hereunto set his hand and caused the official seal of the Department of Agriculture to be affixed in the City of Washington, District of Columbia, this 27th day of July 1936.

[SEAL] R. G. TUGWELL,
Acting Secretary of Agriculture.

[F. R. Doc. 1432—Filed, July 27, 1936; 12:11 p. m.]

FARM CREDIT ADMINISTRATION.

FCA 10

UNSECURED LOANS TO REPEAT BORROWERS

To all Production Credit Associations in the States of Kansas, Colorado, Oklahoma, and New Mexico:

The following regulation is prescribed pursuant to Section 23 of the Farm Credit Act of 1933:

In order to assist a satisfactory repeat borrower in meeting his immediate and pressing needs for operating expenses, production credit associations may assume responsibility for advancing such funds in an amount not exceeding five hundred dollars (\$500), advances to be made on an unsecured note basis but supported with current property statements. It must be understood that this advance is of a temporary nature and is to be retired from the proceeds of a new loan to be completed on the usual basis. Every reasonable effort must be made to complete the new loan at an early date in order that the temporary and unsecured advance may be retired promptly.

The executive committees should understand: (1) That such unsecured advances should be approved for only those repeat borrowers whose integrity, financial responsibility and previous credit experience with the association justifies particular efforts being made to continue their business with the association. (2) That such advances should ordinarily be made only for the purpose of meeting reasonable operating expenses which are required before a loan may be closed in the usual manner, and that no refinancing should be involved. (3) That prompt steps must be taken in completing a new loan which will permit this temporary advance to be repaid promptly.

It is suggested that the procedure as outlined herein should be followed only in connection with the continued financing of desirable borrowers. After careful consideration of individual cases, the executive committee's action should clearly authorize the completion of temporary and unsecured advances to be evidenced by promissory notes supported by current financial statements, and to be carried in the association's cash loan fund until the repeat loan may be closed; then the temporary advance note will be retired from the proceeds of the repeat loan.

When particularly desirable and responsible repeat borrowers may be in need of operating expenses in an amount not exceeding five hundred dollars (\$500), and it will be inconvenient to close the loans immediately on a chattel basis, advances on a plain note supported by property statements may be made with maturity not in excess of ninety days. Under this arrangement, advances may be made from the cash loan fund but notes and current property statements must be immediately submitted to the Federal intermediate credit bank for rediscout. It must be definitely understood that such advances may be made only under exceptional circumstances and to outstanding repeat borrowers.

PRODUCTION CREDIT CORPORATION OF WICHITA,
[SEAL] By D. L. MULLENBONE, President.

Confirmed:

HARRY H. OLDER,
Acting Secretary.

[F. R. Doc. 1433—Filed, July 27, 1936; 12:23 p. m.]

FEDERAL TRADE COMMISSION.

United States of America—Before Federal Trade Commission

At a regular session of the Federal Trade Commission, held at its office in the City of Washington, D. C., on the 22nd day of July A. D. 1936.

Commissioners: Charles H. March, Chairman; Garland S. Ferguson, Jr., Ewin L. Davis, W. A. Ayres, Robert E. Freer.

[Docket No. 2451]

IN THE MATTER OF KELLY BREWING & MALTING COMPANY, A CORPORATION, TRADING UNDER THE NAME AND STYLE OF ROSE-CREST DISTILLERS

ORDER APPOINTING EXAMINER AND FIXING TIME AND PLACE FOR TAKING TESTIMONY

This matter being at issue and ready for the taking of testimony, and pursuant to authority vested in the Federal Trade Commission, under an Act of Congress (38 Stat. 717; 15 U. S. C. A., Section 41),

It is ordered, that John L. Hornor, an examiner of this Commission, be and he hereby is designated and appointed to take testimony and receive evidence in this proceeding and to perform all other duties authorized by law.

It is further ordered, that the taking of testimony in this proceeding begin on Monday, July 27, 1936, at half past two o'clock in the afternoon of that day (eastern standard time), in room 500, 45 Broadway, New York.

Upon completion of testimony for the Federal Trade Commission, the examiner is directed to proceed immediately to take testimony and evidence on behalf of the respondent. The examiner will then close the case and make his report. By the Commission.

[SEAL] OTIS B. JOHNSON, *Secretary*.

[F. R. Doc. 1421—Filed, July 25, 1936; 11:04 a. m.]

INTERSTATE COMMERCE COMMISSION.

ORDER

At a Session of the Interstate Commerce Commission, Division 5, held at its office in Washington, D. C., on the 22nd day of July A. D. 1936

[Docket No. BMC 1542]

APPLICATION OF D. M. STONE FOR AUTHORITY TO OPERATE AS A CONTRACT CARRIER

In the Matter of the Application of D. M. Stone, Individual, Doing Business as Stone Transportation Co., of 1920 E. Orman Avenue, Pueblo, Colo., for a Permit (Form BMC 10) to Extend Its Present Operations Filed on Form BMC 1 Authorizing Operation as a Contract Carrier by Motor Vehicle in the Transportation of Commodities Generally, in Interstate Commerce, between Pueblo, Colo., and Los Angeles, Calif., via Albuquerque, N. Mex., Ash Fork and Wickenburg, Ariz., over U. S. Highways 85, 66, 89, 60

It appearing, That the above-entitled matter is one which the Commission is authorized by the Motor Carrier Act, 1935, to refer to an examiner:

It is ordered, That the above-entitled matter be, and it is hereby, referred to Examiner M. T. Corcoran for hearing and for the recommendation of an appropriate order thereon, to be accompanied by the reasons therefor;

It is further ordered, That this matter be set down for hearing before Examiner M. T. Corcoran, on the 18th day of August A. D. 1936, at 9 o'clock a. m. (standard time), at the Rooms of the Public Utilities Commission, Denver, Colo.

It is further ordered, That notice of this proceeding be duly given.

And it is further ordered, That any party desiring to be notified of any change in the time or place of the said hearing (at his own expense if telegraphic notice becomes necessary) shall advise the Bureau of Motor Carriers of the Commission, Washington, D. C., to that effect by notice which must reach the said Bureau within 10 days from the date of service hereof and that the date of mailing of this notice shall be considered as the time when said notice is served.

By the Commission, division 5.

[SEAL] GEORGE B. MCGINTY, *Secretary*.

[F. R. Doc. 1430—Filed, July 27, 1936; 11:57 a. m.]

[Fourth Section Application No. 16441]

NEWSPRINT PAPER TO CHICAGO, ILL., AND MILWAUKEE, WIS.

JULY 25, 1936.

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: B. T. Jones, Agent.

Commodities involved: Newsprint paper, in bundles or rolls, in carloads.

From: Quebec (Limollou), Que. (Canadian National Railways) and Quebec, Que. (Canadian Pacific Railway).

To: Chicago, Ill., and Milwaukee, Wis.

Grounds for relief: Water competition.

Any interested party 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; otherwise the Commission may proceed to investigate and determine the matters involved in such application without further or formal hearing.

By the Commission, division 2.

[SEAL] GEORGE B. MCGINTY, *Secretary*.

[F. R. Doc. 1429—Filed, July 27, 1936; 11:56 a. m.]

[Fourth Section Application No. 16442]

SCRAP IRON AND STEEL BETWEEN POINTS IN NEW YORK

JULY 27, 1936.

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: W. S. Cullett, Agent.

Commodities involved: Scrap iron and steel, carloads.

From: Albany, Schenectady, and Troy, N. Y.

To: Buffalo, Niagara Falls, and Suspension Bridge, N. Y.

Grounds for relief: Water and truck competition.

Any interested party 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; otherwise the Commission may proceed to investigate and determine the matters involved in such application without further or formal hearing.

By the Commission, division 2.

[SEAL] GEORGE B. MCGINTY, *Secretary*.

[F. R. Doc. 1431—Filed, July 27, 1936; 11:57 a. m.]

SECURITIES AND EXCHANGE COMMISSION.

SECURITIES EXCHANGE ACT OF 1934

ADOPTION OF RULE AN22

The Securities and Exchange Commission, deeming it necessary and appropriate in the public interest and for the protection of investors so to do, pursuant to authority conferred upon it by the Securities Exchange Act of 1934, particularly Section 3 (a) (12) thereof, adopts the following rule:

RULE AN22. Exemption of individual notes or bonds secured by lien on real estate from Section 15 (a): Evidences of indebtedness secured by mortgage, deed of trust or other lien upon real estate or upon leasehold interests therein where the entire mortgage, deed of trust or other lien is transferred with the entire evidence of indebtedness are hereby exempted from the operation of Section 15 (a) of the Securities Exchange Act of 1934, as amended.

[SEAL] ORVAL L. DuBOIS, *Acting Secretary*.

[F. R. Doc. 1434—Filed, July 27, 1936; 12:46 p. m.]

*United States of America—Before the Securities
and Exchange Commission*

At a regular session of the Securities and Exchange Commission, held at its office in the City of Washington, D. C., on the 24th day of July A. D. 1936.

[File No. 2-2242]

**IN THE MATTER OF AMERICAN CEREAL FOOD CORPORATION
ORDER CHANGING DESIGNATION OF OFFICER AND FIXING TIME AND
PLACE FOR TAKING TESTIMONY**

The Commission having heretofore, on July 21, 1936, designated Robert P. Reeder, an officer of the Commission, to take testimony at a hearing to be held in this matter, under Section 8 (d) of the Securities Act of 1933, as amended, in Room 1103, Securities and Exchange Commission Building, 1778 Pennsylvania Avenue NW., Washington, D. C., on August 3, 1936, and

The registrant having subsequently requested that such hearing be advanced,

It is ordered, that the hearing in this matter be held at the same hour and place on July 29, 1936, and continue thereafter at such times and places as the officer hereinafter designated may determine; and

It is further ordered, that Allen MacCullen, an officer of the Commission, be, and he hereby is, designated to administer oaths and affirmations, subpoena witnesses, compel their attendance, take evidence, and require the production of any books, papers, correspondence, memoranda, or other records deemed relevant or material to the inquiry, and to perform all other duties in connection therewith authorized by law.

Upon the completion of testimony in this matter, the officer is directed to close the hearing and make his report to the Commission.

By the Commission.

[SEAL]

ORVAL L. DuBOIS, *Acting Secretary.*

[F. R. Doc. 1439—Filed, July 27, 1936; 1:00 p. m.]

*United States of America—Before the Securities
and Exchange Commission*

At a regular session of the Securities and Exchange Commission held at its office in the City of Washington, D. C., on the 24th day of July A. D. 1936.

**IN THE MATTER OF ALM OIL CORPORATION OFFERING SHEET OF A
ROYALTY INTEREST IN SINCLAIR-PRAIRIE-KING FARM
SUSPENSION ORDER, ORDER FOR HEARING (UNDER RULE 340 (A)),
AND ORDER DESIGNATING A TRIAL EXAMINER**

The Securities and Exchange Commission, having reasonable grounds to believe, and therefore alleging, that the offering sheet filed by Alm Oil Corporation on the 18th day of July 1936, covering a certain royalty interest in the property described therein as Sinclair-Prairie-King Farm is incomplete or inaccurate in the following material respects, to wit:

1. In that the answer to Item 19, Division II, contains no sufficient reason for the omission to include an estimation of the amount of oil or gas which may be recoverable from the property described.

2. In that the record of production for the period shown does not constitute a sufficient basis upon which to estimate the amount of oil or gas which may be recoverable from the property described.

3. In that the answer to Item 19, Division II, in the light of the circumstances under which it is made, falls to state material facts necessary to make the said answer and the said offering sheet not misleading.

It is ordered, pursuant to Rule 340 (a) of the Commission's General Rules and Regulations under the Securities Act of 1933, as amended, that the effectiveness of the filing of said offering sheet be, and the same hereby is, suspended until the 22nd day of August 1936, that an opportunity for hearing be given to the said Alm Oil Corporation for the

purpose of determining the material completeness or accuracy of the said offering sheet in the respects in which it is herein alleged to be incomplete or inaccurate, and whether the said order of suspension should be revoked or continued; and

It is further ordered, that Robert P. Reeder, an officer of the Commission be, and he hereby is, designated as Trial Examiner to preside at such hearing, to adjourn the said hearing from time to time, to administer oaths and affirmations, subpoena witnesses, compel their attendance, take evidence, consider any amendments to such offering sheet as may be filed prior to the conclusion of the hearing, and require the production of any books, papers, correspondence, memoranda, or other records deemed relevant or material to the inquiry, and to perform all other duties in connection therewith authorized by law; and

It is further ordered, that the taking of testimony in this proceeding begin on the 10th day of August 1936, at 3 o'clock in the afternoon of that day at the office of the Securities and Exchange Commission, 18th Street and Pennsylvania Avenue, Washington, D. C., and continue thereafter at such times and places as said officer may designate.

Upon the completion of testimony in this matter the officer is directed to close the hearing and make his report to the Commission.

By the Commission.

[SEAL]

ORVAL L. DuBOIS, *Acting Secretary.*

[F. R. Doc. 1436—Filed, July 27, 1936; 12:59 p. m.]

*United States of America—Before the Securities
and Exchange Commission*

At a regular session of the Securities and Exchange Commission held at its office in the City of Washington, D. C., on the 25th day of July A. D. 1936.

**IN THE MATTER OF A. BEN CHADWELL OFFERING SHEET OF A
ROYALTY INTEREST IN PHILLIPS-LIBERTY LEASE
SUSPENSION ORDER, ORDER FOR HEARING (UNDER RULE 340 (A)),
AND ORDER DESIGNATING A TRIAL EXAMINER**

The Securities and Exchange Commission, having reasonable grounds to believe, and therefore alleging, that the offering sheet filed by A. Ben Chadwell on the 20th day of July 1936, covering a certain royalty interest in the property described therein as Phillips-Liberty Lease is incomplete or inaccurate in the following material respects, to wit:

1. In that no reasons are given in Item 3, Division III, for the use of each particular factor in combination with each of the other factors for this particular tract.

2. In that no basis is given in Item 3, Division III, for assuming 25% migratory oil, nor for a 60% recovery factor.

3. In that under Item 3, Division III, no consideration is given to the volumetric shrinkage due to liberation of gas in solution and to reduction of pressure and temperature from reservoir to atmospheric.

It is ordered, pursuant to Rule 340 (a) of the Commission's General Rules and Regulations under the Securities Act of 1933, as amended, that the effectiveness of the filing of said offering sheet be, and the same hereby is, suspended until the 24th day of August 1936; that an opportunity for hearing be given to the said A. Ben Chadwell for the purpose of determining the material completeness or accuracy of the said offering sheet in the respects in which it is herein alleged to be incomplete or inaccurate, and whether the said order of suspension should be revoked or continued; and

It is further ordered, that Charles S. Lobingier, an officer of the Commission be, and he hereby is, designated as Trial Examiner to preside at such hearing, to adjourn the said hearing from time to time, to administer oaths and affirmations, subpoena witnesses, compel their attendance, take evidence, consider any amendments to such offering sheet as may be filed prior to the conclusion of the hearing, and require the production of any books, papers, correspondence, memoranda, or other records deemed relevant or material

to the inquiry, and to perform all other duties in connection therewith authorized by law; and

It is further ordered, that the taking of testimony in this proceeding begin on the 11th day of August 1936 at 11 o'clock in the forenoon of that day at the office of the Securities and Exchange Commission, 18th Street and Pennsylvania Avenue, Washington, D. C., and continue thereafter at such times and places as said officer may designate.

Upon the completion of testimony in this matter the officer is directed to close the hearing and make his report to the Commission.

By the Commission.

[SEAL] ORVAL L. DuBOIS, Acting Secretary.

[F. R. Doc. 1441—Filed, July 27, 1936; 1:01 p. m.]

United States of America—Before the Securities and Exchange Commission

At a regular session of the Securities and Exchange Commission held at its office in the City of Washington, D. C., on the 25th day of July A. D. 1936,

IN THE MATTER OF JOHN G. ELLINGHAUSEN, OFFERING SHEET OF A ROYALTY INTEREST IN STANOLIND ET AL.—SUENRAM LEASE

SUSPENSION ORDER, ORDER FOR HEARING (UNDER RULE 340 (A)), AND ORDER DESIGNATING A TRIAL EXAMINER

The Securities and Exchange Commission, having reasonable grounds to believe, and therefore alleging, that the offering sheet filed by John G. Ellinghausen on the 20th day of July 1936 covering a certain royalty interest in the property described therein as Stanolind et al.—Suenram Lease is incomplete or inaccurate in the following material respects, to wit:

1. In that the statement in Item 3, Division III, with reference to the dip on top of the second Wilcox sand is believed to be inaccurate.

2. In that insufficient information is given to justify the comparison of Suenram tract and the properties in the St. Louis Pool in Item 3, Division III.

3. In that the reason given in Item 3, Division III, for considering the entire tract productive in Simpson is believed to be based on inaccurate estimation.

4. In that no showing is made in Item 3, Division III, to indicate that or how the Suenram tract and that tract used in the comparison are comparable.

5. In that Item 3, Division III, fails to consider the migration of oil to the 160 acre tract in Oklahoma City field used as a basis for comparison.

It is ordered, pursuant to Rule 340 (a) of the Commission's General Rules and Regulations under the Securities Act of 1933, as amended, that the effectiveness of the filing of said offering sheet be, and the same hereby is, suspended until the 24th day of August 1936; that an opportunity for hearing be given to the said John G. Ellinghausen for the purpose of determining the material completeness or accuracy of the said offering sheet in the respects in which it is herein alleged to be incomplete or inaccurate, and whether the said order of suspension should be revoked or continued; and

It is further ordered, that Charles S. Lobingier, an officer of the Commission be, and he hereby is, designated as Trial Examiner to preside at such hearing, to adjourn the said hearing from time to time, to administer oaths and affirmations, subpoena witnesses, compel their attendance, take evidence, consider any amendments to such offering sheet as may be filed prior to the conclusion of the hearing, and require the production of any books, papers, correspondence, memoranda, or other records deemed relevant or material to the inquiry, and to perform all other duties in connection therewith authorized by law; and

It is further ordered, that the taking of testimony in this proceeding begin on the 11th day of August 1936, at 10:00 o'clock in the forenoon of that day at the office of the Securities and Exchange Commission, 18th Street and Pennsyl-

vania Avenue, Washington, D. C., and continue thereafter at such times and places as said officer may designate.

Upon the completion of testimony in this matter the officer is directed to close the hearing and make his report to the Commission.

By the Commission.

[SEAL] ORVAL L. DuBOIS, Acting Secretary.

[F. R. Doc. 1440—Filed, July 27, 1936; 1:01 p. m.]

United States of America—Before the Securities and Exchange Commission

At a regular session of the Securities and Exchange Commission held at its office in the City of Washington, D. C., on the 24th day of July A. D. 1936.

IN THE MATTER OF W. E. HOUSEL, OFFERING SHEET OF A WORKING INTEREST IN A. F. BRAY FARM

SUSPENSION ORDER, ORDER FOR HEARING (UNDER RULE 340 (A)) AND ORDER DESIGNATING A TRIAL EXAMINER

The Securities and Exchange Commission, having reasonable grounds to believe, and therefore alleging, that the offering sheet filed by W. E. Housel on the 18th day of July 1936, covering a certain working interest in the property described therein as A. F. Bray Farm is incomplete or inaccurate in the following material respects, to wit:

1. In that the expiration date on page 1 of Division I is miscalculated.

2. In that the fractional interest proposed to be offered as stated in Item 1, Division II, is miscalculated.

3. In that the cost to the holder of each smallest fractional interest stated in Item 9^(a), Division II, is miscalculated.

4. In that Exhibit A is undated.

It is ordered, pursuant to Rule 340 (a) of the Commission's General Rules and Regulations under the Securities Act of 1933, as amended, that the effectiveness of the filing of said offering sheet be, and the same hereby is, suspended until the 22nd day of August 1936; that an opportunity for hearing be given to the said W. E. Housel for the purpose of determining the material completeness or accuracy of the said offering sheet in the respects in which it is herein alleged to be incomplete or inaccurate, and whether the said order of suspension should be revoked or continued; and

It is further ordered, that Robert P. Reeder, an officer of the Commission, be, and he hereby is, designated as Trial Examiner to preside at such hearing, to adjourn the said hearing from time to time, to administer oaths and affirmations, subpoena witnesses, compel their attendance, take evidence, consider any amendments to such offering sheet as may be filed prior to the conclusion of the hearing, and require the production of any books, papers, correspondence, memoranda, or other records deemed relevant or material to the inquiry, and to perform all other duties in connection therewith authorized by law; and

It is further ordered, that the taking of testimony in this proceeding begin on the 10th day of August 1936, at 11:00 o'clock in the forenoon of that day at the office of the Securities and Exchange Commission, 18th Street and Pennsylvania Avenue, Washington, D. C., and continue thereafter at such times and places as said officer may designate.

Upon the completion of testimony in this matter the officer is directed to close the hearing and make his report to the Commission.

By the Commission.

[SEAL] ORVAL L. DuBOIS, Acting Secretary.

[F. R. Doc. 1438—Filed, July 27, 1936; 1:00 p. m.]

United States of America—Before the Securities and Exchange Commission

At a regular session of the Securities and Exchange Commission held at its office in the City of Washington, D. C., on the 24th day of July A. D. 1936.

IN THE MATTER OF VIRGIL O. KING, INC., OFFERING SHEET OF A ROYALTY INTEREST IN MID-CONTINENT-YOUNG FARM

SUSPENSION ORDER, ORDER FOR HEARING (UNDER RULE 340 (A)) AND ORDER DESIGNATING A TRIAL EXAMINER

The Securities and Exchange Commission, having reasonable grounds to believe, and therefore alleging, that the offering sheet filed by Virgil O. King, Inc., on the 18th day of July 1936, covering a certain royalty interest in the property described therein as Mid-Continent-Young Farm is incomplete or inaccurate in the following material respects, to wit:

1. In that the answer to Item 3, Division III, omits to state reasons for the use of each particular factor there used, in combination with each of the other factors in the particular tract.

2. In that no consideration has been given in Division III to the volumetric shrinkage due to the liberation of gas in solution and to reduction of pressure and temperature from reservoir to atmospheric.

It is ordered, pursuant to Rule 340 (a) of the Commission's General Rules and Regulations under the Securities Act of 1933, as amended, that the effectiveness of the filing of said offering sheet be, and the same hereby is, suspended until the 22nd day of August, 1936; that an opportunity for hearing be given to the said Virgil O. King, Inc., for the purpose of determining the material completeness or accuracy of the said offering sheet in the respects in which it is herein alleged to be incomplete or inaccurate, and whether the said order of suspension should be revoked or continued; and

It is further ordered, that Robert P. Reeder, an officer of the Commission be, and he hereby is, designated as Trial Examiner to preside at such hearing, to adjourn the said hearing from time to time, to administer oaths and affirmations, subpoena witnesses, compel their attendance, take evidence, consider any amendments to such offering sheet as may be filed prior to the conclusion of the hearing, and require the production of any books, papers, correspondence, memoranda, or other records deemed relevant or material to the inquiry, and to perform all other duties in connection therewith authorized by law; and

It is further ordered, that the taking of testimony in this proceeding begin on the 10th day of August 1936 at 2:00 o'clock in the afternoon of that day at the office of the Securities and Exchange Commission, 18th Street and Pennsylvania Avenue, Washington, D. C., and continue thereafter at such times and places as said officer may designate.

Upon the completion of testimony in this matter the officer is directed to close the hearing and make his report to the Commission.

By the Commission.

[SEAL] ORVAL L. DuBOIS, *Acting Secretary.*

[F. R. Doc. 1435—Filed, July 27, 1936; 12:59 p. m.]

United States of America—Before the Securities and Exchange Commission

At a regular session of the Securities and Exchange Commission held at its office in the City of Washington, D. C., on the 24th day of July A. D. 1936.

IN THE MATTER OF W. L. THOMAS & CO., INC., OFFERING SHEET OF A ROYALTY INTEREST IN CONTINENTAL OIL CO.—YOUNG FARM

SUSPENSION ORDER, ORDER FOR HEARING (UNDER RULE 340 (A)) AND ORDER DESIGNATING A TRIAL EXAMINER

The Securities and Exchange Commission, having reasonable grounds to believe, and therefore alleging, that the offering sheet filed by W. L. Thomas & Co., Inc., on the 18th day of July 1936, covering certain royalty interests in the property described therein as Continental Oil Co.—Young Farm—is incomplete or inaccurate in the following material respects, to wit:

In that no complete and sufficient data are given in answer to Item 3, Division III, in the comparison drawn in omitting consideration of migration of oil.

It is ordered, pursuant to Rule 340 (a) of the Commission's General Rules and Regulations under the Securities Act of 1933, as amended, that the effectiveness of the filing of said offering sheet be, and the same hereby is, suspended until the 22nd day of August 1936; that an opportunity for hearing be given to the said W. L. Thomas & Co., Inc., for the purpose of determining the material completeness or accuracy of the said offering sheet in the respects in which it is herein alleged to be incomplete or inaccurate, and whether the said order of suspension should be revoked or continued; and

It is further ordered, that Robert P. Reeder, an officer of the Commission, be, and he hereby is, designated as Trial Examiner to preside at such hearing, to adjourn the said hearing from time to time, to administer oaths and affirmations, subpoena witnesses, compel their attendance, take evidence, consider any amendments to such offering sheet as may be filed prior to the conclusion of the hearing, and require the production of any books, papers, correspondence, memoranda, or other records deemed relevant or material to the inquiry, and to perform all other duties in connection therewith authorized by law; and

It is further ordered, that the taking of testimony in this proceeding begin on the 10th day of August 1936, at 1 o'clock in the afternoon of that day at the office of the Securities and Exchange Commission, 18th Street and Pennsylvania Avenue, Washington, D. C., and continue thereafter at such times and places as said officer may designate.

Upon the completion of testimony in this matter the officer is directed to close the hearing and make his report to the Commission.

By the Commission.

[SEAL]

ORVAL L. DuBOIS, *Acting Secretary.*

[F. R. Doc. 1437—Filed, July 27, 1936; 1:00 p. m.]

Wednesday, July 29, 1936

No. 98

PRESIDENT OF THE UNITED STATES.

EXECUTIVE ORDER

AMENDMENT OF SCHEDULE A, SUBDIVISION VIII, PARAGRAPH 5, CIVIL SERVICE RULES

By virtue of and pursuant to the authority vested in me by the provisions of paragraph Eighth of Subdivision Second of section 2 of the Civil Service Act of January 16, 1883 (22 Stat. 403, 404), paragraph 5, Subdivision VIII of Schedule A of the Civil Service Rules, is hereby amended by adding thereto the following subparagraph:

(k) Guards, scalers, field assistants for reconnaissance parties, foremen engaged upon road or trail construction, and telephone operators, employed temporarily during the season of danger from fires or when special work requires additions to the regular forest force. Such employees shall serve only so long as absolutely required and in no case beyond the usual field season. So far as the Commission may deem practicable, appointments of such employees shall be made from the registers of eligibles.

FRANKLIN D. ROOSEVELT

THE WHITE HOUSE,
July 23, 1936.

[No. 7422]

[F. R. Doc. 1446—Filed, July 23, 1936; 10:29 a. m.]

EXECUTIVE ORDER

AMENDMENT OF SUBDIVISION I, SCHEDULE B, CIVIL SERVICE RULES

By virtue of and pursuant to the authority vested in me by the provisions of paragraph Eighth of subdivision