

2. Segregation of investments and advances as follows:
 - (a) Affiliated companies.
 - (b) Nonaffiliated companies.
 - (c) Individuals.
3. Segregation of long-term obligations, by maturities:
 - (a) Equipment notes.
 - (b) Other long-term obligations.
4. Segregation of capital stock and surplus or deficit:
 - (a) Capital stock.
 - (b) Capital surplus.
 - (c) Earned surplus or deficit:
 - Surplus or deficit at—Beginning of period.
 - Surplus adjustments applicable to prior years.
 - Current year profit and loss.
 - Miscellaneous profit and loss credits.
 - Miscellaneous profit and loss debits.
 - Appropriate surplus:
 - For sinking fund or other similar reserves.
 - For dividends.
 - Surplus or deficit at end of period.
5. Segregation of reserves to reflect separately:
 - (a) Depreciation (include rates by classes of property).
 - (b) Injuries, loss and damage reserves.
 - (c) Other similar reserves.

Policy and practice followed with respect to each of the aforementioned reserves.

6. Attach complete detailed list of all unpaid claims against you for each class of risk (Bodily Injury Liability, Property Damage Liability, and Cargo Liability) separately, giving date of accident, your claim number, date of claim, nature of injuries or damages, and indicate whether serious or minor, amount of damages claimed, amount of reserve, date of suit if any, and designate name of court and jurisdiction in which suit is filed. Note.—Sum total of reserves reported in the accompanying lists must agree with Item No. 5 (b), referring to "Injuries, Loss, and Damage Reserves." (Note.—See General Instruction No. 5.)

Also include on the current Balance Sheet Statement by appropriate footnotes:

1. Contingent Assets and Liabilities not reflected in Balance Sheet Statement.

(a) Furnish full particulars as to number and amount of any unpaid claims and judgments for "injuries, loss, or damage" against you as at date of this application not covered by policies of insurance companies in good standing and for which adequate provision has not been made in Item No. 5 (b), "Injuries, Loss, and Damage Reserves." (Note.—See General Instruction No. 5.)

(b) Indicate amount of special reserve required to adequately provide for any unpaid claims and judgments against you arising out of accidents which occurred on or before date of Current Balance Sheet Statement, but of which notice was not received by you until a subsequent date, and for which no specific or special reserve has been included in item (a) above or in Item No. 5 (b), "Injuries, Loss, and Damage Reserve."

(c) Information as to nature and amount of reserve required to adequately provide for all other liabilities accrued as at date of current Balance Sheet Statement, notice of which was not received until a date subsequent thereto, but prior to date of this application, and for which no reserve has been otherwise provided.

2. Arrears in cumulative dividends, stating amount per share and total.

3. Facts and amounts with respect to any default in principal, interest, or sinking fund provisions if not shown in Balance Sheet Statements.

4. Total book cost of securities pledged as collateral for any long-term obligations, short-term loans, or to secure performance of contracts.

5. Show on each of the financial statements requested in this Exhibit C to the extent applicable, the name, class, and address of independent public, or independent certified public, accountant who prepared, or under whose direction were prepared, the data shown thereon. If no such accountant was employed, so state.

Exhibit D

Attach the following as separate exhibits identifying them:

Exhibit D-1.—Copies of all resolutions of stockholders or directors authorizing this application, authenticated by proper executive officers of the applicants; and, if the charter or by-laws require approval by the stockholders, copies of the resolutions of the stockholders authorizing this application for self-insuring under Section 215 of the Motor Carrier Act, 1935, and indicate the percentage of stock voting for such authorization.

Exhibit D-2.—Copies of all resolutions of stockholders or directors, or duly authorized committee thereof, authenticated by proper executive officers of the applicants, designating by name and for that purpose the executive officer by whom the application is signed and verified, and filed on behalf of the applicant.

Exhibit D-3.—If an organization other than a corporation is an applicant, there shall be furnished documentary evidence showing

authorization and designation of the individual or individuals signing, verifying, and filling on behalf of the applicant.

Exhibit E

Brief outline of the nature and extent of applicant's business together with an organization chart reflecting all subsidiaries and parents of the applicant, and degree of relationship by:

1. Voting stock.
2. Nonvoting stock.
3. Management.
4. Contractual.

GENERAL INSTRUCTIONS

1. Exhibits shall be typewritten on paper 8½ by 13 inches or folded to conform and name of applicant should appear on each page thereof.

2. The name of each person signing this application shall be typed or printed beneath the signature.

3. Information required must be given unless neither known nor available to applicant without unreasonable effort or expense. In such case, however, explicit statement to such effect shall be made in the application, in lieu of the omitted material, setting forth the reasons why the information is neither known nor available.

4. There shall be filed with this Commission two true copies of the application for the use of the Commission.

5. Judgments are not to be included in Item No. 6, but are to be included in balance sheet as a fixed liability. If for any reason applicant desires the answers to Item No. 6 to be treated by the Commission as confidential and private, the applicant may file separate application for such treatment, setting forth the reasons which applicant relies upon as showing that public interest does not require such answers or that if made, public interest requires that such answers should not be made public. The Commission will consider such separate application.

[SEAL]

GEORGE B. MCGINTY, Secretary.

[F. R. Doc. 2502—Filed, September 22, 1936; 12:46 p. m.]

Friday, September 25, 1936

No. 139

PRESIDENT OF THE UNITED STATES.

COLUMBUS DAY

By the President of the United States of America

A PROCLAMATION

WHEREAS Public Resolution 21, Seventy-third Congress, approved April 30, 1934, provides:

"That the President of the United States is authorized and requested to issue a proclamation designating October 12 of each year as Columbus Day and calling upon officials of the Government to display the flag of the United States on all Government buildings on said date and inviting the people of the United States to observe the day in schools and churches, or other suitable places, with appropriate ceremonies expressive of the public sentiment befitting the anniversary of the discovery of America."

NOW, THEREFORE, I, FRANKLIN D. ROOSEVELT, President of the United States of America, under and by virtue of the authority vested in me by the aforesaid public resolution, do by this proclamation designate October 12, 1936, as Columbus Day and do direct that on that day the flag of the United States be displayed on all Government buildings; and, further, I do invite the people of the United States to observe the day with appropriate ceremonies in schools and churches, or other suitable places.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the seal of the United States of America to be affixed.

DONE at the City of Washington this 22nd day of September, in the year of our Lord nineteen hundred and [SEAL] thirty-six, and of the Independence of the United States of America the one hundred and sixty-first.

FRANKLIN D ROOSEVELT

By the President:

CORDELL HULL,
Secretary of State.

[No. 2197]

[F. R. Doc. 2530—Filed, September 24, 1936; 10:33 a. m.]

DEPARTMENT OF THE INTERIOR.

General Land Office.

STOCK DRIVEWAY WITHDRAWALS NOS. 13 AND 26 REDUCED

SEPTEMBER 15, 1936.

Departmental orders of April 24 and June 25, 1918, withdrawing certain public lands in Montana for stock driveway purposes under section ten of the act of December 29, 1916 (39 Stat. 862), as amended by the act of January 29, 1929 (45 Stat. 1144), are hereby revoked in so far as they affect the following-described lands which are within Montana Grazing District No. 3, established April 8, 1935:

PRINCIPAL MERIDIAN

- T. 8 S., R. 45 E., E $\frac{1}{2}$ of Secs. 1, 12, 13, and 24, NE $\frac{1}{4}$ and S $\frac{1}{2}$ Sec. 25, SE $\frac{1}{4}$ Sec. 26, and E $\frac{1}{2}$ Sec. 35;
 T. 9 S., R. 45 E., N $\frac{1}{2}$ and SE $\frac{1}{4}$ Sec. 1, NE $\frac{1}{4}$ Sec. 2, E $\frac{1}{2}$ Sec. 12, S $\frac{1}{2}$ SE $\frac{1}{4}$ Sec. 13, E $\frac{1}{2}$ of Secs. 24 and 25;
 T. 8 S., R. 46 E., lots 1, 2, 3, 7, 8, 9, 12, 13, 17, 18, and NE $\frac{1}{4}$ SW $\frac{1}{4}$ Sec. 6, NW $\frac{1}{4}$, NE $\frac{1}{4}$ SW $\frac{1}{4}$, and SW $\frac{1}{4}$ SW $\frac{1}{4}$ Sec. 7, W $\frac{1}{2}$ NW $\frac{1}{4}$ Sec. 18, NW $\frac{1}{4}$ NW $\frac{1}{4}$, S $\frac{1}{2}$ NW $\frac{1}{4}$, and SW $\frac{1}{4}$ Sec. 19;
 T. 9 S., R. 46 E., lots 1, 2, 3, and 4 Sec. 6, lots 1, 2, 3, 4, NE $\frac{1}{4}$ NW $\frac{1}{4}$, and E $\frac{1}{2}$ SW $\frac{1}{4}$ Sec. 7, Sec. 18, lots 1, 2, 3, 4, and NE $\frac{1}{4}$ NW $\frac{1}{4}$ Sec. 19, S $\frac{1}{2}$ SW $\frac{1}{4}$ and SW $\frac{1}{4}$ SE $\frac{1}{4}$ Sec. 26, S $\frac{1}{2}$ of S $\frac{1}{2}$ Sec. 27, NW $\frac{1}{4}$, NE $\frac{1}{4}$ SW $\frac{1}{4}$, and S $\frac{1}{2}$ SW $\frac{1}{4}$ Sec. 30, lots 1 to 18, inclusive, NW $\frac{1}{4}$ NE $\frac{1}{4}$, S $\frac{1}{2}$ NE $\frac{1}{4}$, and E $\frac{1}{2}$ NW $\frac{1}{4}$ Sec. 31, lots 1 to 16, inclusive, of Secs. 32 and 33, Sec. 34, NW $\frac{1}{4}$ Sec. 35;
 T. 8 S., R. 59 E., W $\frac{1}{2}$ of Secs. 6, 7, and 18, NW $\frac{1}{4}$ and N $\frac{1}{2}$ SW $\frac{1}{4}$ Sec. 19, W $\frac{1}{2}$ NW $\frac{1}{4}$, SE $\frac{1}{4}$ NW $\frac{1}{4}$, and SW $\frac{1}{4}$ Sec. 31;
 T. 9 S., R. 59 E., W $\frac{1}{2}$ Sec. 6, NE $\frac{1}{2}$ and SE $\frac{1}{4}$ Sec. 7, NE $\frac{1}{4}$ NE $\frac{1}{4}$, S $\frac{1}{2}$ NE $\frac{1}{4}$, NE $\frac{1}{4}$ SW $\frac{1}{4}$, N $\frac{1}{2}$ SE $\frac{1}{4}$, and SW $\frac{1}{4}$ SE $\frac{1}{4}$ Sec. 18, NE $\frac{1}{4}$ Sec. 21, E $\frac{1}{2}$ and E $\frac{1}{2}$ NW $\frac{1}{4}$ Sec. 23, NW $\frac{1}{4}$, N $\frac{1}{2}$ SW $\frac{1}{4}$, and SW $\frac{1}{4}$ SW $\frac{1}{4}$ Sec. 24;
 T. 9 S., R. 60 E., S $\frac{1}{2}$ SW $\frac{1}{4}$ Sec. 13, S $\frac{1}{2}$ SE $\frac{1}{4}$ and SE $\frac{1}{4}$ SW $\frac{1}{4}$ Sec. 14, NW $\frac{1}{4}$ and NE $\frac{1}{4}$ SW $\frac{1}{4}$ Sec. 24;
 T. 9 S., R. 61 E., lots 3, 4, 5, 6, 7, and 8 Sec. 31, lots 1 to 12, inclusive, of Secs. 32, 33, 34, and 35;
 T. 9 S., R. 62 E., lots 3 to 14, inclusive, Sec. 31, and lots 1 to 12, inclusive, Sec. 32; aggregating 16,591.35 acres.

T. A. WALTERS,
 First Assistant Secretary.

[F. R. Doc. 2524—Filed, September 23, 1936; 4:07 p. m.]

Office of Indian Affairs.

REGULATIONS GOVERNING LEASING OF REGISTERED LANDS OF INDIANS OF THE FIVE CIVILIZED TRIBES FOR AGRICULTURAL AND GRAZING PURPOSES

AN ACT To Provide for the leasing of Restricted Indian Lands of Indians of the Five Civilized Tribes in Oklahoma

Be it enacted by the Senate and House of Representatives of the United States of America in Congress Assembled, That from and after thirty days from the approval of this Act the restricted lands belonging to Indians of the Five Civilized Tribes in Oklahoma of one-half or more Indian blood, enrolled or unenrolled, may be leased for periods of not to exceed five years for farming and grazing purposes, under such rules and regulations as the Secretary of the Interior may prescribe and not otherwise. Such leases shall be made by the owner or owners of such lands if adults, subject to approval by the superintendent or other official in charge of the Five Civilized Tribes Agency, and by such superintendent or other official in charge of said agency in cases of minors and of Indians who are non compos mentis. Approved February 11, 1936 (49 Stat. 1135).

1. Leases covering restricted lands of Indians of the Five Civilized Tribes of one-half or more Indian blood may be made with the approval of the Superintendent for the Five Civilized Tribes, or other official in charge of the Five Civilized Tribes Agency, and not otherwise, for periods not exceeding five years.

2. All leases shall be made in quintuplicate upon forms approved by the Secretary of the Interior.

3. Leases submitted for approval must be accompanied by the required approval fees, viz., where the consideration is \$100 or less, \$1.00; in excess of \$100 but not exceeding \$250, \$2.50; in excess of \$250, \$5.00. In crop share leases the fee shall be based on the appraised value of the acreage involved in the lease. In all leases, whether for cash consideration or crop share, which require the lessee to pay the taxes, the amount of such taxes shall be included as a part of the rental in computing the amount of the fee. In addition to

the foregoing where transfer of a lease is approved the transferee shall pay a fee of \$2.50 at the time of the approval of the transfer.

4. Leases on lands of adult Indians of one-half or more Indian blood shall be made by the Indian owner who shall sign the contract as lessor. No such contract shall be valid unless it is approved in proper form by the Superintendent or other official in charge of the Five Civilized Tribes Agency. Leases on Indian lands owned by Indians who are mentally incompetent (non compos mentis) and in those cases where the Indian owner is a minor shall be made by the Superintendent or other official in charge of the Five Civilized Tribes Agency for and on behalf of such mentally incompetent Indian and minor. Leases on Indian lands owned by adult Indians of one-half or more Indian blood who are non-residents and who cannot be located shall be made by the Superintendent acting for and in their behalf. When the Indians holding a minority interest in heirship land are opposed to the leasing of the land and the Indians holding a majority interest are desirous of effecting a lease thereon, the matter should be submitted, with all the facts and circumstances accompanied by the Superintendent's recommendation, through the Commissioner of Indian Affairs to the Secretary of the Interior for appropriate consideration and action.

5. Indian lands shall be leased only to the manifest advantage of the owners. The Superintendent or other agent in charge of the Five Civilized Tribes Agency in executing a lease on behalf of mentally incompetent Indians and minors shall take into consideration the needs of the Indian owners of the land and may refuse to execute a lease on Indian lands belonging to minors or mentally incompetent Indians or to approve a lease on lands belonging to adult Indians if the facts warrant the reserving of all or a part of the land as a home place and farm for the owner or owners of the land. The Superintendent or other official in charge of the said agency shall exercise his discretion and in all instances act for the best interests of the Indian owners of the land.

6. The Superintendent or other officer in charge of the said agency may, with the written consent of nonresident adult Indians, lease their land for and on their behalf. Subject to the provisions of section 4 hereof no such lease shall be executed by said officer for such nonresident adult Indians in the absence of such written authority therefor. Leases on lands of minors shall not extend beyond the age of majority unless in the discretion of the Superintendent or other officer in charge of the said agency extraordinary circumstances warrant such action.

7. Any Indian who is supporting his dependent minor children and desires to use and will actually use their land for farming and grazing purposes may do so without charge and may use or dispose of the resultant crops without accounting to the said Five Civilized Tribes Agency.

8. The rental value of the land to be leased through the agency shall be appraised by a competent employee versed in land values and every effort must be made to obtain the highest rental therefor and not less than the appraisement. In the discretion of the Superintendent or other officer in charge of the said agency, lands to be leased may be advertised and bids invited therefor either by the method of sealed bids or public auction, as conditions render advisable, advertisement to specify the method to be adopted. After advertisement, should no bids be received on any tract of land, negotiations may thereafter be carried out for the leasing thereof by the adult Indian owner or the Superintendent on behalf of the minor or mentally incompetent Indian owner, as the case may be, and a lease may thereafter be executed upon the best terms and conditions obtainable.

9. No lease shall be negotiated more than six months prior to the date it is to become effective.

10. Leases must provide that rentals shall be paid annually or semiannually in advance and be supported by an adequate bond with at least two individual sureties or a private corporate surety company in an amount not less than the entire amount of the rent unless the rent is paid in advance

for the full term. When individual sureties appear upon the bond the individual bondsmen must file a schedule of property owned by them free of all encumbrances with the estimated value thereof, and each must qualify in twice the amount of the rental. A copy of each approved lease shall be filed promptly by the Superintendent or said other officer in charge of the Five Civilized Tribes Agency in the office of the county clerk of the county in which the land is located, the filing fee to be paid to the Superintendent by the lessee.

11. No lease shall be assigned, sublet, or transferred without the written consent of the lessor, the surety, and the approval of the Superintendent or other officer in charge of the said Five Civilized Tribes Agency.

12. All leases shall contain provisions authorizing cancellation thereof by the said Superintendent or other officer in charge for failure of the lessee to comply with all the terms of the lease. It shall be the duty of said Superintendent or other officer and subordinates to make every effort to see that lessees comply with the terms of their leases and these regulations. Except in aggravated cases cancellation of a lease should not be effected until after written notice shall have been served upon the lessee directing that he show cause within the specified time therein recited, in no event to exceed thirty days, why the lease should not be cancelled. It shall be further the duty of the said Superintendent or other officer in charge to promptly proceed with the collection of delinquent rentals and in all cases where the facts warrant recommendations shall be made to the United States Attorney for the institution of suit in the Federal Court having jurisdiction of the subject matter.

13. Where good reasons justify additional time for the payment of rentals, the Superintendent may refrain from enforcing their collection for a period not to exceed ninety days. All delinquent rentals, if not paid promptly, shall bear the usual rate of interest during the delinquency. The deferring of proceedings looking to the collection of rentals shall be made only in those cases where the written consent shall have been given of all the parties to the lease including the sureties.

14. All leases shall contain the liquor and morality provisions substantially as follows:

The lessee... agreed... that... he... will not permit the use of any part of the leased premises for the manufacture, sale, gift, or storage of any distilled, fermented, or other process intoxicating liquors or beverages, and that... he... will not permit the introduction of any intoxicating liquors or beverages into or upon the leased premises. And it is expressly understood and agreed by the parties hereto that any violation of this clause by the lessee..., or by... knowledge, shall render this lease voidable at the option of the Superintendent for the Five Civilized Tribes.

15. One of the principal objects in making leases should be to provide the land with such permanent improvements as will best fit it for the eventual use and occupancy of the Indian owner as a home, such improvements to include houses, out buildings, fences, wells, fruit trees, alfalfa, proper rotation of crops, conservation of soil fertility, prevention of erosion, etc. Therefore, unless the land is already provided with the necessary improvements each lease should specifically name such of the above named improvements or others as will accomplish the desired result. Those improvements and/or improvements already on the land shall be maintained and kept in good repair by the lessee at his own expense during the period of the lease. All structures and other improvements placed on the land by the lessee under the terms of the lease shall remain on the land after the expiration of the lease and become the property of the Indian owner. If the lessee is to erect additional improvements, title to which he desires to retain and to remove them from the land after the expiration of the lease, the lease must include specific provision to this effect, giving the lessee the specific right to remove those improvements so specified therein if the terms of the lease have been complied with, within thirty days after the expiration of the lease. All such improvements not removed within the thirty-day period shall become the property of

the Indian owner of the land. Leases for Indians who may not personally in the future utilize the land, such as those mentally or physically incapacitated, shall provide for such improvements as will maintain or enhance the rental and market value of the land. In carrying out this object the said Superintendent or other officer may incorporate in the lease conditions limiting the stocking, establishing grazing seasons, designating the class of livestock that may be grazed, and provide for necessary protection of the land from deterioration and to prevent soil erosion so as to assure full utilization of the land. The said Superintendent or other officer may also incorporate in the lease specific provisions granting timber cutting privileges. Where such privileges are granted by him the trees that may be cut by the lessee shall be designated.

16. Where Indians are desirous of aiding other Indians in providing a home place with a small acreage, not exceeding twenty acres, for gardens, leases may be approved upon such terms and conditions as agreed upon by the Indian lessor and lessee. In such cases, at the instance of the Indian owners, the bond requirements may be waived.

17. If Indian-owned land is sold during the term of the lease the purchaser takes it subject thereto unless there is a specific provision to the contrary in the lease. When, as will generally be the case, the lease is not terminated with the sale of the land, arrangement prior to the consummation of the sale concerning the distribution of the lease rentals up to a given date shall be agreed upon between the lessor and the prospective purchaser so as to avoid dispute over the distribution of such lease rentals due to any delay that may be incurred in completing the sale transaction or due to the terms of the existing lease, particularly where such lease is on a crop share basis and the sale might be consummated just prior to the date of payment of the Indian's share of the rental for the particular year.

18. All cash rentals on agricultural and grazing leases, unless otherwise provided in the lease for direct payment to the Indian lessor, are to be paid into the office of the Superintendent of the Five Civilized Tribes Agency as restricted Indian funds to be disbursed for the benefit of the lessor under Departmental regulations and supervision.

19. All copies of leases must be properly and completely executed. One copy shall be filed in the agency; one copy to be furnished to the farm agent of the district in which the land is situated; one to be furnished to the Indian lessor; one to be furnished to the lessee. Where a lease provides for payment of the consideration direct to the Indian lessor, whether the payment be in cash or on a crop share basis, the original need not be assigned a contract serial number or sent to the General Accounting Office. If later on rentals are deposited with the Superintendent or other official in charge of the agency and an official receipt issued therefor, the official receipt should explain fully the reasons why a contract serial number was not assigned and the original lease not sent to the General Accounting Office.

The original of all leases involving cash rentals, payable to the office of the Superintendent or other officer in charge of the Five Civilized Tribes Agency and crop share leases where the crop is to be handled through said official, shall be assigned a contract serial number and forwarded to the General Accounting Office.

All leases involving minors' interests should be assigned contract serial numbers and the original contract sent to the General Accounting Office.

In the case of crop share leases where no actual cash is involved the original lease need not be assigned a contract serial number nor filed in the General Accounting Office, unless the proceeds of the share are to be taken up in the accounts of the disbursing agent, all of which should be provided for in the lease and which will thus determine in itself whether the lease should be filed in the General Accounting Office.

Where a lease provides for improvements, but not for any cash payment, the original need not be sent to the General Accounting Office.

20. Requests for court action on leases where the terms of the lease have not been complied with shall be made by the Superintendent in writing direct to the United States Attorney accompanied by a copy of the lease. If thereafter and prior to the actual filing of a suit in the court the rent is paid, the United States Attorney shall be notified immediately and in no event more than three days after the receipt of the payment. Where a compromise offer of settlement is made after suit has been filed and prior to judgment, the Superintendent shall promptly submit the matter to the United States Attorney for his information and render assistance in arriving at a proper and equitable settlement. No settlement should be effected under such circumstances without the consent of the Indian lessor if he be an adult and is not non compos mentis. Settlement under such circumstances should only be effected after it is apparent that the proposed settlement would result more beneficially to the Indian than if a suit be prosecuted and judgment rendered.

The foregoing regulations are hereby approved.

AUGUST 18, 1936.

HAROLD L. ICKES,
Secretary of the Interior.

[F.R. Doc. 2527—Filed, September 24, 1936; 9:33 a. m.]

DEPARTMENT OF AGRICULTURE.

Agricultural Adjustment Administration.

AMENDMENT OF ORDER REGULATING THE HANDLING OF WALNUTS GROWN IN CALIFORNIA, OREGON, AND WASHINGTON

Whereas, the Secretary of Agriculture of the United States issued an order regulating the handling of walnuts grown in California, Oregon, and Washington, effective October 15, 1935; and

Whereas, at the request of the Control Board established under said order, a hearing was held at Berkeley, California, on September 8, 1936, upon proposed amendments to said order, due notice of such hearing having been given interested parties in accordance with the applicable provisions of the Agricultural Adjustment Act, as amended, and the General Regulations of the Agricultural Adjustment Administration, Department of Agriculture, at which time and place all interested parties were given opportunity to be heard concerning the proposed amendment of said order; and

Whereas the Secretary finds upon the evidence introduced at said hearing and the record thereof:

1. That the supply of merchantable walnuts available, during the crop year 1936-1937, for handling in the channels of interstate and foreign commerce, or so as directly to burden, obstruct, or affect such commerce in walnuts, will exceed the consumptive demand of such walnuts during such period;

2. That a surplus exists in such available supply of walnuts, and that such surplus amounts to at least twenty-five percent (25%) of such available supply;

3. That the salable percentage of merchantable walnuts should be seventy-five percent (75%) and the surplus percentage should be twenty-five percent (25%);

4. That the fixing of such percentages and the methods provided in the order, as hereby amended, for the disposition of such surplus and for equalizing the burden of such surplus elimination, will tend to reestablish prices to growers of walnuts at a level that will give walnuts a purchasing power with respect to articles that farmers buy equivalent to the purchasing power of walnuts in the base period;

5. That, due to unusual production conditions in the States of Oregon and Washington, the production of merchantable walnuts in these States for the crop year ending August 31, 1937, will be approximately thirty-five percent (35%) of the merchantable production in these States for the preceding crop year, during which the original order was made effective;

6. That the provisions of the order, as hereby amended, including the exemption of walnuts produced during the crop year 1936-1937 in Oregon and Washington, as provided in said order, will equalize the burden of surplus elimination among the producers and handlers of walnuts;

7. That this order, as amended, and all the terms and conditions thereof will tend to effectuate the declared policy of the Agricultural Adjustment Act, as amended, to establish and maintain such marketing conditions as will reestablish prices to farmers at a level that will give such walnuts a purchasing power with respect to articles that farmers buy, equivalent to the purchasing power of such walnuts in the base period, and will protect the interest of the consumer by (a) approaching such level of prices by securing a gradual correction of the current level at as rapid a rate as the Secretary deems to be in the public interest and feasible in view of the current consumptive demand in the domestic and foreign markets, and (b) authorizing no action which has for its purpose the maintenance of prices to farmers above the level which it is declared in subsection (1) of section 2 of Title I of said Act, to be the policy of Congress to establish; and

Whereas the Secretary finds:

1. That this order, as amended, regulates the handling of said commodity in the same manner as, and is made applicable only to persons in the respective classes of industrial and commercial activities specified in a marketing agreement, upon which a hearing was held on September 20, 21, 23, 24, 25 and 26, 1935, as amended, in certain respects, upon which amendments a hearing was held on September 8, 1936;

2. That handlers (excluding cooperative associations of producers who are not engaged in processing, distributing or shipping said commodity or products thereof) of not less than fifty percent (50%) of the volume of said commodity covered by this order, as amended, which is produced within the production area defined in the aforesaid order, as now amended, have signed a marketing agreement amending the same, entered into pursuant to section 8b of said Title, which marketing agreement, as so amended, regulates the handling of said commodity in the same manner as the aforesaid order, as now amended, regulates it;

3. That the said agreement amending the said marketing agreement has been executed by three packers, signatory to said marketing agreement, who during the preceding crop year handled not less than sixty-seven percent (67%) of the merchantable walnuts packed during such crop year and has been approved by the Secretary;

4. That the issuance of this amendment of said order is approved or favored by producers who, during the period from September 1, 1935, to August 31, 1936 (which the Secretary hereby determines to be a representative period), have produced for market, within the production area specified in the said marketing agreement, as amended, and the said order, as hereby amended, at least two-thirds ($\frac{2}{3}$) of the volume of such commodity produced for market within such production area;

Now, therefore, the Secretary, acting under the authority vested in him under the Agricultural Adjustment Act, as amended, hereby amends the said order regulating the handling of walnuts grown in California, Oregon, and Washington, and orders that the handling of such commodity in the current of interstate or foreign commerce, or so as directly to burden, obstruct, or affect interstate or foreign commerce in such commodity, from and after the effective date herein specified by the Secretary, shall be in conformity to, and in compliance with, the terms and conditions of said order, as hereby amended, said amendments being as follows:

1. In article I, section 1, at the end thereof, add a paragraph to read as follows:

18. "Surplus referable" to any walnuts handled or to be handled or sold to the Control Board means a quantity of walnuts of like pack and quality which bears the same ratio to such quantity of walnuts handled or to be handled or sold to the Control Board as the surplus percentage bears to the salable percentage.

2. Delete from the order all of paragraph 2 of section 1 of article II, and substitute therefor the following:

2. The successors to the above-mentioned members and their respective alternates shall be selected by the Secretary, and the successors to the first eight (8) members above-named and their respective alternates shall be selected by the Secretary from the respective nominees of groups hereinafter designated to make nominations or from among the individuals who are or represent members of the respective groups entitled to participate in the making of such nominations. Nominations shall be made in the following manner: The cooperative packers, doing business within the State of California, as a group, may nominate one (1) person as successor to the member and one (1) person as successor to the alternate first above-named; all packers, other than the cooperative packers, doing business within the State of California, as a group, may nominate one (1) person as successor to the member and one (1) person as successor to the alternate second above-named; a group of cooperative packers or other than cooperative packers doing business within the State of California, who during the preceding crop year handled more than fifty (50) percent of the walnuts packed within the State of California, and subjected to surplus control, may nominate one (1) person as successor to the member and one (1) person as successor to the alternate third above-named; those growers of walnuts whose orchards are located in California, and who market their walnuts through cooperative packers, as a group may nominate one (1) person as successor to the member and one (1) person as successor to the alternate fourth above-named; all other growers, whose orchards are located in California, as a group may nominate one (1) person as successor to the member and one (1) person as successor to the alternate fifth above-named; those growers, whose orchards are located in California and whose walnuts were marketed during the preceding year through the aforesaid packer-group which handled more than fifty (50) percent of the walnuts packed within the State of California, and subjected to surplus control, as a group may nominate one (1) person as successor to the member and one (1) person as successor to the alternate sixth above-named; the packers, whose plants are located within the States of Washington and Oregon, as a group may nominate one (1) person as successor to the member and one (1) person as successor to the alternate seventh above-named; the growers, whose orchards are located within the States of Washington and Oregon, as a group may nominate one (1) person as successor to the member and one (1) person as successor to the alternate eighth above-named; the eight (8) members of the Control Board above referred to selected by the Secretary may submit nominations for successors to the member and alternate last above-named. If any of the first eight (8) groups above designated to make nominations fail to submit nominees in the number above specified on or before March 20 of any year, the Secretary may select the member or alternate without nominations; if nominations for the ninth member or alternate are not submitted, on or before April 15 of any year, the Secretary may select such member or alternate without nomination.

3. Delete from the order all of paragraph 3 of section 1 of article II and substitute therefor the following:

3. Successors to the Control Board members herein designated shall be selected annually for a term of one (1) year, beginning with the first Tuesday after the first Monday in April, and shall serve until their respective successors shall be selected and shall qualify. The Control Board shall, not later than March 1 next ensuing, submit to the Secretary for his approval a method or methods for the nominations for membership on the Control Board, which method or methods shall assure to all packers and growers who are eligible to participate in such nominations adequate opportunity to suggest candidates and to indicate preferences for such nominations. Upon the approval of such method or methods by the Secretary, it shall be the duty of the Control Board to supervise the making of nominations in accordance therewith. Such method or methods shall provide that in the selection of the packer nominees the voting shall be weighted according to the proportionate tonnage of each packer packed during the crop year next preceding the year of such selection; and in the selection of grower nominees each bona fide grower eligible to vote shall be entitled to one vote, but any bona fide cooperative packer shall be entitled to cast all of the votes to which its individual members or the members of its local associations may be entitled in the selection of grower nominees. Any person selected as a member or alternate of the Control Board shall qualify by filing a written acceptance of his appointment with the Secretary or his designated representatives.

4. In article II, section 3, of the order, add, as paragraph 6, the following:

6. To cause the books of the Control Board to be audited by one or more competent public accountants at least once for each crop year and at such other times as the Control Board deems necessary or as the Secretary may request, and to file with the Secretary copies of all audit reports made.

5. Delete from the order all of article III and substitute therefor the following:

ARTICLE III—CONTROL OF DISTRIBUTION

SECTION 1. *Authorized Packs.*—Except as otherwise provided in article VII hereof for the sale of cull walnuts, no packer shall

handle any unshelled walnuts other than merchantable walnuts, and no packer shall handle unshelled walnuts except those packed in accordance with the pack specifications contained in Exhibit A hereto attached or in accordance with such other pack specifications as the Control Board, on application of any packer, and with the approval of the Secretary, may prescribe.

SEC. 2. *Salable Percentage and Surplus Percentage.*—On the basis of the carry-over, estimated consumptive demand, and estimated production of merchantable walnuts, the salable percentage for the crop year September 1, 1935, to August 31, 1936, shall be seventy (70) per cent and the salable percentage for the crop year September 1, 1936, to August 31, 1937, shall be seventy-five (75) per cent. The Secretary may, at any time on request of the Control Board (or if the Control Board shall fail so to request, then after reasonable notice and hearing by the Secretary on request of two or more packers who have handled during the preceding crop year at least ten (10) per cent of the total tonnage handled by all packers during such crop year), and after a finding of fact that the merchantable walnuts available for sale will not be sufficient to supply the consumptive demand, increase the said salable percentage to conform with such new relation as may be found to exist between consumptive demand and available supply: *Provided, however,* That an increase of the salable percentage shall not be made after January 15 of any crop year unless the quantity of walnuts held unsold by the Control Board is sufficient to permit full delivery to packers as required by section 2 of article V hereof. Thirty (30) per cent, being the difference between the salable percentage for the crop year ending August 31, 1936, and one hundred (100) per cent shall be the "surplus percentage" for said crop year and twenty-five (25) per cent, being the difference between the salable percentage for the crop year ending August 31, 1937, and one hundred (100) per cent, shall be the "surplus percentage" for said crop year. The merchantable walnuts handled by any packer in accordance with the provisions hereof, shall be deemed to be that packer's quota fixed by the Secretary, within the meaning of paragraph 5, section 8a of the Act.

SEC. 3. *Estimated Carry-over, Consumptive Demand and Production for Succeeding Years.*—As a basis for recommending amendments to the foregoing section for application to succeeding crop years, the Control Board shall estimate, not later than September 1 of each year, the quantity of merchantable walnuts to be produced during the coming crop year, herein referred to as the "estimated production", such estimate to be approved by at least a two-thirds ($\frac{2}{3}$) vote of the Control Board, and shall, likewise, estimate the total consumptive demand in the United States for merchantable walnuts for the coming crop year (on the basis of prices not exceeding the fair exchange value as defined in the Act), such estimate to be approved by at least a two-thirds ($\frac{2}{3}$) vote of the Control Board, and shall, likewise, ascertain or estimate the total carry-over of merchantable walnuts from preceding crop years held by packers on August 1 preceding such crop year. The Control Board shall then make a report thereon to the Secretary with a recommendation of the salable percentage to be fixed for the coming crop year by amendment to section 2 hereof, pursuant to the terms of the Act.

SEC. 4. *Report of Carry-over.*—Every packer, on or before August 15 of each year after 1935, in order to facilitate the administration hereof, shall file with the Control Board a sworn statement of the merchantable walnuts available for handling held by him on the first day of that month showing the quantity, pack, quality, and location thereof.

SEC. 5. *Delivery of Surplus to the Control Board.*—No packer shall handle any quantity of merchantable walnuts except on condition that before or upon shipment thereof (except as provided in sections 7, 9, 11, and 12 of this article) he deliver to the Control Board as trustee, at such places as the Control Board may designate, the surplus referable to each pack and quality of such merchantable walnuts handled or to be handled: *Provided, however,* That any packer shall not be required to deliver surplus on account of the handling of any walnuts for which the surplus obligation has been met by a previous holder. Any packer failing to deliver to the Control Board, as herein required, the surplus referable to any quantity of walnuts handled by him shall, on demand, pay in cash to the Control Board the credit value of the surplus referable to such quantity.

SEC. 6. *Credits to Packers.*—A packer shall be credited upon the books of the Control Board for the following:

(a) The credit value of all walnuts delivered to the Control Board (1) as surplus referable to walnuts handled or to be handled, (2) as surplus referable to walnuts sold to the Control Board, and (3) in exchange for surplus walnuts previously delivered;

(b) The amount of any cash paid to the Control Board (1) in lieu of delivery of walnuts pursuant to the provisions hereof, and (2) for deficiencies in credit values of walnuts substituted or exchanged;

(c) The amount of any excess credits to which he is entitled under section 10.

A packer's credits shall be reduced for the following:

(a) The credit value of any walnuts returned to the packer;

(b) The amount of any cash received by the packer.

SEC. 7. *Substitute Deliveries and Exchanges of Surplus Walnuts.*—Any packer, obligated to deliver to the Control Board surplus walnuts of any pack and quality, may make substitute delivery of an equal weight of merchantable walnuts of any other pack and quality; and any packer who has delivered walnuts in satisfaction of a surplus obligation may exchange an equal weight of merchantable walnuts of any pack and quality for merchantable

walnuts theretofore so delivered by such packer to the Control Board and still held unsold by the Control Board. In connection with all such substitute deliveries and exchanges the packer shall make such cash payments to the Control Board or receive such refunds thereof as will result in maintaining a deposit of such cash to his credit in an amount equal to any deficiency by which the total credit value of all walnuts theretofore delivered by him to the Control Board during such crop year shall be less than the total credit value of all walnuts which he was obligated to deliver. Any such money paid to the Control Board, and not refunded as herein provided, shall be considered as proceeds from the sale of surplus walnuts, except that it shall be held undistributed by the Control Board until the end of the crop year. The packer making such substitute deliveries or exchanges shall bear all costs thereof.

Sec. 8. Application of Credit Values and of Salable and Surplus Percentage to Carry-over.—The credit values and the salable and surplus percentages established for any crop year shall continue in effect with respect to all walnuts produced in such crop year which are either handled by the packer or sold to the Control Board after the end of such crop year and before credit values and salable and surplus percentages are established for the succeeding crop year. After credit values and salable and surplus percentages are established for the new crop year, such newly established credit values and percentages shall apply to all walnuts thereafter handled by the packer or sold to the Control Board, including walnuts carried over from earlier crop years, for which the surplus obligation has not been previously met.

Sec. 9. Sale of Surplus by Packer.—With respect to any lot of walnuts handled by a packer prior to January 1 of a crop year, the packer may, at or prior to the time of requesting the certificate required by article VI hereof, file with the Control Board a written declaration that the surplus obligation with respect to such lot will be paid in cash. Thereupon and before shipment of such lot (except as provided in section 11 hereof), such packer shall pay to the Control Board a sum equal to the credit value of the surplus percentage of such lot. Such sum shall be accepted by the Control Board in satisfaction of the packer's surplus obligation with respect to such lot of walnuts. Cash so paid to the Control Board shall not be subject to refund to the packer paying same except upon an increase in the salable percentage, but may be used for the purchase of walnuts as provided in section 10 hereof. With respect to any walnuts for which certificates are obtained, or which are shipped, prior to the approval of credit values by the Secretary, the packer need not file the declaration or make the payment of the cash provided for herein earlier than three days after the credit values have been so approved by the Secretary.

Sec. 10. Disposition of Cash Received in Lieu of Surplus Walnuts.—Any money received by the Control Board pursuant to sections 5 and 9 hereof (including any such money payment of which has been deferred pursuant to section 11 hereof) shall be used by said Control Board to purchase from packers, as provided in this section, merchantable walnuts held by them and not then required to be delivered to the Control Board: *Provided, however,* That the packers from whom such purchases are made shall deliver to the Control Board the surplus referable to the walnuts purchased. At any time before January 15 of a crop year any packer having made cash payment in lieu of delivering surplus walnuts of any pack and quality pursuant to the provisions of sections 9 and 11 hereof may offer to sell to the Control Board an equal weight of merchantable walnuts of any pack and quality having a credit value per pound equal to or higher than the credit value of the walnuts represented by such cash payment. The Control Board shall thereupon purchase the walnuts so offered in a quantity not to exceed the total quantity of the walnuts represented by such cash payment. For all walnuts so purchased the Board shall pay the credit value of the walnuts represented by such cash payment. In the event any of the walnuts so purchased have a higher credit value than the walnuts represented by such cash payment, the excess shall be credited to the packer. Any of the money referred to in the first sentence of this section remaining in the possession of the Control Board on or after January 15 of a crop year shall be used to purchase, at their credit values, from packers who have met their surplus obligation, any merchantable walnuts then held by them which are not then required to be delivered to the Control Board and which such packers shall desire so to sell. If such funds then remaining are insufficient to purchase all such walnuts, the Control Board shall offer to purchase such walnuts by apportioning such remaining funds ratably among such packers in proportion to the credit values of the walnuts they respectively have offered to sell. In the event the salable percentage should be increased after the purchase by the Control Board of walnuts from packers as herein provided and there should not remain in the possession of said Control Board cash deposits in a sum sufficient to make refunds in accordance with article V, the packers by whom such walnuts were sold to the Control Board shall be required to refund the purchase price thereof ratably in proportion to the amounts of their respective sales to the extent necessary to refund to the Control Board a total amount sufficient to enable the Control Board to make the refunds required by article V and the Control Board shall redeliver to such packers the walnuts purchased by such refunded amounts, or other walnuts of equivalent credit value. All purchases of walnuts by the Control Board pursuant to the terms of this section shall be subject to the conditions of refund as above provided. Any such cash deposits that may remain at the close of the crop year over and above those

used for completed purchases as herein provided shall become part of the holdings of the Control Board in the same manner and for the same purposes as the proceeds of surplus walnuts disposed of by said Control Board.

Sec. 11. Postponement of Settlement for Surplus upon Filing Bond.—Compliance by any packer with the requirements of section 5 of this article as to the times when he shall deliver to the Control Board surplus walnuts, and with the requirements of section 9 of this article as to the times when he shall make the cash payments therein required, shall be deferred so that such deliveries and payments may be made at any time on or before December 31 of such crop year, upon his executing and delivering voluntarily to the Control Board, before he handles any merchantable walnuts of such crop year, a written undertaking in terms acceptable to the Control Board, to meet, in accordance with the provisions hereof, not later than December 31, the following requirements in respect to the quantity of each pack and quality handled or to be handled on or before said date:

- (1) As to walnuts with respect to which declarations pursuant to section 9 have not been filed, to deliver to the Control Board a quantity of walnuts of a total weight equal to the surplus referable to such walnuts so handled or to be handled; and, in the event the total credit value of the walnuts so delivered is less than the total credit value of such surplus referable, to pay in cash the amount of such deficiency, or, in the event of failure so to deliver such quantity of walnuts or any part thereof, to pay to the Control Board in cash a sum equal to the credit value of such quantity or part thereof which such packer so fails to deliver, and
- (2) As to walnuts with respect to which declarations pursuant to section 9 have been filed, to pay to the Control Board such cash, as may be due under section 9 hereof on account of such walnuts.

Such undertaking shall be secured by a bond or bonds to be filed with the Control Board in terms and with a surety or sureties acceptable to the Control Board, in the penal amount or amounts stated below conditioned upon full compliance with such undertaking. Such bond or bonds shall, at all times during such crop year up to December 31, be in such penal amount or amounts that the aggregate thereof shall at all such times equal the credit value of the undelivered surplus referable to the quantity of merchantable walnuts theretofore handled (except those with respect to which declarations have been filed pursuant to section 9 hereof) during such crop year by the packer filing same, plus any unpaid cash obligation under section 9 hereof. The costs of such bond or bonds shall be borne by the packer delivering such bond or bonds.

Sec. 12. Exemption of Portions of Regional Production Area.—The requirements of section 5 of this article shall not be applicable to walnuts produced and packed during the crop year ending August 31, 1937, within the States of Oregon and Washington. Such exemption shall also apply to walnuts produced in said States during such year and packed elsewhere, if the packer handling such walnuts establishes to the satisfaction of the manager of the Control Board, or such others as the Board may designate for that purpose, that such walnuts were so produced in said States. A packer of any walnuts so exempted may, however, at his option, on or before January 15 of such crop year, deliver as surplus walnuts to the Control Board merchantable walnuts so exempted of any pack or quality in a quantity not to exceed what, were they not so exempted, would be the surplus referable to the quantity of merchantable walnuts handled by him.

6. Delete from the order all of article IV and substitute therefor the following:

ARTICLE IV—CREDIT VALUES OF WALNUTS DELIVERED TO THE CONTROL BOARD

SECTION 1. Credit Values.—The Control Board shall in 1935 within five (5) days after the effective date of this order, and thereafter on or before October 15 of each year, establish, subject to the approval of the Secretary, credit values for each pack and quality of merchantable walnuts, including such special packs as may be prescribed pursuant to section 1 of article III. The establishment of credit values shall require a vote of at least two-thirds (2/3) of the members of the Control Board. To aid the Secretary in determining whether to grant or withhold such approval, the Control Board shall furnish to the Secretary the data upon which it acted in establishing such credit values and such other data pertaining thereto as the Secretary may request. Such credit values shall provide reasonable differentials for the different packs and qualities such as will reflect the normal differences in market prices thereof.

Sec. 2. Interest of Packers in Holdings of Control Board.—The equitable interest of each packer in the holdings of the Control Board shall be in the proportion of the net credits of such packer to the total net credits of all packers. For the purpose of this section, "holdings of the Control Board" means the merchantable walnuts held by or for it and the net proceeds from the sale, exchange, or other disposition thereof by the Control Board, and all cash received by the Control Board pursuant to article III hereof, which has not been expended or refunded in accordance with the provisions of said article III; but shall not include such moneys, if any, as may be received by the Control Board as diver-

sion payments in connection with the encouragement of exportation or encouragement of domestic consumption pursuant to the provisions of section 32 of the Act to amend the Agricultural Adjustment Act and for other purposes, Public, No. 320, 74th Congress, approved by the President, August 24, 1935, as amended. The Control Board shall from time to time distribute the cash "holdings of the Control Board", ratably to the packers in accordance with their respective interests therein, except that no cash which under the provisions of article III is to be or may be used to effect purchases from packers or which under the provisions of said article is to be held undistributed until the end of a crop year shall be distributed before the end of such crop year.

7. Delete from the order all of article V and substitute therefor the following:

ARTICLE V. DISPOSAL OF SURPLUS

SECTION 1. Disposal of Surplus.—The Control Board shall have power and authority from time to time to sell or dispose of any and all of its holdings of merchantable walnuts upon the best terms and for the highest price obtainable consistent with the ultimate disposition of the surplus, subject to the following conditions:

1. No such merchantable walnuts shall be sold as unshelled walnuts (except to shellers with proper safeguards to prevent such walnuts entering the channels of trade as unshelled walnuts) in the United States except that the Control Board may make sales to the Federal Surplus Commodities Corporation or any other governmental agency or may sell to charitable institutions for charitable purposes, surplus walnuts, with proper safeguards to prevent such walnuts thereafter from entering the channels of trade.

2. In case such merchantable walnuts are sold for export to any foreign country, such sales shall be made only on execution of a proper agreement to prevent reimportation into the United States, and in case of export to Canada or Mexico they shall be sold only on the basis of a delivered price, duty paid.

3. The Control Board shall not, prior to January 15 of any crop year, dispose of (other than by release to the respective packers) more than fifty (50) percent of the surplus walnuts delivered to it.

Sec. 2. Adjustment of Surplus Accounts upon Increase of Salable Percentage.—Upon any increase in the salable percentage and corresponding decrease in the surplus percentage, the surplus obligation of each packer with respect to the walnuts handled by him shall be recomputed in accordance with such revised salable and surplus percentages. Thereupon the Board shall return to the packer such cash theretofore paid by him and such walnuts theretofore delivered by him on account of his original surplus obligation as may be in excess of his surplus obligation in cash and walnuts respectively as so recomputed. In the event the Board no longer holds walnuts delivered by a particular packer in sufficient quantity to make full redelivery to such packer of all the walnuts required to be redelivered to him, the Board shall supply any deficiency by delivering to such packer a like quantity of other walnuts selected by the packer from the walnuts then held unsold by the Board. If the delivery of walnuts to a packer as required hereunder reduces such packer's total credits to an amount less than the credit value of his adjusted surplus obligation, any deficiency shall be paid in cash by the packer.

Sec. 3. Release of Surplus Walnuts to Packers on September 1.—If the combined carry-over and estimated production for any coming crop year be less than the estimated consumptive demand in the United States for such year, the Control Board shall release on September 1 of such year insofar as its holdings permit, such additional quantity of the merchantable walnuts theretofore delivered as surplus by packers or purchased by the Control Board, then held unsold by the Control Board as, when added to the combined carry-over and estimated new crop, will be sufficient to supply the estimated consumptive demand for the coming year; but in no case shall the Control Board release a greater quantity of its holdings than is represented by the difference between the estimated consumptive demand and the combined carry-over and estimated new crop. The walnuts to be released hereunder shall be delivered to the several packers in such quantities that the quantities of walnuts represented by their net credits (whether arising from payments of cash or deliveries of walnuts) remaining after such release shall be as nearly as possible in proportion to the quantities of walnuts represented by their respective surplus obligations. The walnuts released to each packer shall be from the particular packs and qualities delivered to the Board by such packer; or in the event the Board no longer holds walnuts delivered by a particular packer in sufficient quantity to make full redelivery to such packer of all of the walnuts required to be redelivered to him, the Board shall supply any deficiency by delivering to such packer a like quantity of other walnuts selected by the packer from the walnuts then held unsold by the Board. If the delivery of walnuts to a packer as required hereunder reduces such packer's total credits to an amount less than the credit value of the unreleased portion of his surplus obligation, any deficiency shall be paid in cash by the packer. A release of walnuts pursuant to this section shall be subject to the prior approval of the Secretary.

8. Delete from the order all of section I of article VI and substitute therefor the following:

SECTION 1. Certification of Shipment.—Every packer, at his own expense, shall obtain a certificate for each lot of merchantable walnuts handled by him and all lots of merchantable walnuts which he delivers to the Control Board. Said certificate shall be issued by inspectors designated by the Control Board. All such certificates shall show, in addition to such other requirements as the Control Board may specify, the identity of the packer, the quantity, quality, and pack of merchantable walnuts in such lot, and that the walnuts covered by such certificate conform to the Federal Standard. The Control Board may direct that such certificate be not issued to any packer who has failed to deliver or otherwise account for his surplus obligation in accordance with the terms hereof.

9. In Exhibit A, at the end of the list of pack specifications for "California Packs", insert the following:

Baby Grade.—Walnuts of any of the above-mentioned varieties may be packed under the designation of Baby Grade of that variety provided all such walnuts pass through a round opening 74/64 inches in diameter and not over 12 percent by count pass through a round opening 60/64 inches in diameter. Baby size walnuts of the Eureka, Franquette, or Payne varieties when packed as such shall be designated as "Long Type Baby Walnuts": *Provided, however*, That it shall not be obligatory on any packer to pack separately the Baby size of the different varieties.

No pack of any of the above-mentioned varieties, except the No. 1 Grade and Baby Grades, shall contain in excess of 10 percent by count of walnuts of a dissimilar variety.

All of the walnuts contained in the foregoing packs shall be graded for size and culled for removal of external defects.

Nothing contained in this amendment of said order shall be deemed to affect, waive, or terminate any right, duty, obligation, or liability which has arisen or which may hereafter arise in connection with, by virtue of, or pursuant to any provision of said order issued October 11, 1935, or affect or impair any right or remedy of the Secretary in connection therewith.

In witness whereof, The Secretary of Agriculture does hereby execute in duplicate, under the official seal of the Department of Agriculture, and issue these amendments to the said order in the city of Washington, District of Columbia, on the 23rd day of September 1936, and declares this order to be effective on and after 12:01 a. m., e. s. t., September 27, 1936.

[SEAL]

W. R. GREGG,
Acting Secretary of Agriculture.

[F. R. Doc. 2523—Filed, September 23, 1936; 3:44 p. m.]

ECR—B-1 Revised—Supplement (q) Issued September 23, 1936
1936 AGRICULTURAL CONSERVATION PROGRAM—EAST CENTRAL REGION

BULLETIN NO. 1 REVISED—SUPPLEMENT (Q)

Classification of Crops

Section 2, "Soil Conserving Crops", of Part IV of ECR—B-1 Revised, as amended, is hereby further amended by changing subsection (c) to read as follows:

(c) *Summer Legumes:*

- (1) Soybeans, *except* when harvested for seed for crushing, velvet beans, and cowpeas, in Virginia, North Carolina, and Tennessee; the same crops when not harvested for grain or hay, or when harvested (except soybeans when harvested for seed for crushing) and followed by a winter cover crop, in all other States of the East Central Region.
- (2) Crotalaria.

In testimony whereof, W. R. Gregg, 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 22nd day of September 1936.

[SEAL]

W. R. GREGG,
Acting Secretary of Agriculture.

[F. R. Doc. 2521—Filed, September 23, 1936; 3:28 p. m.]

NER—B-2, New York
(New York—Amendment No. 3)

Issued September 23, 1936

1936 AGRICULTURAL CONSERVATION PROGRAM—NORTHEAST
REGION

BULLETIN NO. 2—AMENDMENT NO. 16

Soil-Building Practices—New York

(New York Amendment No. 3)

Pursuant to the authority vested in the Secretary of Agriculture under Section 8 of the Soil Conservation and Domestic Allotment Act, section IV, entitled "Controlling Wind Erosion" of Northeast Region Bulletin No. 2, as amended, for the State of New York is amended by adding the following new paragraph and new items at the end of such section:

On muck or sandy soil in Nassau County and on muck land only in the counties of Albany, Cattaraugus, Cayuga, Erie, Genesee, Livingston, Madison, Monroe, Niagara, Oneida, Onondaga, Ontario, Orange, Orleans, Oswego, Seneca, Steuben, Ulster, Wayne, and Yates the following practices may be substituted for the practices listed under items 1 and 2 above:

Payment per acre of land protected¹

a. Windbreaks of shrubs planted, between March 1, 1936, and December 1, 1936, in rows with the shrubs not more than one foot apart in the rows and with the rows running parallel at a distance not over 250 ft. apart: \$0.50

b. Windbreaks of grain or grain mixtures, planted between March 1, 1936, and December 1, 1936, in parallel strips not more than 30 ft. apart with each strip consisting of two or more rows of such grain or grain mixtures not more than one foot apart and with the grain permitted to grow until the interplanted crops have attained at least eight weeks' growth: \$0.25

In testimony whereof, W. R. Gregg, 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 23rd day of September 1936.

[SEAL]

W. R. GREGG,
Acting Secretary of Agriculture.

[F. R. Doc. 2531—Filed, September 24, 1936; 11:32 a. m.]

WR—B-3—Supplement (c)

Issued September 22, 1936

1936 AGRICULTURAL CONSERVATION PROGRAM—WESTERN REGION

BULLETIN NO. 3 SUPPLEMENT (C)

Pursuant to the authority vested in the Secretary of Agriculture under Section 8 of the Soil Conservation and Domestic Allotment Act, Western Region Bulletin No. 3, as amended by Supplements (a) and (b), is hereby further amended by this Supplement (c) as follows:

Part II, *Conditions of General Applications* of said bulletin is amended by striking out section 9 and by substituting in lieu thereof, the following:

SECTION 9. *Appeals*.—Any person who has reason to believe that any recommendation of his county committee in any matter of the kind set forth below is not equitable may request the county committee to reconsider its recommendation. If such person and such committee fail to agree upon the recommendation finally made by the county committee, an appeal may be taken in accordance with the following procedure:

(a) *Classes and Types of Appeals.*

- (1) Eligibility of farm.
- (2) Land covered by work sheet and/or application.
- (3) Eligibility of person(s) to submit an application for payment.
- (4) Any soil-depleting base, yield per acre, or productivity index recommended for a farm.
- (5) Such other classes and types of appeals as may be approved by the Director of the Western Division.

(b) *Procedure Governing Appeals*.—Any person, whether owner or operator, interested in a farm covered by an application for payment, having just grounds for being dissatisfied with the

¹ The acreage of land protected by windbreaks planted in accordance with the provisions of this amendment No. 3 of N. E. R. Bulletin No. 2 for New York shall be determined in accordance with instructions prescribed by the Secretary of Agriculture.

final action of the county committee in passing upon any of the matters enumerated in subsection (a) of this section, may appeal from the findings of the county committee to the State Committee.

When an application, forming the basis of an appeal, has been presented to the county committee, and approval refused by such committee, involving any of the matters enumerated in subsection (a) of this section, or such committee's approval of such application is in conflict with the contention of the complaining person, such person shall (if he wishes to appeal his case), within thirty calendar days from final action on such application by the county committee, give notice in writing to such committee of his desire and intention to appeal his case to the State Committee.

In order to perfect his appeal, the appellant shall at the time of giving notice of appeal, or within thirty calendar days from final action of the county committee on the application, file with such committee in triplicate a detailed statement of his contentions supported by such material evidence in triplicate as he may have available. He shall attach to such statement an exact copy in triplicate of the work sheet and application and other document(s) forming the basis of, or material to, such appeal.

When the appellant has filed his appeal record with the county committee, such committee shall prepare in triplicate a statement of the findings and recommendations of the committee upon the material issues presented in the statement of the person appealing and shall also attach to such statement exact copies in triplicate of all available documents material to any issue raised by the appellant, as well as any other material data available to the committee.

The appeal record shall be perfected by the county committee and two copies forwarded to the State Committee within fifteen calendar days from the date the same was filed with the county committee. The other copy shall be retained in the files of the county committee.

Upon receipt of the appeal record, the State Committee shall promptly set the earliest practicable date for hearing not earlier than fourteen calendar days from the date of such receipt of the appeal record (unless both the person appealing and the chairman of the county committee have indicated in writing, forwarded with the appeal record, that (a) they are willing to have the appeal heard at an earlier date or alternative dates indicated by them in such writing, in which case the appeal may be heard on such date or any one of such alternative dates, or (b) that they do not desire to appear at the hearing of the appeal, in which case the State Committee may set the appeal down for hearing at any time reasonably convenient to it) and shall, in writing dated and forwarded in the regular course of the mail on the day the date for hearing the appeal is set and to the addressee of record, give notice in writing of the time and place of such hearing to the chairman of the county committee and the person appealing. If the State Committee deems it advisable, it may further develop the case by correspondence or field investigation either before or after the formal hearing, and may hear additional evidence at the State Headquarters or at a designated place in the field.

The decision by the State Committee with its recommendations, prepared in triplicate, shall be concurred in by a majority of the members of the committee. One copy of such recommendations shall be promptly transmitted to the county committee, which in turn will notify the appellant of the decision of the State Committee. The decision of the State Committee shall be final with respect to questions of fact, but if the person appealing is dissatisfied by any decision of the State Committee which is based upon the interpretation of the provisions of any bulletin, supplement, or any other document issued by the Secretary or the Agricultural Adjustment Administration in connection with the 1936 Agricultural Conservation Program, such person may appeal to the Director of the Western Division for a review of such decision by giving written notice to the State Committee, prepared in triplicate, within thirty calendar days from the date notice of its decision is addressed and forwarded to such person at the address of record. Such notice must contain or be accompanied by such person's arguments against the decision or recommendation of the State Committee. Upon such written notice being filed in triplicate with the State Committee, it shall promptly forward one complete copy of the appeal record to the Director of the Western Division, together with a copy of its decision and recommendation in such case and such written notice and arguments.

In considering any appeal case, if it appears that there are no provisions in the bulletins or other documents issued by the Secretary of Agriculture or the Agricultural Adjustment Administration applicable to such case, no decision shall be rendered by any committee until applicable rulings have been issued by the Secretary of Agriculture.

In testimony whereof, W. R. Gregg, 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 22nd day of September 1936.

[SEAL]

W. R. GREGG,
Acting Secretary of Agriculture.

[F. R. Doc. 2522—Filed, September 23, 1936; 3:26 p. m.]

DEPARTMENT OF COMMERCE.

Bureau of Air Commerce.

[Aeronautics Bulletin No. 7-H—Amendment No. 2]

AIR COMMERCE REGULATIONS

ALTERATION AND REPAIR OF AIRCRAFT

Pursuant to the authority contained in the Air Commerce Act of 1926, as amended (44 Stat. 568), the present section 5 of Aeronautics Bulletin No. 7-H is deleted and replaced by a new section 5, as follows:

SEC. 5. Procedure Governing Alterations.—(A) Every repair agency shall execute Repair and Alteration Form No. 466 in duplicate when the alteration of an airplane, an engine, or a propeller is involved.

(B) The repair agency shall list the nature of the alterations on the blank pages of Form No. 466. It shall incorporate on the blank pages of the Form No. 466, when possible, such technical data as are necessary to substantiate compliance with the requirements of Aeronautics Bulletins 7-A and 7-G, as the case may be. If such data are too extensive to incorporate on the blank pages of the Form No. 466 the repair agency shall append such data to one copy of the form and shall make reference thereto on the blank pages of both copies of the form.

(C) The repair agency shall submit one copy of the executed Form No. 466, together with the technical data referred to in paragraph (B) of this section, to the Manufacturing Inspection Service, Bureau of Air Commerce, Washington, D. C., except that an alteration to an aircraft may, at the repair agency's discretion, be handled as provided for in paragraph (F) of this section.

(D) On approval by the Manufacturing Inspection Service of the technical data submitted in accordance with paragraph (C) of this section, the form and the data will be transmitted to the supervising inspector of the district involved, together with authorization to proceed with such inspection as may be considered necessary by the Manufacturing Inspection Service.

(E) On final approval of the alteration by the inspector assigned to the inspection, he will issue a temporary license, sign both copies of the Form No. 466, deliver one copy to the owner for incorporation in the appropriate log, and transmit the other copy, together with the technical data and Form 80, to the Manufacturing Inspection Service.

(F) When an alteration to an aircraft is involved, the repair agency may in lieu of the procedure set forth in paragraph (C) of this section, request a Bureau inspector to examine the Form No. 466, the technical data, and the alteration. The inspector may at his discretion approve the alteration and proceed as provided for in paragraph (E), or he may instruct the repair agency to comply with paragraph (C) of this section, in which latter case he will not issue a temporary license.

(G) Paragraphs (I) and (J) of section 4 shall also apply in the case of an alteration.

Approved to take effect September 21, 1936.

[SEAL] DANIEL C. ROPER, Secretary of Commerce.

[F. R. Doc. 2525—Filed, September 23, 1936; 4:10 p. m.]

Bureau of Marine Inspection and Navigation.

AMENDMENT TO RULE 20—RULES FOR THE ST. MARYS RIVER JUNE 1, 1932

RULE 20 (a). No vessel of 500 gross tons or over shall approach nearer than one-quarter of a mile to a vessel bound in the same direction, nor pass such a vessel, in a channel where the speed is restricted to 12 miles an hour or less, except between Bayfield Rock and the St. Mary's Falls Canal, and between Light Number 24 marking northern entrance to West Neebish Channel and Middle Lake Nicolet Front Range Light No. 17, and for upbound vessels only between Vidal Shoal and Lookout Station No. 6, or except as provided in paragraph (b) of this rule and in Rule 21.

(b). In order to facilitate passing in Lake Nicolet, upbound vessels may, after passing red gas buoy No. 4 off Shingle Bay, approach not nearer than 500 feet to a vessel bound in the same direction.

This amendment is issued pursuant to the authority contained in the Act of March 6, 1896 (29 Stat. 54), as amended by the Act of April 26, 1906 (34 Stat., 136), as amended. Approved, September 17, 1936.

[SEAL] J. M. JOHNSON, Assistant Secretary of Commerce.

[F. R. Doc. 2526—Filed, September 23, 1936; 4:10 p. 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 12th day of September A. D. 1936.

[Docket No. BMC 21471]

AMENDMENT TO APPLICATION OF G. E. BRUCE AND E. I. BRUCE FOR AUTHORITY TO OPERATE AS A COMMON CARRIER

In the Matter of the Amendment of September 1, 1936, to the Application of G. E. Bruce and E. I. Bruce, Co-partners, Doing Business as Bruce Transfer and Storage Company, of South West Fifth and Elm Streets, Des Moines, Iowa, for a Certificate of Public Convenience and Necessity (Form BMC 1), as More Fully Described in the Commission's Order of July 23, 1936, and in the Said Amendment

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 C. E. Simmons 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 assigned for hearing before Examiner C. E. Simmons, on the 9th day of October A. D. 1936, at 10 o'clock a. m. (standard time), at the U. S. Court Rooms, Des Moines, Iowa;

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. 2540—Filed, September 24, 1936; 12:31 p. m.]

ORDER

At a Session of the Interstate Commerce Commission, Division 5, held at its office in Washington, D. C., on the 27th day of August A. D. 1936.

[Docket No. BMC 50219]

APPLICATION OF CLEMENS A. EFFINGER AND WILLIAM J. DONOHUE, JR., FOR AUTHORITY TO OPERATE AS A CONTRACT CARRIER

In the Matter of the Application of Clemens A. Effinger and William J. Donohue, Jr., Co-partners, Doing Business as Effinger and Donohue, of 1501 Madison Street N. E., Minneapolis, Minn., for a Permit (Form BMC 10, New Operation), Authorizing Operation as a Contract Carrier by Motor Vehicle in the Transportation of Commodities Generally, in Interstate Commerce, in the States of Minnesota, North Dakota, Montana, Iowa, Illinois, Nebraska, and Wisconsin, Over the Following Routes:

- Route No. 1.—Between St. Paul and Minneapolis, Minn., and Billings, Mont.
Route No. 2.—Between St. Paul and Minneapolis, Minn., and Chicago, Ill.
Route No. 3.—Between St. Paul and Minneapolis, Minn., and Omaha, Nebr.
Route No. 4.—Between St. Paul and Minneapolis, Minn., and Des Moines, Iowa.
Route No. 5.—Between St. Paul and Minneapolis, Minn., and Davenport, Iowa.

A more detailed statement of route or routes (or territory) is contained in said application, copies of which are on file and may be inspected at the office of the Interstate Commerce Commission, Washington, D. C., or offices of the boards, commissions, or officials of the States involved in this application.

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 S. A. Aplin 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 S. A. Aplin, on the 22nd day of October A. D. 1936, at 10 o'clock a. m. (standard time), at the Rooms of the Minnesota Railroad and Warehouse Commission, St. Paul, Minn.;

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. 2533—Filed, September 24, 1936; 12:28 p. m.]

ORDER

At a Session of the Interstate Commerce Commission, Division 5, held at its office in Washington, D. C., on the 10th day of September A. D. 1936.

[Docket No. BMC 8544]

APPLICATION OF GALVESTON TRUCK LINE CORPORATION FOR AUTHORITY TO OPERATE AS A CONTRACT CARRIER

In the Matter of the Application of Galveston Truck Line Corporation, of 6739 Navigation Boulevard, Houston, Tex., for a Permit (Form BMC 1), Authorizing Operation as a Contract Carrier by Motor Vehicle in the Transportation of Commodities Generally, in Interstate Commerce, from and between Points in the States of Texas, Oklahoma, Kansas, Louisiana, New Mexico, Arkansas, Missouri, Illinois, Indiana, Pennsylvania, New York, Colorado, Ohio, Wyoming, Montana, Maryland, Wisconsin, West Virginia, Michigan, Connecticut, and Virginia, Over Irregular Routes

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 Alfred W. Booth 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 Alfred W. Booth, on the 26th day of October A. D. 1936, at 10 o'clock a. m. (standard time), at the Ben Milam Hotel, Houston, Tex.;

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. 2534—Filed, September 24, 1936; 12:23 p. m.]

ORDER

At a Session of the Interstate Commerce Commission, Division 5, held at its office in Washington, D. C., on the 10th day of September A. D. 1936.

[Docket No. BMC 69305]

APPLICATION OF CHARLES B. GREER, JR., FOR AUTHORITY TO OPERATE AS A COMMON CARRIER

In the Matter of the Application of Charles B. Greer, Jr., of 1919 Maury Street, Houston, Tex., for a Certificate of Public Convenience and Necessity (Form BMC 1), Authorizing Operation as a Common Carrier by Motor Vehicle in the Transportation of Oil, Gas and Water Well, Pipe Line and Refinery Equipment and Supplies, in Interstate Commerce, in the States of Arizona, Arkansas, California, Kansas, Louisiana, Montana, North Dakota, Nebraska, New Mexico, Oklahoma, South Dakota, Texas, and Wyoming, Over Irregular Routes

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 Alfred W. Booth 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 Alfred W. Booth, on the 23rd day of October A. D. 1936, at 10 o'clock a. m. (standard time), at the Ben Milam Hotel, Houston, Tex.;

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. 2538—Filed, September 24, 1936; 12:30 p. m.]

ORDER

At a Session of the Interstate Commerce Commission, Division 5, held at its office in Washington, D. C., on the 10th day of September A. D. 1936.

[Docket No. BMC 59683]

APPLICATION OF JACKSON-STICKLAND TRANSPORTATION CO., INC., FOR AUTHORITY TO OPERATE AS A COMMON CARRIER

In the Matter of the Application of Jackson-Stickland Transportation Co., Inc., of 203 Robin Street, Houston, Tex., for a Certificate of Public Convenience and Necessity (Form BMC 1), Authorizing Operation as a Common Carrier by Motor Vehicle in the Transportation of Commodities Generally, with Exceptions, in Interstate Commerce, in the States of Arkansas, Kansas, Louisiana, New Mexico, Oklahoma, and Texas, Over the Following Routes

Route No. 1.—Between Galveston, Tex., and Tulsa and Oklahoma City, Okla.

Route No. 2.—Between El Paso and Dallas, Tex.

Route No. 3.—Between Beaumont, Tex., and Miami, Okla., via Jacksonville and Dallas, Tex.

Also operations from and between points in the States of Arkansas, Kansas, Louisiana, New Mexico, Oklahoma, and Texas, over irregular routes.

Also pick-up and delivery service in the city of Houston, Tex., and its environs.

A more detailed statement of route or routes (or territory) is contained in said application, copies of which are on file and may be inspected at the office of the Interstate Commerce Commission, Washington, D. C., or offices of the boards, commissions or officials of the States involved in this application.

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 Alfred W. Booth 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 Alfred W. Booth, on the 22nd day of October A. D. 1936, at 10 o'clock a. m. (standard time), at the Ben Milam Hotel, Houston, Tex.;

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. 2537—Filed, September 24, 1936; 12:30 p. m.]

ORDER

At a Session of the Interstate Commerce Commission, Division 5, held at its office in Washington, D. C., on the 10th day of September A. D. 1936.

[Docket No. BMC 71432]

APPLICATION OF M. G. SHELTON FOR AUTHORITY TO OPERATE AS A COMMON AND/OR CONTRACT CARRIER

In the Matter of the Application of M. G. Shelton, of 302 Delcourt Street, Houston, Tex., for a Certificate and/or Permit (Form BMC A), Authorizing Operation as a Common and/or Contract Carrier by Motor Vehicle in the Transportation of Commodities Generally, in Interstate Commerce, in the States of Texas, Louisiana, Oklahoma, Kansas, Missouri, Ohio, Illinois, Indiana, and Pennsylvania, Over Regular and/or Irregular Routes

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 Alfred W. Booth 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 Alfred W. Booth, on the 24th day of October A. D. 1936, at 10 o'clock a. m. (standard time), at the Ben Milam Hotel, Houston, Tex.;

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 Com-

mission, 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. 2539—Filed, September 24, 1936; 12:31 p. m.]

ORDER

At a Session of the Interstate Commerce Commission, Division 5, held at its office in Washington, D. C., on the 10th day of September A. D. 1936.

[Docket No. BMC 47970]

APPLICATION OF JAMES LOYD FAULK FOR AUTHORITY TO OPERATE AS A BROKER

In the Matter of the Application of James Loyd Faulk, of Jasper, Tex., for a license (Form BMC 4), Authorizing Operations as a Broker for the Purpose of Arranging Transportation of Commodities Generally, in Interstate Commerce, in the States of Texas, Louisiana, Arkansas, and Mississippi

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 Alfred W. Booth 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 Alfred W. Booth, on the 27th day of October A. D. 1936, at 10 o'clock a. m. (standard time), at the Ben Milam Hotel, Houston, Tex.;

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. 2536—Filed, September 24, 1936; 12:30 p. m.]

ORDER

At a Session of the Interstate Commerce Commission, Division 5, held at its office in Washington, D. C., on the 10th day of September A. D. 1936.

[Docket No. BMC 17122]

APPLICATION OF C. B. GREER, JR., FOR AUTHORITY TO OPERATE AS A BROKER

In the Matter of the Application of C. B. Greer, Jr., of 1919 Maury Street, Houston, Tex., for a License (Form BMC B), Authorizing Operation as a Broker for the Purpose of Arranging Transportation of Commodities Generally, in Interstate Commerce in the States of Arizona, Arkansas, California, Kansas, Louisiana, Montana, North Dakota, Nebraska, New Mexico, Oklahoma, South Dakota, Texas, and Wyoming

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 Alfred W. Booth 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 Alfred W. Booth, on the 23rd day of October A. D. 1936, at 10 o'clock a. m. (standard time), at the Ben Milam Hotel, Houston, Tex.;

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. 2535—Filed, September 24, 1936; 12:28 p. m.]

ORDER

At a Session of the Interstate Commerce Commission, Division 5, held at its office in Washington, D. C., on the 27th day of August A. D. 1936.

[Docket No. BMC 47113]

APPLICATION OF DANIEL H. HORN, CHARLES W. GALAGAN, DANIEL A. BREEN, AND EINAR M. OLSON FOR AUTHORITY TO OPERATE AS A BROKER.

In the Matter of the Application of Daniel H. Horn, Charles W. Galagan, Daniel A. Breen, and Einar M. Olson, Co-partners, Doing Business as Empire Motor Freight Line, of 4149 Seventh Street, N. E., Minneapolis, Minn., for a License (Form BMC 4), Authorizing Operation as a Broker for the Purpose of Arranging Transportation of Commodities Generally, in Interstate Commerce, in the States of Minnesota, Illinois, Kansas, Wisconsin, Iowa, Nebraska, and Missouri

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 S. A. Aplin 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 S. A. Aplin, on the 22nd day of October A. D. 1936, at 10 o'clock a. m. (standard time), at the Rooms of the Minnesota Railroad and Warehouse Commission, St. Paul, Minn.;

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. 2532—Filed, September 24, 1936; 12:28 p. m.]

[Fourth Section Application No. 16516]

CLASSES AND COMMODITIES LYKES-COASTWISE LINE, INC.

SEPTEMBER 24, 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: Lykes-Coastwise Line, Inc.
Commodities involved: Class and commodity rates.
From: Points in New England and Trunk Line territories.
To: Points in Texas and New Mexico.
Grounds for relief: Carrier 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. 2541—Filed, September 24, 1936; 12:31 p. m.]

[Fourth Section Application No. 16517]

GASOLINE AND KEROSENE FROM MOBILE, ALA., AND PENSACOLA, FLA.

SEPTEMBER 24, 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: J. L. Tilford, Agent.
Commodities involved: Gasoline and kerosene, in tank cars, carloads.
From: Mobile, Ala., and Pensacola, Fla.
To: Points in Alabama, Florida, Georgia, and Mississippi.
Grounds for relief: Circuitous routes 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. 2542—Filed, September 24, 1936; 12:31 p. m.]

[Fourth Section Application No. 16518]

BOX OR CRATE MATERIAL BETWEEN POINTS IN THE SOUTH

SEPTEMBER 24, 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: J. E. Tilford, Agent.
Commodities involved: Box or crate material, wooden, lined with paper, paperboard, or pulpboard, in carloads.
Between: Points in Southern territory.
Grounds for relief: Analogous commodity.

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. 2543—Filed, September 24, 1936; 12:31 p. m.]

[Fourth Section Application No. 16519]

ASPHALT BETWEEN POINTS IN THE SOUTHWEST, KANSAS, AND NEW MEXICO

SEPTEMBER 24, 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: F. A. Leland, Agent.
Commodity involved: Asphalt, in carloads.
Between: Points in the Southwest, Kansas, and New Mexico.
Grounds for relief: Carrier 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. 2544—Filed, September 24, 1936; 12:32 p. m.]

[Fourth Section Application No. 16520]

COTTONSEED FLOUR WITHIN AND FROM THE SOUTHWEST

SEPTEMBER 24, 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: F. A. Leland, Agent.
Commodity involved: Cottonseed flour, in carloads.
Within Southwestern region, including Mississippi River Crossings, Cairo, Ill., and South, also from the Southwest and Mississippi River Crossings to Western Trunk Line.
Grounds for relief: Carrier competition and to maintain grouping.

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. 2545—Filed, September 24, 1936; 12:32 p. m.]

[Fourth Section Application No. 16521]

COAL TO MISSISSIPPI VALLEY

SEPTEMBER 24, 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: J. E. Tilford, Agent.
Commodities involved: Coal, in carloads.
From: Manchester and Sunlight, Ala., on the Alabama Central Railroad Company.
To: Points in Louisiana, Mississippi, and Tennessee.
Grounds for relief: Market 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. 2546—Filed, September 24, 1936; 12:32 p. m.]

[Fourth Section Application No. 16522]

ASPHALT ROCK AND ASPHALT COATED STONE TO TEXAS

SEPTEMBER 24, 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: F. A. Leland, Agent.
Commodities involved: Asphalt rock and asphalt coated stone, in carloads.
From: Crusher Spur, Okla.
To: Points in Texas.
Grounds for relief: Carrier 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. 2547—Filed, September 24, 1936; 12:32 p. m.]

[Fourth Section Application No. 16523]

IRON AND STEEL ARTICLES IN TRUNK LINE AND NEW ENGLAND TERRITORIES

SEPTEMBER 24, 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 and Frank Van Ummersen, Agents.
Commodities involved: Iron and steel articles.
Between: Points in Trunk Line and New England territories over routes in connection with The Delaware and Hudson Railroad Corporation.
Grounds for relief: Circuitous routes.

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. 2548—Filed, September 24, 1936; 12:32 p. m.]

RURAL ELECTRIFICATION ADMINISTRATION.

[Administrative Order No. 17]

ALLOCATION OF FUNDS FOR LOANS

SEPTEMBER 21, 1936.

By virtue of the authority vested in me by the provisions of Section 4 of the Rural Electrification Act of 1936, I hereby allocate, from the sums authorized by said Act, funds for loans for the projects and in the amounts as set forth in the following schedule:

Project Designation:	Amount
Alabama 18B Cullman	\$42,000
Indiana 33 Hendricks	150,000
Iowa 40 Marion	70,000
Missouri 25 Perry	112,000
Texas 38 Hill	400,000
Mississippi 19 Marshall	70,000

MORRIS L. COOKE, Administrator.

[F. R. Doc. 2528—Filed, September 24, 1936; 9:33 a. m.]

[Administrative Order No. 18]

RESCISSION OF FUNDS FOR LOANS

SEPTEMBER 21, 1936.

I hereby rescind the allocation of funds for the below designated project, made by Administrative Order No. 13:

Project Designation:	Amount
Iowa 13 Winneshiek	\$33,500

MORRIS L. COOKE, Administrator.

[F. R. Doc. 2529—Filed, September 24, 1936; 9:33 a. m.]

SECURITIES AND EXCHANGE COMMISSION.

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 23rd day of September A. D. 1936.

IN THE MATTER OF AN OFFERING SHEET OF A ROYALTY INTEREST IN THE SKELLY-JOHNSON FARM, FILED ON AUGUST 22, 1936, BY GENERAL INDUSTRIES CORP., LTD., RESPONDENT

CONSENT TO WITHDRAWAL OF FILING OF OFFERING SHEET AND ORDER TERMINATING PROCEEDING

The Securities and Exchange Commission, having been informed by the respondent that no sales of any of the interests covered by the offering sheet described in the title hereof have been made, and finding, upon the basis of such information, that the withdrawal of the filing of the said offering sheet, requested by such respondent, will be consistent with the public interest and the protection of investors, consents to the withdrawal of such filing but not to the removal of the said offering sheet, or any papers with reference thereto, from the files of the Commission; and

It is ordered, that the Suspension Order, Order for Hearing, and Order Designating a Trial Examiner, heretofore entered in this proceeding, be and the same are hereby revoked and the said proceeding terminated.

By the Commission.

[SEAL] FRANCIS P. BRASSOR, *Secretary*.

[F. R. Doc. 2551—Filed, September 24, 1936; 12:48 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 22nd day of September A. D. 1936.

IN THE MATTER OF AN OFFERING SHEET OF A ROYALTY INTEREST IN THE HUCKLEBERRY-GRAY FARM, FILED ON SEPTEMBER 5, 1936, BY HERBERT H. MOORE, RESPONDENT

CONSENT TO WITHDRAWAL OF FILING OF OFFERING SHEET AND ORDER TERMINATING PROCEEDING

The Securities and Exchange Commission, having been informed by the respondent that no sales of any of the interests covered by the offering sheet described in the title hereof have been made, and finding, upon the basis of such information, that the withdrawal of the filing of the said offering sheet, requested by such respondent, will be consistent with the public interest and the protection of investors, consents to the withdrawal of such filing but not to the removal of the said offering sheet, or any papers with reference thereto, from the files of the Commission; and

It is ordered that the Suspension Order, Order for Hearing and Order Designating a Trial Examiner, heretofore entered in this proceeding, be and the same are hereby revoked and the said proceeding terminated.

By the Commission.

[SEAL] FRANCIS P. BRASSOR, *Secretary*.

[F. R. Doc. 2554—Filed, September 24, 1936; 12:49 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 21st day of September A. D. 1936.

[File 2-2423]

IN THE MATTER OF REGISTRATION STATEMENT OF ROTATING VALVE CORPORATION

ORDER CANCELING HEARING UNDER SECTION 8 (D) OF THE SECURITIES AND EXCHANGE ACT OF 1933 AS AMENDED

The Commission having heretofore, on September 15, 1935, designated Robert P. Reeder, an officer of the Commission, to take testimony at a hearing 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 September 22, 1936, at 2:00 o'clock p. m., and

The Commission having this day, at the request of the registrant, by order under Section 8 (b) of the said Act refused to permit the registration statement to become effective,

It is ordered, that the said hearing is hereby canceled.

By the Commission.

[SEAL] FRANCIS P. BRASSOR, *Secretary*.

[F. R. Doc. 2553—Filed, September 24, 1936; 12:49 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 17th day of September 1936.

[File No. 32-25]

IN THE MATTER OF THE APPLICATION OF THE LACLEDE GAS LIGHT COMPANY (PURSUANT TO SECTION 6 (B) OF THE PUBLIC UTILITY HOLDING COMPANY ACT OF 1935)

ORDER GRANTING EXEMPTION FROM THE PROVISIONS OF SECTION 6 (A) OF THE PUBLIC UTILITY HOLDING COMPANY ACT OF 1935

The Laclede Gas Light Company, a Missouri corporation and a subsidiary company of a registered holding company, having filed an application with the Commission, pursuant to Section 6 (b) of the Public Utility Holding Company Act of 1935, for an exemption from the provisions of Section 6 (a) of said Act with respect to the extension of the maturity date of its Refunding and Extension Mortgage 5% Gold Bonds dated April 1, 1904, from April 1, 1934 to April 1, 1939, pursuant to a certain Plan and Agreement promulgated by the applicant under date of February 15, 1934; and

A hearing on said application having been duly held after appropriate notice; the record having been duly considered; and the Commission having duly filed its Opinion and Findings herein;

It is ordered that all extensions of such bonds above described which the applicant, after the time of the making of this order, shall make for the purposes set forth in such application and in accordance with the terms of the Plan and Agreement therein referred to, be, and the same hereby are, exempted from the provisions of Section 6 (a) of the Public Utility Holding Company Act of 1935; upon condition, however, that each such extension of the maturity date of said bonds shall be made in all respects in compliance with the terms and conditions set forth in the Order of the Public Service Commission of the State of Missouri made on February 14, 1934 granting its approval to such extension;

It is further ordered that, if said authorization by the Public Service Commission of the State of Missouri as to said extension of the maturity date of said bonds shall be amended, revoked, or shall otherwise terminate, this exemption shall immediately terminate without further order of this Commission.

By the Commission.

[SEAL] FRANCIS P. BRASSOR, *Secretary*.

[F. R. Doc. 2301—Filed, September 21, 1936; 12:36 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 17th day of September 1936.

[File No. 32-26]

IN THE MATTER OF THE APPLICATION OF THE LACLEDE GAS LIGHT COMPANY (PURSUANT TO SECTION 6 (B) OF THE PUBLIC UTILITY HOLDING COMPANY ACT OF 1935)

ORDER GRANTING EXEMPTION FROM THE PROVISIONS OF SECTION 6 (A) OF THE PUBLIC UTILITY HOLDING COMPANY ACT OF 1935

The Laclede Gas Light Company, a Missouri corporation and a subsidiary company of a registered holding company, having filed an application with the Commission, pursuant to Section 6 (b) of the Public Utility Holding Company Act of 1935, for an exemption from the provisions of Section 6 (a) of said Act with respect to an issue of Collateral Trust Notes 6%, of said applicant due August 1, 1942 (divided into Series "A" and Series "B") which, pursuant to a certain Plan and Offer dated January 18, 1935, the applicant offered in exchange for its Ten Year 5½% Gold Notes originally issued August 1, 1925, and maturing August 1, 1935; and

A hearing on said application having been duly held after appropriate notice; the record having been duly considered; and the Commission having duly filed its Opinion and Findings herein:

It is ordered that all issues and exchanges of such notes above described which the applicant, after the time of the making of this order, shall make for the purposes, set forth in such application and in accordance with the terms of the Plan and Offer therein referred to, be, and the same hereby are, exempted from the provisions of Section 6 (a) of the Public Utility Holding Company Act of 1935; upon condition, however, that each such issue and exchange of said notes shall be made in all respects in compliance with the terms and conditions set forth in the Supplemental Order of the Public Service Commission of the State of Missouri made on January 7, 1935, granting its approval to such issue and exchange;

It is further ordered that, if said authorization by the Public Service Commission of the State of Missouri as to the said notes shall be amended, revoked, or shall otherwise terminate, this exemption shall immediately terminate without further order of this Commission.

By the Commission.

[SEAL] FRANCIS P. BRASSOR, *Secretary*.

[F. R. Doc. 2302—Filed, September 21, 1936; 12:36 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 19th day of September A. D. 1936.

[File No. 37-2]

IN THE MATTER OF UNITED CITIES UTILITIES COMPANY

ORDER GRANTING IN PART AND DENYING IN PART AN APPLICATION FOR EXEMPTION FROM THE PROVISIONS OF SECTION 13 (A) OF THE PUBLIC UTILITY HOLDING COMPANY ACT OF 1935

United Cities Utilities Company, a registered holding company, having filed an application with the Commission on July 3, 1936, for an exemption from the provisions of Section 13 (a) of the Public Utility Holding Company Act of 1935; said application having been amended; a hearing upon said application having been duly held after appropriate notice; and the Commission having made and filed its findings herein:

It is ordered, that United Cities Utilities Company be and the same hereby is exempted from the provisions of Section 13 (a) of the Public Utility Holding Company Act of 1935 with respect to the resale to its subsidiary companies of bu-

tane which it purchases under a certain contract entered into by the applicant and the Skelly Oil Company in April 1932; subject, however, to the following conditions:

1. no such butane shall be resold to any subsidiary company at a price exceeding the net cost of such butane to the applicant under said contract, including freight or other out-of-pocket expenses of the applicant, but not including any sums for any services which the applicant may render in connection with the purchase, delivery, or billing of such butane;

2. all discounts, rebates, or refunds of any kind or nature that may be received by the applicant or any of its officers on account of such purchase shall be credited to the cost of such butane in computing the cost thereof to the applicant;

3. the applicant may, from time to time, make charges to its subsidiary companies which purchase such butane, on the basis of the estimated cost thereof, but adjustments to the basis of actual cost, computed as aforesaid, shall be made at least once in every 3 months; and

4. neither the applicant nor any of its officers shall at any time make any profit from any such purchase or resale of butane to any such subsidiary company.

It is further ordered, that the aforesaid application, in so far as it relates to services and to sales of materials other than butane, be denied, reserving to the applicant, however, the right to file a new application with the Commission for exemption from Section 13 (a) with respect to any specific transactions which seem to it to involve such special or unusual circumstances as to justify their exemption from the provisions of Section 13 (a).

By the Commission.

[SEAL] FRANCIS P. BRASSOR, *Secretary*.

[F. R. Doc. 2303—Filed, September 21, 1936; 12:36 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 23rd day of September A. D. 1936.

IN THE MATTER OF AN OFFERING SHEET OF A ROYALTY INTEREST IN THE PHILLIPS-LIBERTY FARM, FILED ON SEPTEMBER 19, 1936, BY A. BEN CHADWELL, RESPONDENT

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

The Securities and Exchange Commission, having reasonable grounds to believe, and therefore alleging, that the offering sheet described in the title hereof and filed by the respondent named therein is incomplete or inaccurate in the following material respects, to wit:

1. In that Item 17 (f), Division II, is miscalculated based on Items 17 (d) and (e), Division II;

2. In that the complete legal description is not given on Exhibit B;

3. In that Item 13, Division II, states "the entire field has been proven to be one of the most prolific ever discovered anywhere", and "it appears that this (North) extension will prove to be one of the most prolific areas of the entire field";

4. In that in Item 13, Division II, the producing formations and other fields, used for comparative purposes, are not named;

5. In that the statements made in Item 13, Division II, regarding gas volumes and attendant pressures apply to the older part of the field, and the tract offered is in the North extension;

6. In that nothing is said in Item 13, Division II, about the initial pressure in the North extension;

7. In that Item 13, Division II, does not state the ultimate recovery of oil per acre that is usual in most fields;

8. In that it is not stated in Item 13, Division II, that there are comparatively large areas in the field that have no wells;

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 hereby is, suspended until the 23rd day of October 1936, that an opportunity for hearing be given to the said respondent 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 shall be revoked or continued; and

It is further ordered that Robert P. Reeder, an officer of the Commission be, and hereby is, designated as trial examiner to preside at such hearing, to continue or adjourn the said hearing from time to time, to administer oaths and affirmations, subpoena witnesses, compel their attendance, take evidence, consider any amendments to said 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 commence on the 7th day of October 1936 at 11:00 o'clock in the forenoon, 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 examiner may designate.

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

By the Commission.

[SEAL]

FRANCIS P. BRASSOR, *Secretary*.

[F. R. Doc. 2552—Filed, September 24, 1936; 12:49 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 23rd day of September A. D. 1936.

IN THE MATTER OF AN OFFERING SHEET OF A ROYALTY INTEREST IN THE PHILLIPS-WARR FARM, FILED ON SEPTEMBER 19, 1936, BY A. BEN CHADWELL, RESPONDENT

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

The Securities and Exchange Commission, having reasonable grounds to believe, and therefore alleging, that the offering sheet described in the title hereof and filed by the respondent named therein is incomplete or inaccurate in the following material respects, to wit:

1. In that the date in Division I when the information contained in the offering sheet will be out of date is incorrect based on Item 4, Division II;
2. In that Item 15, Division II, is incorrect based upon the total of Item 16 (a), Division II;
3. In that Item 17 (f), Division II, is miscalculated based on Items 17 (d) and (e), Division II;
4. In that the complete legal description is not given on Exhibit B;
5. In that Item 13, Division II, states "the entire field has been proven to be one of the most prolific ever discovered anywhere", and "it appears that this (North) extension will prove to be one of the most prolific areas of the entire field";
6. In that in Item 13, Division II, the producing formations and other fields, used for comparative purposes, are not named;
7. In that the statements made in Item 13, Division II, regarding gas volumes and attendant pressures apply to the older part of the field, and the tract offered is in the North extension;
8. In that nothing is said in Item 13, Division II, about the initial pressure in the North extension;
9. In that Item 13, Division II, does not state the ultimate recovery of oil per acre that is usual in most fields;

10. In that it is not stated in Item 13, Division II, that there are comparatively large areas in the field that have no wells;

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 hereby is, suspended until the 23rd day of October 1936 that an opportunity for hearing be given to the said respondent 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 shall be revoked or continued; and

It is further ordered, that Robert P. Reeder, an officer of the Commission be, and hereby is, designated as trial examiner to preside at such hearing, to continue or adjourn the said hearing from time to time, to administer oaths and affirmations, subpoena witnesses, compel their attendance, take evidence, consider any amendments to said 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 commence on the 7th day of October 1936 at 11 o'clock in the forenoon, 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 examiner may designate.

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

By the Commission.

[SEAL]

FRANCIS P. BRASSOR, *Secretary*.

[F. R. Doc. 2549—Filed, September 24, 1936; 12:49 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 23rd day of September A. D. 1936.

IN THE MATTER OF AN OFFERING SHEET OF AN OVERRIDING INTEREST IN THE NICHOLS-MCKEEHAN FARM, FILED ON SEPTEMBER 18, 1936, BY J. NICHOLS, RESPONDENT

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

The Securities and Exchange Commission, having reasonable grounds to believe, and therefore alleging, that the offering sheet described in the title hereof and filed by the respondent named therein is incomplete or inaccurate in the following material respects, to wit:

1. In that Exhibit B purports to convey a non-producing overriding royalty, while you appear to have used Schedule D to describe the interest, which Schedule is required under the regulations for a non-producing working interest, or non-producing free working interest;
 2. In that in the third paragraph of Division I it is stated "This offering is of a production interest";
 3. In that Item 8, Division II, appears non-responsive and in conflict with Exhibit B;
 4. In that Item 16, Division II, has misstated the amount of taxes to which the interest may be subject;
 5. In that no date is given in Item 26, Division II, or on Exhibit A;
 6. In that Item 11, Division II, is not fully answered;
- 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 hereby is, suspended until the 23rd day of October 1936 that an opportunity for hearing

be given to the said respondent 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 shall be revoked or continued; and

It is further ordered, that Robert P. Reeder, an officer of the Commission be, and hereby is, designated as trial examiner to preside at such hearing, to continue or adjourn the said hearing from time to time, to administer oaths and affirmations, subpoena witnesses, compel their attendance, take evidence, consider any amendments to said 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 commence on the 7th day of October 1936 at 10:00 o'clock in the forenoon, 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 examiner may designate.

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

By the Commission.

[SEAL]

FRANCIS P. BRASSOR, *Secretary.*

[F. R. Doc. 2555—Filed, September 24, 1936; 12:48 p. m.]

Saturday, September 26, 1936 No. 140

PRESIDENT OF THE UNITED STATES.

EXECUTIVE ORDER

WITHDRAWAL OF PUBLIC LAND FOR LOOKOUT STATION
California

By virtue of and pursuant to the authority vested in me by the act of June 25, 1910, ch. 421, 36 Stat. 847, as amended by the act of August 24, 1912, ch. 369, 37 Stat. 497, it is ordered as follows:

SECTION 1. Executive Order No. 6910 of November 26, 1934, as amended, temporarily withdrawing certain lands for classification and other purposes, is hereby revoked as to the following-described tract of public land in California:

MOUNT DIABLO MERIDIAN

T. 26 S., R. 8 E., sec. 13, SE $\frac{1}{4}$ NE $\frac{1}{4}$, 40 acres.

SECTION 2. Subject to valid existing rights, the tract of land described in section 1 of this order is hereby temporarily withdrawn from settlement, location, sale, or entry and reserved for use as a lookout station in connection with Federal and State cooperative forest-protection work.

SECTION 3. Section 2 of this order shall continue in force and effect unless and until revoked by the President or by act of Congress.

FRANKLIN D. ROOSEVELT

THE WHITE HOUSE,
September 23, 1936.

[No. 7453]

[F. R. Doc. 2556—Filed, September 24, 1936; 2:31 p. m.]

EXECUTIVE ORDER

REVOCATION OF EXECUTIVE ORDERS NOS. 6671 AND 6781 OF APRIL 7
1934, AND JUNE 30, 1934, RESPECTIVELY, WITHDRAWING PUBLIC
LANDS

Arizona

By virtue of and pursuant to the authority vested in me by the act of June 25, 1910, ch. 421, 36 Stat. 847, as amended by the act of August 24, 1912, ch. 369, 37 Stat. 497, Executive

Orders Nos. 6671 and 6781 of April 7, 1934, and June 30, 1934, respectively, withdrawing public lands in T. 12 N., R. 3 E., and T. 18 N., R. 5 W. of the Gila and Salt River meridians, Arizona, respectively, pending resurvey, are hereby revoked.

This order shall become effective upon the date of the official filing of the plats of resurvey of said townships.

FRANKLIN D. ROOSEVELT

THE WHITE HOUSE,
September 23, 1936

[No. 7454]

[F. R. Doc. 2555—Filed, September 24, 1936; 2:31 p. m.]

TREASURY DEPARTMENT.

Bureau of Internal Revenue.

[T. D. 4697]

MUTUAL INSURANCE COMPANIES OTHER THAN LIFE—DEDUCTIONS

To Collectors of Internal Revenue and Others Concerned:

Article 207-1 of Regulations 86 is hereby revoked and in lieu thereof there are hereby prescribed the following regulations:

ART. 207-1. *Gross income of mutual insurance companies other than life.*—The gross income of mutual insurance companies (other than life) consists of their total revenues from the operation of the business and of their income from all other sources within the taxable year, except as otherwise provided by the Act. Gross income includes net premiums (that is, gross premiums less returned premiums on policies canceled and premiums on policies not taken), investment income, profits from the sale of assets, and all gains, profits, and income reported to the State insurance departments, except income specifically exempt from tax. Premiums received by mutual marine insurance companies which are paid out for reinsurance should be eliminated from gross income and the payments for reinsurance from disbursements. Deposit premiums on perpetual risks received and returned by mutual fire insurance companies should be treated in the same manner, as no reserve will be recognized covering liability for such deposits. The earnings on such deposits, including such portion, if any, of the deposits as is not returned to the policyholders upon cancellation of the policies, must be included in the gross income. A net decrease in reserve funds required by law within the taxable year must be included in the gross income to the extent that such funds are released to the general uses of the company and increase its free assets. Any net decrease in reserves shall be added to the gross income, unless the company shall show that such decrease resulted from the application of reserves to the purposes for which they were established.

ART. 207-2. *Deductions allowed mutual insurance companies other than life insurance companies.*—Mutual insurance companies (other than life insurance companies) are entitled to the same deductions from gross income as other corporations, and also to the deduction of the net addition required by law to be made within the taxable year to reserve funds and of the sums other than dividends paid within the taxable year on policy and annuity contracts. As to life insurance companies, see sections 201-203 and articles 201 (a)-1-203 (c)-1. Insurance companies, other than mutual and life companies, are entitled only to the deductions allowed by section 204 (c). (See article 204 (c)-1.) Mutual insurance companies are not entitled to the deductions allowed by section 204 (c), but (except in the case of life insurance companies) are entitled to the deductions allowed by section 23. "Paid" includes "accrued" or "incurred" (construed according to the method of accounting upon the basis of which the net income is computed) during the taxable year, but does not include any estimate for losses incurred but not reported during the taxable year.

ART. 207-3. *Required addition to reserve funds of mutual insurance companies.*—Mutual insurance companies, other than life insurance companies, may deduct from gross income

