# FEDERAL REGISTER

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### Agencies in this issue-

Agency for International Development Agricultural Research Service Atomic Energy Commission Civil Aeronautics Board Civil Service Commission Commodity Credit Corporation Consumer and Marketing Service Customs Bureau Federal Aviation Administration Federal Crop Insurance Corporation Federal Power Commission Federal Reserve System Federal Trade Commission Fish and Wildlife Service Food and Drug Administration Foreign Direct Investments Office Geological Survey Health, Education, and Welfare Department Interagency Textile Administrative Committee Internal Revenue Service International Commerce Bureau Interstate Commerce Commission Land Management Bureau Maritime Administration Mines Bureau Secret Service Securities and Exchange Commission Tariff Commission

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Treasury Department





Just Released

# CODE OF FEDERAL REGULATIONS

(As of January 1, 1968)

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[A cumulative checklist of CFR issuances for 1968 appears in the first issue of the Federal Register each month under Title 1]

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# List of CFR Parts Affected

The following numerical guide is a list of the parts of each title of the Code of Federal Regulations affected by documents published in today's issue. A cumulative list of parts affected, covering the current month to date, appears at the end of each issue beginning with the second issue of the month.

A cumulative guide is published separately at the end of each month. The guide lists the parts and sections

affected by documents published since January 1, 1968, and specifies how they are affected.

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# Rules and Regulations

# Title 5—ADMINISTRATIVE PERSONNEL

Chapter I-Civil Service Commission PART 213-EXCEPTED SERVICE

#### Department of State

Section 213.3104 is amended to show that in the International Boundary and Water Commission-United States and Mexico-the positions of Realty Officer, Appraiser, Negotiator, and Assistant, GS-5 through GS-14, Interviewer (Interpreter), and two postions of administrative assistant are no longer excepted under Schedule A, but that the positions of two Realty Specialists, GS-6 and GS-9, and one Administrative Assistant, GS-7, will be continued under Schedule A until June 30, 1970. Effective on publication in the Federal Register, subparagraphs (2) and (3) are revoked and subparagraph (4) is added to paragraph (c) of § 213.-3104 as set out below.

# § 213.3104 Department of State.

- (c) International Boundary Water Commission-United States and Mexico. \* \*
  - (2) [Revoked]
  - (3) [Revoked]
- (4) Until June 30, 1970, two Realty Specialists, GS-6 and 9, and one Administrative Assistant, GS-7.

(5 U.S.C. 3301, 3302, E.O. 10577, 19 F.R. 7521, 3 CFR 1954-58 Comp., p. 218)

[SEAL]

UNITED STATES CIVIL SERV-ICE COMMISSION, JAMES C. SPRY. Executive Assistant to the Commissioners.

[F.R. Doc. 68-5371; Filed, May 3, 1968; 8:46 a.m.]

# PART 213-EXCEPTED SERVICE

### Department of Commerce

Section 213,3114 is amended to show that positions of Field Agent to conduct the 1966-67 census of governmental finances and governmental employment are excepted under Schedule A until June 30, 1969. Effective on publication in the FEDERAL REGISTER, subparagraph (2) of paragraph (d) of § 213.3114 is amended as set out below.

### § 213.3114 Department of Commerce. -

- (d) Bureau of Census. \* \* \*
- (2) Positions of Field Agent to conduct the 1966-67 census of governmental finances and governmental employment. Employment under this authority may not extend beyond June 30, 1969.

3 CFR 1954-58 Comp., p. 218)

UNITED STATES CIVIL SERV-ICE COMMISSION. JAMES C. SPRY, [SEAL] Executive Assistant to the Commissioners.

[F.R. Doc. 68-5369; Filed, May 3, 1968; 8:46 a.m.]

### PART 213-EXCEPTED SERVICE

# Department of Labor

Section 213.3115 is amended to show that positions in the Office of Federal Contract Compliance except those identified with the "Plans for Progress" program are no longer excepted under Schedule A. Effective on publication in the Federal Register, subparagraph (1) of paragraph (f) of § 213.3115 is amended as set out below.

## § 213.3115 Department of Labor.

(f) Office of Federal Contract Compliance. (1) All positions at GS-15 and below involving performance of the functions of the program known as "Plans for Progress.'

(5 U.S.C. 3301, 3302, E.O. 10577, 19 F.R. 7521, 3 CFR 1954-58 Comp., p. 218)

UNITED STATES CIVIL SERV-ICE COMMISSION, JAMES C. SPRY, [SEAL] Executive Assistant to the Commissioners.

[FR. Doc. 68-5370; Filed, May 3, 1968; 8:46 a.m.]

### PART 734-HOLDING STATE OR LOCAL OFFICE

### PART 735-EMPLOYEE RESPONSI-BILITIES AND CONDUCT

#### **Outside Employment**

Chapter I is amended in several respects by reason of Executive Order 11408 of April 25, 1968, which revoked Executive Order 9 of January 17, 1873, and various Executive orders that interpreted Executive Order 9, and Executive Order 9367 of August 4, 1943. (1) Part 734 is revoked as outside employment with a State or local government will now be regulated as any other outside employment under 5 CFR 735.203. (2) Paragraph (c) of § 735.203 is amended to include a provision governing the special preparation of persons for an examination of the Civil Service Commission or the Board of Examiners for the Foreign Service. (3) Paragraph (d) of § 735.203 is revoked as the revocation of Part 734 makes that paragraph meaningless. Section 735.203 is amended as set out below.

(5 U.S.C. 3301, 3302, E.O. 10577, 19 F.R. 7521, § 735.203 Outside employment and other activity.

> (c) Employees are encouraged to engage in teaching, lecturing, and writing that is not prohibited by law, the Executive order, this part, or the agency regulations. However, an employee shall not, either for or without compensation, engage in teaching, lecturing, or writing, including teaching, lecturing, or writing for the purpose of the special preparation of a person or class of persons for an examination of the Commission or Board of Examiners for the Foreign Service, that depends on information obtained as a result of his Government employment, except when that information has been made available to the general public or will be made available on request, or when the agency head gives written authorization for use of nonpublic information on the basis that the use is in the public interest. In addition, an employee who is a Presidential appointee covered by section 401(a) of the order shall not receive compensation or anything of monetary value for any consultation, lecture, discussion, writing, or appearance the subject matter of which is devoted substantially to the responsibilities, programs, or operations of his agency, or which draws substantially on official data or ideas which have not become part of the body of public information.

(d) [Revoked]

(Secs. 602, 701, 702, E.O. 11222; 3 CFR, 1964-65 Comp.)

UNITED STATES CIVIL SERV-ICE COMMISSION, JAMES C. SPRY, [SEAL] Executive Assistant to the Commissioners.

[F.R. Doc. 68-5372; Filed, May 3, 1968; 8:46 a.m.]

# Title 7—AGRICULTURE

Chapter IX-Consumer and Marketing Service (Marketing Agreements and Orders; Fruits, Vegetables, Nuts), Department of Agriculture

[Lemon Reg. 319]

### PART 910-LEMONS GROWN IN CALIFORNIA AND ARIZONA

### Limitation of Handling

§ 910.619 Lemon Regulation 319.

(a) Findings. (1) Pursuant to the marketing agreement, as amended, and Order No. 910, as amended (7 CFR Part 910), regulating the handling of lemons grown in California and Arizona, effective under the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601-674), and upon the basis of the recommendations and information submitted by the Lemon Administrative Committee, established under the said amended marketing agreement and order, and upon other available information, it is hereby found that the limitation of handling of such lemons, as hereinafter provided, will tend to effectuate the declared policy of the act.

(2) It is hereby further found that it is impracticable and contrary to the public interest to give preliminary notice. engage in public rule-making procedure, and postpone the effective date of this section until 30 days after publication hereof in the Federal Register (5 U.S.C. 553) because the time intervening between the date when information upon which this section is based became available and the time when this section must become effective in order to effectuate the declared policy of the act is insufficient, and a reasonable time is permitted, under the circumstances, for preparation for such effective time; and good cause exists for making the provisions hereof effective as hereinafter set forth. The committee held an open meeting during the current week, after giving due notice thereof to consider supply and market conditions for lemons and the need for regulation; interested persons were afforded an opportunity to submit information and views at this meeting; the recommendation and supporting information for regulation during the period specified herein were promptly submitted to the Department after such meeting was held; the provisions of this section, including its effective time, are identical with the aforesaid recommendation of the committee, and information concerning such provisions and effective time has been disseminated among handlers of such lemons; it is necessary in order to effectuate the declared policy of the act, to make this section effective during the period herein specified; and compliance with this section will not require any special preparation on the part of persons subject hereto which cannot be completed on or before the effective date hereof. Such committee meeting was held on April 30, 1968.

(b) Order. (1) The respective quantities of lemons grown in California and Arizona which may be handled during the period May 5, 1968, through May 11, 1968, are hereby fixed as follows:

(i) District 1: Unlimited movement;

(ii) District 2: 279,000 cartons;

(iii) District 3: Unlimited movement.

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

(Secs. 1-19, 48 Stat. 31, as amended; 7 U.S.C. 601-674)

Dated: May 2, 1968.

PAUL A. NICHOLSON,
Acting Director, Fruit and Vegetable Division, Consumer
and Marketing Service.

[F.R. Doc. 68-5416; Filed, May 3, 1968; 8:47 a.m.]

# Title 9—ANIMALS AND ANIMAL PRODUCTS

Chapter I—Agricultural Research Service, Department of Agriculture

SUBCHAPTER C-INTERSTATE TRANSPORTATION
OF ANIMALS AND POULTRY

#### PART 74-SCABIES IN SHEEP

#### Interstate Movement

Pursuant to the provisions of sections 4 through 7 of the Act of May 29, 1834, as amended, sections 1 and 2 of the Act of February 2, 1903, as amended, and sections 1 through 4 of the Act of March 3, 1905, as amended (21 U.S.C. 111–113, 115, 117, 120, 121, 123–126) Part 74, Subchapter C, Chapter I, Title 9, Code of Federal Regulations, as amended, is hereby further amended in the following respects:

1. Section 74.2 is amended to read as follows:

§ 74.2 Designation of free and infected areas.

(a) Notice is hereby given that sheep in the following States, territories, and district, or parts thereof as specified, are not known to be infected with scabies, and such States, territories, district, and parts thereof, are hereby designated as free areas.

(1) Alabama, Alaska, Arizona, Arkansas, California, Colorado, Connecticut, Delaware, District of Columbia, Florida, Georgia, Hawaii, Idaho, Illinois, Indiana, I o w a , Kansas, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, Montana, Nebraska, Nevada, New Hampshire, New Jersey, New Mexico, New York, North Carolina, North Dakota, Ohio, Oklahoma, Oregon, Puerto Rico, Rhode Island, South Carolina, South Dakota, Tennessee, Texas, Utah, Vermont, Virgin Islands of the United States, Washington, West Virginia, Wisconsin, and Wyoming; and

(2) All counties in Virginia except Clarke and Culpeper;

(3) All counties in Pennsylvania except Dauphin.

(b) Notice is hereby given also that sheep scabies exists in the parts of States not designated as free areas in paragraph (a) of this section, and they are hereby designated as infected areas.

2. Section 74.3 is amended to read as follows:

§ 74.3 Designation of eradication areas.

(a) Notice is hereby given that sheep in the following States, or parts thereof as specified, are being handled systematically to eradicate scabies in sheep, and such States, and parts thereof, are hereby designated as eradication areas:

The following counties in Virginia:
 Clarke and Culpeper; and

(2) The following county in Pennsylvania: Dauphin.

(Secs. 4-7, 23 Stat. 32, as amended, secs. 1, 2, 32 Stat. 791-792, as amended, secs. 1-4, 33 Stat. 1264, as amended, 1265, as amended, 76 Stat. 129-132; 21 U.S.C. 111-113, 115, 117,

120, 121, 123-126, 134-134(h); 29 F.R. 16210, as amended)

Effective date. The foregoing amendments shall become effective upon publication in the Federal Register

The amendments add Dauphin County, Pa., to the list of infected and eradication areas and delete such county from the list of free areas due to the presence of sheep scables therein. After the effective date of these amendments, the restrictions pertaining to the interstate movement of sheep from or into infected and eradication areas as contained in 9 CFR Part 74, as amended, will apply to such area.

The amendments impose certain restrictions on the interstate movement of sheep from Dauphin County, Pa., for the purpose of preventing the spread of scabies, a communicable disease of sheep, and must be made effective immediately in order to accomplish their purpose in the public interest. Accordingly, under the administrative procedure provisions of 5 U.S.C., section 553, it is found upon good cause that notice and other public procedure with respect to the amendments are impracticable and contrary to the public interest, and good cause is found for making the amendments effective less than 30 days after publication in the FEDERAL REGISTER.

Done at Washington, D.C., this 30th day of April 1968.

R. J. Anderson, Acting Administrator, Agricultural Research Service.

[F.R. Doc. 68-5365; Filed, May 3, 1968; 8:46 a.m.]

# Title 16—COMMERCIAL PRACTICES

Chapter I—Federal Trade Commission

[Docket No. 8695 o.]

# PART 13—PROHIBITED TRADE PRACTICES

Surrey Sleep Products, Inc., and Sol Kitain

Subpart—Advertising falsely or misleadingly: § 13.70 Fictitious or misleading guarantees. Subpart—Misrepresenting oneself and goods—Goods: § 13.1647 Guarantees.

(Sec. 6, 38 Stat. 721; 15 U.S.C. 46. Interprets or applies sec. 5, 38 Stat. 719, as amended; 15 U.S.C. 45) [Cease and desist order, Surrey Sleep Products, Inc., et al., Long Island City. N.Y., Docket 8695, Apr. 3, 1968]

In the Matter of Surrey Sleep Products, Inc., a Corporation, and Sol Kitain, Individually and as an Officer of Said Corporation

Order requiring a Long Island City, N.Y., manufacturer of mattresses and box springs to cease using deceptive guarantees in the sale of its mattresses and other articles of merchandise.

By "Final Order" the order to cease and desist, including further order requiring report of compliance therewith. is as follows:

It is ordered, That respondents Surrey Sleep Products, Inc., a corporation, and its officers, and Sol Kitain, individually and as an officer of said corporation, and respondents' agents, representatives, and employees, directly or through any corporate or other device, in connection with the advertising, offering for sale, sale or distribution of mattresses, box springs, or any other articles of merchandise in commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from: Representing, directly or by implication, that their products are guaranteed unless all of the terms and conditions of the guarantee, including its nature and extent, the name and address of the guarantor, and the manner in which the guarantor will perform thereunder, are clearly and conspicuously disclosed in immediate conjunction there-

It is further ordered, That the respondents herein shall within sixty (60) days after service upon them of this order, file with the Commission a report in writing setting forth in detail the manner and form of their compliance with this order.

Issued: April 3, 1968.

By the Commission.

[SEAL]

JOSEPH W. SHEA, Secretary.

[F.R. Doc. 68-5356; Filed, May 3, 1968; 8:45 a.m.1

# Title 19—CUSTOMS DUTIES

Chapter I-Bureau of Customs, Department of the Treasury IT.D. 68-1211

PART 8-LIABILITY FOR DUTIES; ENTRY OF IMPORTED MERCHAN-DISE

#### Informal Entry

Correction

In F.R. Doc. 68-5215 appearing at page 6603 in the issue of Wednesday, May 1, 1968, middle column, third line from the bottom, delete the line reading "§ 8.50 [Amended]".

# Title 22—FOREIGN RELATIONS

Chapter II—Agency for International **Development, Department of State** 

[A.I.D. Reg. 13]

PART 213-COLLECTION OF CIVIL CLAIMS BY THE AGENCY FOR INTERNATIONAL DEVELOPMENT

Chapter II of Title 22 is amended by adding a new Part 213 as follows:

Subpart A-General Collection Standards

213.1 Applicability of prescribed standards.

Exceptions to applicability.
Omission not a defense. 213.2

2133

Subdivision and joining of claims. 213.4

213.5 Fraudulent claims.

#### Subpart B-Administrative Collection of Claims

213.11 Prescribed standards.

213.12 Interest.

Subpart C-Compromise of Claims

213.21 Prescribed standards.

Subpart D-Suspension or Termination of Collection Action

213 31 Prescribed standards.

Subpart E-Referral to the General Accounting Office or to the Department of Justice

213.41 Prescribed standards.

AUTHORITY: The provisions of this Part 213 issued under sec. 621, Foreign Assistance Act of 1961, as amended, 75 Stat. 445 (22 U.S.C. 2402); sec. 3, Federal Claims Collection Act of 1966, 80 Stat. 308 (31 U.S.C. 952); and in conformity with Joint Regulations issued pursuant to the Federal Claims Collection Act of 1966 by the Attorney General and the Comptroller General prescribing Claims Collection Standards for Civil Claims by the Government for Money or Property, 4 CFR

### Subpart A-General Collection Standards

#### § 213.1 Applicability of prescribed standards.

The Joint Regulations of the Attorney General and the Comptroller General set forth in Chapter II of Title 4 of the Code of Federal Regulations prescribe standards for the administrative collection, compromise, termination, or suspension of agency collection action, and referral to the General Accounting Office and to the Department of Justice for litigation, of civil claims by the Federal Government for money or property. Except as set forth in this part, these standards (prescribed standards) shall be applied by the Agency for International Development (hereinafter designated as A.I.D.) with respect to its claims for money or property.

### § 213.2 Exceptions to applicability.

(a) The prescribed standards are not applicable to claims arising as a result

(1) Loans and sales for which collection and compromise authority is conferred by section 635(g)(2) of the Foreign Assistance Act of 1961, as amended:

(2) Investment guaranty operations for which settlement and arbitration authority is conferred by section 635(i) of the Foreign Assistance Act of 1961, as amended.

(b) The prescribed standards are not applicable to claims against any foreign country or any political sub-division thereof, or any international organization

(c) The prescribed standards are not applicable in any instance where the Administrator of A.I.D. or his designee determines that the achievement of the purposes of the Foreign Assistance Act of 1961, as amended, or any other Act

in whole or in part administered by A.I.D. requires a different course of action.

#### § 213.3 Omission not a defense.

Failure by the A.I.D. to comply with any of the provisions of the prescribed standards or of the provisions of this part shall not be available as a defense to any debtor.

#### § 213.4 Subdivision and joining of claims.

(a) A debtor's liability arising from a particular transaction or contract (for example, each individual Supplier's Certificate and Agreement with A.I.D.— Form 282) shall be considered as a single claim in determining whether the claim is one not exceeding \$20,000 exclusive of interest for the purpose of compromise or termination of collection action. Such a claim may not be subdivided to avoid the monetary ceiling established by the Federal Claims Collection Act of 1966.

(b) The joining of two or more single claims in a demand upon a debtor for a payment exceeding \$20,000 does not preclude compromise or termination of collection action with respect to any one of such claims which does not exceed this amount exclusive of interest.

#### § 213.5 Fraudulent claims.

Any claim as to which there is an indication of fraud, the presentation of a false claim, or misrepresentation on the part of the debtor or any other party having an interest in the claim shall be handled as set forth in 4 CFR 101.3.

### Subpart B-Administrative Collection of Claims

#### § 213.11 Prescribed standards.

The prescribed standards applicable to the administrative collection of claims are set forth in 4 CFR Part 102.

### § 213.12 Interest.

Under 4 CFR 102.10, A.I.D. may forego the collection of prejudgment interest as an inducement to voluntary payment in cases where such interest is not mandated by statute, contract, or regulation. However, in cases where the debt arises from an overpayment, prejudgment interest shall be collected from the date of such overpayment if the amount involved and the length of time during which the debtor had use of A.I.D. funds warrant such action.

# Subpart C-Compromise of Claims

#### § 213.21 Prescribed standards.

The prescribed standards applicable to compromise of claims are set forth in 4 CFR Part 103. These standards apply to the compromise of any claim which does not exceed \$20,000 exclusive of interest.

## Subpart D-Suspension or Termination of Collection Action

#### § 213.31 Applicability.

The prescribed standards applicable to suspension or termination of collection action are set forth in 4 CFR Part 104.

These standards apply to any claim as so published are hereby adopted, subwhich does not exceed \$20,000 exclusive ject to the changes set forth below: of interest.

Subpart E-Referrals to the General Accounting Office or to the Department of Justice

§ 213.41 Prescribed standards.

The prescribed standards applicable to referrals of claims to the General Accounting Office or to the Department of Justice for litigation are set forth in 4 CFR Part 105. Claims shall be referred to the General Accounting Office or to the Department of Justice, as ap-

This part shall become effective on the date of its publication in the FEDERAL REGISTER.

WILLIAM S. GAUD. Administrator.

APRIL 30, 1968.

[F.R. Doc. 68-5362; Filed, May 3, 1968; 8:45 a.m.]

# Title 14—AERONAUTICS AND SPACE

Chapter I-Federal Aviation Administration, Department of Transportation

[Docket No. 8079; Amdt. 37-17]

### PART 37—TECHNICAL STANDARD ORDER AUTHORIZATIONS

Maximum Allowable Airspeed Indicator Systems-T50-C46a

Correction

In F.R. Doc. 68-4856 appearing at page 6234 in the issue of Wednesday, April 24, 1968, Table I of section 5 of § 37.145 should be corrected as follows: The "Tolerance Knots" entry opposite the 180 speed knots value which now reads "2.9" should read "3.0".

# Title 26—INTERNAL REVENUE

Chapter I-Internal Revenue Service, Department of the Treasury

SUBCHAPTER E-ALCOHOL, TOBACCO, AND OTHER EXCISE TAXES

[T.D. 6954]

#### MANUFACTURE, SALE, USE, AND REUSE OF LIQUOR BOTTLES

On February 2, 1968, a notice of proposed rule making to amend 26 CFR Parts 173, 194, 200, 201, 250, and 251, and to revoke 26 CFR Part 175, with respect to requirements relating to liquor bottles, was published in the FEDERAL REGISTER (33 F.R. 2517). In accordance with the notice, interested persons were afforded an opportunity to submit written comments or suggestions pertaining thereto. After consideration of all relevant matter presented regarding the proposed amendments, the regulations

PARAGRAPH 1. Paragraph C3 is changed by inserting, in § 194.263, a new paragraph (a) (1) and by redesignating existing paragraphs (a) (1) and (a) (2) as (a)(2) and (a)(3), respectively; and by adding a statutory citation.

Par. 2. Paragraph E13 is changed as follows: Sections 201.540e, 201.540f, 201.-540k, 201.540o, and 201.540p are changed.

Par. 3. Paragraph F4 is changed as follows: Section 250.315 is changed and a new § 250.318 is added.

PAR. 4. Paragraph G4 is changed by making editorial changes in the title and text of § 251.74.

Par. 5. Paragraph G6 is changed as follows: Section 251.205 is amended and § 251.209 is added as set forth below.

This Treasury decision shall become effective on the first day of the first month which begins not less than 30 days after the date of its publication in the FEDERAL REGISTER.

(Sec. 7805 of the Internal Revenue Code (68A Stat. 917; 26 U.S.C. 7805))

[SEAL] SHELDON S. COHEN. Commissioner of Internal Revenue.

> LESTER D. JOHNSON, Commissioner of Customs.

Approved: April 30, 1968.

STANLEY S. SURREY, Assistant Secretary of the Treasury.

In order to (1) relax controls over manufacturers of liquor bottles, including elimination of the requirement for permit to manufacture; (2) simplify requirements for markings to be placed on liquor bottles: (3) eliminate permits to traffic in liquor bottles; (4) eliminate specific provisions for the reuse of liquor bottles for packaging distilled spirits; (5) liberalize provisions as to the disposition of used liquor bottles; (6) liberalize provisions for the use of liquor bottles for display and testing purposes; (7) add provisions which would permit control over bottles found to be deceptive; (8) relocate the modified requirements respecting the receipt, use, disposition, and labeling of liquor bottles, as they relate to bottlers and importers, in other regulations which cover operations in liquor by such persons; (9) relocate the modified requirements as they relate to bottle manufacturers and to prohibitions against reuse and refilling of liquor bottles in Part 173; (10) provide a means whereby containers other than of glass or metal may be used for certain packaging purposes; and (11) make other conforming and clarifying changes, the regulations in 26 CFR Part 175 are revoked and the regulations in 26 CFR Parts 173, 194, 200, 201, 250, and 251 are amended as follows:

# PART 173-RETURNS OF SUB-STANCES, ARTICLES OR CONTAIN-

PARAGRAPH A. Title 26 CFR Part 173 is amended as follows:

1. Section 173.1 is amended to include the manufacture and disposition of liquor bottles. As amended, § 173.1 reads as follows:

§ 173.1 Returns of substances, articles, or containers.

This part relates to the returns and records of the disposition of articles from which distilled spirits may be recovered. of substances of the character used in the manufacture of distilled spirits, and of containers of the character used for the packaging of distilled spirits; and to the manufacture and disposition of liquor bottles.

2. Section 173.2 is amended by deleting words no longer needed by reason of definition of "Director" in § 173.5. As amended, § 173.2 reads as follows:

### § 173.2 Forms prescribed.

The Director is authorized to prescribe all forms required by this part, including demand letters, reports, and returns. Information called for shall be furnished in accordance with the instructions on the forms or issued in respect thereto.

3. Section 173.5 is amended to include definitions of "Bottler" and "CFR," immediately following the existing defini-tion of "Assistant Regional Commis-sioner;" to include definitions of "Di-rector," "Importer," "Liquor bottle," and "This chapter," immediately following existing definitions of "Denatured spirits," "Distilled spirits or spirits," "Internal revenue officer," and "Substance," respectively; to eliminate the reference to Part 216 in the definition of "Denatured spirits;" and to redefine "United States." These added and amended definitions read as follows:

### § 173.5 Meaning of terms.

Bottler. A proprietor of a distilled spirits plant authorized to bottle spirits, a proprietor of a class 8 bonded warehouse qualified under customs laws, or an agency of the United States or any State or political subdivision thereof.

CFR. The Code of Federal Regulations. \*

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Denatured spirits. Spirits to which denaturants have been added pursuant to formulas prescribed in Part 212 of this

Director. The Director, Alcohol and Tobacco Tax Division, Internal Revenue Service, Washington, D.C.

Importer. A person authorized to import distilled spirits into the United States.

Liquor bottle. A bottle made of glass or earthenware, or of other suitable material approved by the Director, designed or intended for use as a container for distilled spirits for sale for beverage purposes. . .

This chapter. Chapter I, Title 26, Code of Federal Regulations.

United States. The several States and the District of Columbia.

\* 4. A new Subpart F is added to provide requirements concerning liquor bottles as they relate to manufacturers and to the prohibited reuse or refilling of such bottles. As added, Subpart F reads

Subpart F-Manufacture, Sale, and Use of Bottles for Packaging Distilled Spirits

as follows:

173.31 Scope of subpart.

Notice and request by bottle manu-173.32 facturer.

Indicia for domestic liquor bottles. 173.33

Indicia for imported liquor bottles.
Bottles manufactured with previ-173.35 ously prescribed indicia.

Persons authorized to receive liquor bottles.

Shipment of liquor bottles for 173.37 further processing.

173.38 Liquor bottles for testing purposes.

173.39 Manufacturer's records.

173.40 Discontinuance of business.

173.41 Possession of used liquor bottles.

173.42 Possession of refilled liquor bottles.

173.43 Refilling of liquor bottles.

AUTHORITY: The provisions of this Subpart F issued under sec. 7805 of the Internal Revenue Code, 68A Stat. 917; 26 U.S.C. 7805, Interpret or apply sec. 5301 of the Internal Revenue Code, 72 Stat. 1374; 26 U.S.C. 5301.

### Subpart F-Manufacture, Sale, and Use of Bottles for Packaging Distilled Spirits

### § 173.31 Scope of subpart.

The provisions of this subpart shall apply only to liquor bottles having a capacity of ½ pint or more except where expressly applied to liquor bottles of less than 1/2-pint capacity.

#### § 173.32 Notice and request by bottle manufacturer.

Any person intending to engage in the manufacture of domestic liquor bottles shall file Form 4328 with the assistant regional commissioner of the region in which the manufacturing premises are located, giving notice of intent and requesting assignment of a bottle manufacturer's number: Provided, That where a bottle manufacturer operates manufacturing premises at more than one location, he may file one notice covering two or more such premises and be assigned one bottle manufacturer's number for use at such premises. Where manufacturing premises covered by a single notice are located in more than one region, the Form 4328 shall be filed with the assistant regional commissioner of the region in which the principal business office is located. The number of copies of Form 4328 to be prepared shall be as specified in the instructions on the form. If a bottle manufacturer who has been assigned a bottle manufacturer's number desires to manufacture liquor bottles at an additional location but under the same number, or moves the manufacturing premises to a new location, he shall file an amended notice on Form 4328 to cover such additional or changed location. Domestic liquor bottles shall not be

manufactured until the manufacturer has received from the assistant regional commissioner a copy of Form 4328, with Part II executed by the assistant regional commissioner, covering the premises at which liquor bottles are to be manufactured.

#### § 173.33 Indicia for domestic liquor bottles.

There shall be legibly blown, etched, sand-blasted, marked by underglaze coloring, or otherwise permanently marked by any method approved by the Director, on each liquor bottle (a) the words "Liquor Bottle" and (b) the bottle manufacturer's number assigned under § 173.32: Provided, That distinctive liquor bottles not bearing the indicia required by this section may be manufactured on receipt from a bottler or importer of a copy of approved Form 4329. Additional information, such as the bottler's or importer's permit number, may also be permanently placed on the liquor bottles by the manufacturer thereof provided such information does not conflict with information required to be placed on labels and is so located as not to obscure indicia required by this section or interfere with the labeling or stamping of the bottle, when filled, as provided in Parts 201, 250, and 251 of this chapter.

#### § 173.34 Indicia for imported liquor bottles.

(a) Empty liquor bottles. There shall be legibly blown, etched, sand-blasted, marked by underglaze coloring, or otherwise permanently marked by any other method approved by the Director, on each imported empty liquor bottle (1) the words "Liquor Bottle" and (2) the city or country of address of the bottle manufacturer (either in the language of such country or in English): Provided, That empty distinctive liquor bottles not bearing such indicia may be released from customs custody, as excepted from the marking requirements of this paragraph, on receipt by the customs officer at the port of entry of a copy of approved Form 4329 covering the use of such bottles.

(b) Filled liquor bottles. There shall be legibly blown, etched, sand-blasted, marked by underglaze coloring, or otherwise permanently marked by any method approved by the Director, on each imported filled liquor bottle (1) the words 'Liquor Bottle" and (2) the city or country of address of the manufacturer of the spirits, or of the exporter abroad, or the city of address of the importer in the United States; or, in the case of domestic bottles exported and filled abroad, the indicia required under § 173.33: Provided, That filled distinctive liquor bottles not bearing such indicia may be imported pursuant to an approved Form 4329 filed by the importer, as excepted from the marking requirements of this paragraph. The city or country of address of the manufacturer of the spirits or of the exporter abroad may be in the language of such country or in English.

(c) Additional information permanently marked on liquor bottles. Additional information, such as the name of the foreign manufacturer of the spirits or of the exporter abroad, or the symbol and permit number of the domestic bottler, as applicable, may be permanently marked on liquor bottles provided such information does not conflict with information required to be placed on labels and is so located as not to obscure indicia required by this section or interfere with the labeling or stamping of the bottle, when filled, as provided in Parts 201, 250, and 251 of this chapter.

#### § 173.35 Bottles manufactured with previously prescribed indicia.

Notwithstanding the provisions of §§ 173.33 and 173.34, bottles may continue to be manufactured from existing molds which contain the indicia prescribed by regulations in effect on the day preceding the effective date of this subpart: Provided. That only molds bearing the indicia prescribed in § 173.33 or § 173.34, as applicable, shall be used after December 31, 1970. Bottles manufactured on or before December 31, 1970, as provided in this section shall be deemed to be liquor bottles for purposes of this subpart and Parts 194, 201, 250, and 251 of this chapter.

#### § 173.36 Persons authorized to receive liquor bottles.

Except as otherwise provided in this subpart, liquor bottles may be sold consigned, or shipped only to a bottler or, where the bottles will be filled abroad and imported into the United States as provided in Parts 250 and 251 of this chapter, to an importer: Provided, That empty liquor bottles may be exported for other use abroad, but when so exported bottles bearing indicia as provided in this subpart will be denied entry into the United States if they contain a product other than distilled spirits.

#### § 173.37 Shipment of liquor bottles for further processing.

A bottle manufacturer may ship liquor bottles to another person for additional processing, such as coloring or cutting, where legal title to the bottles remains with the bottle manufacturer until delivered to a person authorized to receive liquor bottles under § 173.36.

#### § 173.38 Liquor bottles for testing purposes.

A bottle manufacturer may, on notice to the assistant regional commissioner of the region in which his manufacturing premises are located, ship a reasonable number of liquor bottles for bona fide testing purposes, such as the testing of bottling machinery by the manufacturer thereof. The notice shall show the name and address of the person to whom the bottles are shipped, and the number of bottles shipped. Such shipments shall be reflected in the commercial records of the bottle manufacturer.

#### § 173.39 Manufacturer's records.

A manufacturer shall keep commercial records covering the manufacture and disposition of liquor bottles (including any liquor bottles returned to him). Such records shall be available for inspection. during regular business hours of the

manufacturer, by any internal revenue officer. He shall also make available for inspection, at such times and by any such officer, all stocks of liquor bottles on hand, regardless of where stored. The assistant regional commissioner may, by demand letter, require the filing of re-turns and the keeping of records as required in Subparts C and D, respectively, of this part. All records referred to in this section shall be retained as provided in § 173.15: Provided, That the assistant regional commissioner may, pursuant to application, in duplicate, authorize such records to be maintained at a location other than the manufacturing premises of the bottle manufacturer, if he finds that such maintenance will not cause undue inconvenience to internal revenue officers desiring to examine the records.

### § 173.40 Discontinuance of business.

When a bottle manufacturer discontinues the manufacture of liquor bottles at any location covered by a notice on Form 4328, he shall so notify the assistant regional commissioner of the region in which the discontinued manufacturing premises are located, in writing, in duplicate. Stocks of liquor bottles on hand at such premises must be destroyed (including disposition for purposes which will render them unusable as bottles). transferred to other manufacturing premises operated by the same manufacturer, or disposed of as authorized in § 173.36: Provided, That, on approval by the assistant regional commissioner of a written application submitted in duplicate, liquor bottles may be otherwise disposed of.

# § 173.41 Possession of used liquor bottles.

The possession of used liquor bottles, including liquor bottles of less than 1/2pint capacity, by any person other than the person who empties the original contents thereof, is prohibited, except that this shall not prevent the owner or occupant of any premises on which such bottles have been lawfully emptied from assembling the same on such premises for disposition as authorized in § 194.263 of this chapter, or prevent any person from possessing, offering for sale, or selling unusual or distinctive used liquor bottles as collectors' items, or for other purposes not involving the packaging of any product for sale.

# § 173.42 Possession of refilled liquor bottles.

No person who sells, or offers for sale, distilled spirits, or agent or employee of such person, shall (a) possess any liquor bottle in which any distilled spirits have been placed in violation of section 5301 (c) of the Internal Revenue Code or \$173.43, or (b) possess any liquor bottle, any portion of the contents of which has been altered or increased in violation of section 5301(c) of the Internal Revenue Code or \$173.43. The provisions of this section are applicable to all liquor bottles, including those of less than ½-pint capacity.

# § 173.43 Refilling of liquor bottles.

No person who sells, or offers for sale. distilled spirits, or any agent or employee of such person, shall (a) place in any liquor bottle any distilled spirits whatsoever other than the distilled spirits contained in such bottle at the time such bottle was filled and stamped under the provisions of Chapter 51 of the Internal Revenue Code, or (b) by the addition of any substance whatsoever to any liquor bottle, in any manner alter or increase the original contents or any portion of the original contents contained in such bottle at the time such bottle was filled and stamped under the provisions of Chapter 51 of the Internal Revenue Code. The provisions of this section are applicable to all liquor bottles, including those of less than 1/2-pint capacity.

### PART 175—TRAFFIC IN CONTAIN-ERS OF DISTILLED SPIRITS

Par. B. Part 175 of Chapter I of Title 26 of the Code of Federal Regulations is revoked.

#### PART 194-LIQUOR DEALERS

PAR. C. Title 26 CFR Part 194 is amended as follows:

1. Section 194.11 is amended by redefining "Liquor bottle." The amended definition reads as follows:

### § 194.11 Meaning of terms.

Liquor bottle. A bottle made of glass or earthenware, or of other suitable material approved by the Director, designed or intended for use as a container for distilled spirits for sale for beverage purposes.

2. Section 194.261 is amended by deleting the reference to Part 175, and to make clarifying changes. As amended, § 194.261 reads as follows:

### § 194.261 Refilling of liquor bottles.

No person who sells, or offers for sale, distilled spirits, or agent or employee of such person, shall (a) place in any liquor bottle any distilled spirits whatsoever other than those contained in such bottle at the time of stamping under the provisions of Chapter 51, I.R.C., or (b) by the addition of any substance whatsoever to any liquor bottle, in any manner alter or increase any portion of the original contents contained in such bottle at the time of stamping under the provisions of Chapter 51, I.R.C.

# (72 Stat. 1374; 26 U.S.C. 5301)

3. Section 194.263 is amended by deleting the reference to Part 175, eliminating the provision for delivery of used liquor bottles to bottlers and importers, providing other means of disposing of such bottles, and adding a statutory citation. As amended, § 194.263 reads as follows:

# § 194.263 Possession of used liquor bottles.

The possession of used liquor bottles by any person other than the person who empties the contents thereof is prohibited, except that this shall not (a) prevent the owner or occupant of any premises on which such bottles have been lawfully emptied from assembling the same on such premises (1) for delivery to a bottler or importer on specific request of such bottler or importer; (2) for destruction, either on the premises on which the bottles are emptied or elsewhere, including disposition for purposes which will result in the bottles being rendered unusable as bottles; or (3) in the case of unusual or distinctive bottles, for disposition as collectors' items or for other purposes not involving the packaging of any product for sale; or (b) prevent any person from possessing, offering for sale, or selling such unusual or distinctive bottles for purposes not involving the packaging of any product for sale.

(72 Stat. 1374; 26 U.S.C. 5301)

# PART 200—RULES OF PRACTICE IN PERMIT PROCEEDINGS

Par. D. Title 26 CFR Part 200 is amended as follows:

### § 200.17 [Amended]

1. Section 200.17 is amended by deleting paragraph (b) and redesignating paragraphs (c) through (f) as paragraphs (b) through (e), respectively.

### § 200.47 [Revoked]

2. Section 200.47 is revoked.

3. Section 200.49 is amended by deleting references to container permits. As amended, § 200.49 reads as follows:

# § 200.49 Applications for basic permits.

If, upon examination of any application (including a renewal application) for a basic permit, the assistant regional commissioner has reason to believe that the applicant is not entitled to such permit he shall issue a citation for the contemplated disapproval of the application.

# PART 201—DISTILLED SPIRITS PLANTS

PAR. E. Title 26 CFR Part 201 is amended to read as follows:

1. Section 201.4 is amended by deleting the reference to 26 CFR Part 175 and by inserting in lieu thereof a reference to 26 CFR Part 173. The added reference reads as follows:

# § 201.4 Related regulations.

26 CFR Part 170 \* \* \* 26 CFR Part 173—Returns of Substances, Articles, or Containers.

2. Section 201.11 is amended by redefining "Liquor bottle." The amended definition reads as follows:

\*

§ 201.11 Meaning of terms.

Liquor bottle. A bottle made of glass or earthenware, or of other suitable material approved by the Director, designed or intended for use as a container for distilled spirits for sale for beverage purposes.

3. Section 201.328 is amended by deleting the reference to Part 175 and adding a reference to Subpart Pa, and by adding clarifying language. As amended, \$ 201.328 reads as follows:

### § 201.328 Liquor bottles.

The proprietor shall comply with the provisions of Subpart Pa of this part respecting the use of liquor bottles. Spirits may be bottled in bond for domestic purposes only in the sizes provided in 27 CFR Part 5. Spirits may be bottled in bond for export in bottles of any size less than 5 gallons. Bottles bearing the indicta required under Part 173 of this chapter may be used, but need not be used, in bottling spirits in bond for export.

(72 Stat. 1360, 1366, 1374; 26 U.S.C. 5206, 5233, 5301)

4. Section 201.329 is amended by deleting current text and inserting in lieu thereof reference to label requirements in Subpart Pa. As amended, § 201.329 reads as follows:

# § 201.329 Label requirements.

The proprietor shall comply with the applicable provisions of Subpart Pa of this part respecting certificates of label approval, exemptions from label approval, and information to be shown on labels to be used on bottles of distilled spirits bottled in bond for domestic use.

5. Paragraph (a) of \$201.343 is amended to refer to Subpart Pa in lieu of Part 175. As amended, \$201.343(a) reads as follows:

# § 201.343 General.

(a) Bottled alcohol. Alcohol of 190 degrees or more of proof may be bottled and cased in the bonded warehouse under the direct supervision of the assigned officer. Alcohol may be bottled in containers of 1 gallon or less, or in bottles complying with the provisions of § 201.504; however, the proprietor is required to comply with the provisions of Subpart Pa of this part where applicable. The proprietor shall prepare Form 1515 for alcohol to be bottled in the bonded warehouse. The heading of Form 1515 shall be prominently marked with the word "Alcohol," and the form shall be further modified to show only the size of bottles, the number of cases filled, and the disposition of such cases; on com-pletion of the bottling of the lot, Form 1515 shall be noted to show the quantity withdrawn from the tank and shall be delivered to the assigned officer. Form 1620 shall be prepared by the proprietor for each lot of alcohol bottled.

6. Section 201.344 is amended by deleting the reference to Part 175 and by adding a reference to Subpart Pa. As amended, § 201.344 reads as follows:

#### § 201.344 Stamps and labels.

The proprietor shall affix to each bottle of alcohol filled by him an alcohol strip stamp which shall be procured and affixed as provided in Subpart Q of this part. All bottles of alcohol shall have securely affixed thereto a label showing (a) alcohol and (b) the name, address, and plant number of the bottler. In addition, bottled alcohol to be withdrawn on tax determination shall be labeled in accordance with the provisions of Subpart Pa of this part or 27 CFR Part 5, as applicable. The proprietor may place on the label any additional information that he may desire if it is not inconsistent with the required information.

(72 Stat. 1358, 1369; 26 U.S.C. 5205, 5235)

7. Section 201,349 is amended by deleting the reference to \$201,329 and by inserting a reference to Subpart Pa. As amended, \$201,349 reads as follows:

# § 201.349 Stamp, bottle, and label requirements.

The strip stamps on bottles of spirits to be rebottled shall be destroyed at the time of dumping the bottles, and new strip stamps, overprinted with exactly the same data as the original stamps, in regard to the name of the producer, and the seasons and years of production and bottling, shall be affixed to the bottles in which the spirits are rebottled. Liquor bottles used for rebottling shall comply with the provisions of § 201.328. Where spirits are relabeled, the proprietor shall comply with § 201.330, and Subpart Pa this part. Bottled-in-bond spirits which have been rebottled, relabeled, or restamped shall be returned to original cases, or placed in new cases. Such cases shall be marked in accordance with Subpart P of this part; rebottled spirits shall show the plant number of the rebottler.

8. Section 201.457 is amended by deleting the reference to Part 175 and by inserting a reference to Subpart Pa. As amended, § 201.457 reads as follows:

#### § 201.457 Liquor bottles.

Liquor bottles may not be used for wines containing 24 percent alcohol by volume or less or for products manufactured with such wines unless such products contain spirits other than wine spirits used in wine production. Liquor bottles may be used, but need not be used, in bottling spirits for export. (See Subpart Pa of this part for provisions respecting liquor bottles.)

(72 Stat. 1374; 26 U.S.C. 5301)

9. Section 201.458 is amended by changing the present text to make it applicable to wine only, and by designating it as paragraph (a); and by adding a new paragraph (b). As amended, § 201.458 reads as follows:

# § 201.458 Certificate of label approval or exemption.

(a) Wine. Proprietors are required by 27 CFR Part 4 to obtain approval of labels, or exemption from label approval, for any label to be used on bottles or packages of wine for domestic use, and are required to exhibit evidence of label

approval, or of exemption from label approval, on request of an internal revenue officer. Labels, covered by a certificate of exemption from label approval, to be affixed to bottles and packages in which wines are packaged for sale shall conform to the provisions of Part 240 of this chapter.

(b) Distilled spirits. Requirements for label approvals or exemptions from label approval for labels to be used on bottles of distilled spirits bottled for domestic use are contained in § 201.5401.

(72 Stat. 1381, 1386; 26 U.S.C. 5363, 5368, 5386)

10. Section 201.501 is amended to provide for the approval and use of containers made of materials other than those specified, for certain purposes, and to make other clarifying and conforming changes. As amended, § 201.501 reads as follows:

#### § 201.501 General.

Proprietors shall use for any purpose of containing, storing, transferring, conveying, removing, or withdrawing spirits or denatured spirits under this part only containers which are authorized by, or under the provisions of this part for such purpose, and a container so authorized will be deemed to be an approved container for such purpose. In addition to the types of containers specifically authorized by this part for a particular purpose, a container of another type may be authorized for that purpose by the Director on a finding by him that the use of such container will afford protection to the revenue equal to or greater than that afforded by the containers specifically authorized by this part, and that the use will not cause administrative difficulty. Where another container is so authorized by the Director, he shall prescribe the detail and manner in which such container shall be constructed, protected, marked, and branded, consistent with the provisions of this part and the extent of such use. Similarly, where a container authorized for a particular purpose is required by this subpart to be made of specified materials, the Director may authorize the use of containers made of other materials which he has found to be suitable for the intended purpose. This subpart does not regulate or prohibit the use on plant premises of any container for purposes other than containing alcoholic substances.

(72 Stat. 1315, 1360, 1362, 1374; 26 U.S.C. 5002, 5206, 5212, 5213, 5214, 5301)

11. Section 201.502 is amended by including a reference to Subpart Pa, in lieu of to Subpart K, for bottling spirits in bond for domestic use. As amended, § 201.502 reads as follows:

### § 201.502 Containers of 1 gallon or less.

The provisions of Subpart K of this part govern the containers to be used in bottling spirits in bond for export under section 5233, I.R.C., and bottling alcohol on bonded premises under section 5235, I.R.C. The provisions of Subpart Pa of this part govern the containers to be used in bottling spirits in bond for domestic

use under section 5233, I.R.C. The provisions of Subpart N of this part govern the bottling of spirits and wines on bottling premises. Denatured spirits may be filled on bonded premises into metal or glass containers of a capacity of 1 gallon or less. Liquor bottles shall not be used for bottling denatured spirits. Spirits in bottles of a capacity of 1 gallon or less, except anhydrous spirits and spirits to be withdrawn from bond free of tax, are deemed to be for nonindustrial use. (72 Stat. 1315, 1360, 1374; 26 U.S.C. 5002, 5206, 5301)

12. Section 201.504 is amended by deleting the reference to Part 175. As amended, § 201.504 reads as follows:

# § 201.504 Containers holding from 1 gallon to 10 gallons.

Spirits in bond, including denatured spirits, for industrial use, may be filled into glass containers of a capacity greater than 1 gallon but not greater than 10 gallons, and metal containers of a capacity of 1 gallon but not greater than 10 gallons. Spirits in bond, for nonindustrial use, may be filled into metal containers holding 10 gallons and, if for export, such spirits may be filled into metal containers holding 5 gallons. Spirits or wines on bottling premises may be filled into glass containers of a capacity greater than 1 gallon but not greater than 5 gallons and into metal containers of a capacity greater than 1 gallon but not greater than 10 gallons. Pursuant to the provisions of this part, and of 27 CFR Part 5, containers filled in bond under this section may be stored on bonded premises, transferred in bond, or withdrawn from bonded premises, and containers filled on bottling premises under this section may be received in, stored on, and removed from such premises.

#### (72 Stat. 1315, 1360; 26 U.S.C. 5002, 5206)

13. A new Subpart Pa is added to provide requirements concerning liquor bottles as those requirements relate to domestic bottlers of distilled spirits, including bottling in bond. As added, Subpart Pa reads as follows:

#### Subpart Pa—Liquor Bottle and Label Requirements

Sec.

201.540a Scope of subpart.

#### LIQUOR BOTTLE REQUIREMENTS

201.540b Bottles authorized. 201.540c Indicia for bottles.

201.540d Distinctive liquor bottles. 201.540e Approval of distinctive liquor

bottles.
201.540f Receipt and storage of liquor bottles.

201.540g Bottles to be used for display purposes.

201.540h Bottles for testing purposes.

201.5401 Bottles not constituting approved containers.

201.540j Disposition of stocks of liquor bottles.
201.540k Use and resale of liquor bottles.

#### n n

### BOTTLE LABEL REQUIREMENTS

201.5401 Certificate of label approval or ex-

201.540m Caution notice, spirits bottled in bond.

Sec.
201.540n Statements required on labels
under an exemption from label
approval.

201.5400 Brand name, class and type, and alcohol content. 201.540p Net contents.

201.540p Net contents. 201.540q Name and address of bottler.

201.540r Age of whisky not blended or rectified.
201.540s Age of whisky blended or rectified.

201.540t Age of brandy. 201.540u Coloring matter.

AUTHORITY: The provisions of this Subpart Pa issued under sec. 7805 of the Internal Revenue Code, 68A Stat. 917; 26 U.S.C. 7805. Interpret or apply sec. 5301 of the Internal Revenue Code, 72 Stat. 1374; 26 U.S.C. 5301. Other statutory provisions interpreted or applied are cited to text in parentheses.

## Subpart Pa—Liquor Bottle and Label Requirements

§ 201.540a Scope of subpart.

The provisions of §§ 201.540b through 201.540k of this subpart shall apply only to liquor bottles having a capacity of ½ pint or more except where expressly applied to liquor bottles of less than ½-pint capacity. The provisions of §§ 201.-540l through 201.540u shall apply to all liquor bottles, regardless of size.

### LIQUOR BOTTLE REQUIREMENTS

### § 201.540b Bottles authorized.

Liquor bottles shall conform to the applicable standards of fill provided in Subpart H of 27 CFR Part 5, including those for liquor bottles of less than 1/2-pint capacity. The use of any bottle size other than as authorized in Subpart H of 27 CFR Part 5 is prohibited for the packaging of distilled spirits for domestic purposes, except that 4-ounce liquor bottles may be used for packaging any distilled spirits on bottling premises for sale in intrastate commerce only. Bottles bearing the indicia required under Part 173 of this chapter may be used, but need not be used, in bottling spirits for export.

### § 201.540e Indicia for bottles.

Except as provided in § 201.540d, liquor bottles used for packaging spirits for domestic use shall bear the indicia prescribed in § 173.33 or 173.34 of this chapter. Additional information may, as provided in Part 173 of this chapter, be permanently marked on such liquor bottles.

### § 201.540d Distinctive liquor bottles.

On application, on Form 4329, the assistant regional commissioner of the region in which the plant is situated may authorize a proprietor to use imported or domestic liquor bottles not bearing the indicia required under Part 173 of this chapter, provided such bottles, because of their unique or distinctive shape or design, have been found by the Director not to afford a jeopardy to the revenue, and to be suitable for the intended purpose.

#### § 201.540e Approval of distinctive liquor bottles.

Application, in letter form, in duplicate, for the approval of any distinctive liquor bottle, accompanied by a specimen bottle or an authentic model or other representation acceptable to the Director, and nine photographs thereof, size 5" x 7", shall be submitted to the Director. The application shall specify whether the bottles are to be used for packaging liqueurs, cordials, bitters, cocktails, and other specialties, or for packaging other distilled spirits. Approval of the distinctive bottle must be obtained prior to the submission of an application on Form 4329 to the assistant regional commissioner.

# § 201.540f Receipt and storage of liquor bottles.

No proprietor shall accept shipment or delivery of liquor bottles except from the manufacturer thereof, a supplier abroad, or another proprietor: Provided, That the Director may, pursuant to letterhead application filed in triplicate, authorize a proprietor to receive and reuse liquor bottles assembled for such proprietor as provided in § 194.263 of this chapter. Liquor bottles, including those of less than ½-pint capacity, shall be stored in a safe and secure place, either on the proprietor's qualified premises or at another location.

# § 201.540g Bottles to be used for display purposes.

Liquor bottles may be furnished to liquor dealers for display purposes: Provided, That each bottle is marked to show that it is to be used for such purpose. Any paper strip used to seal the bottle shall be of solid color and without design or printing, except that the use of a border or a design, formed entirely of the legend "not genuine—for display purposes only" is permissible. The disposition of such bottles, showing names and addresses of consignees, dates of shipment, and size, quantity, and description of bottles, shall be included in the records required under § 201.630a.

#### § 201.540h Bottles for testing purposes.

A proprietor may, on notice to the assistant regional commissioner of the region in which his premises are located, ship a reasonable number of liquor bottles for bona fide testing purposes, such as the testing of bottling machinery by the manufacturer thereof. The notice shall show the name and address of the person to whom the bottles are shipped, and the number of bottles shipped. Such shipments shall be reflected in the records required under \$ 201.630a.

# § 201.540i Bottles not constituting approved containers.

The Director is authorized to disapprove any bottle, including a bottle of less than ½-pint capacity, for use as a liquor bottle which he determines to be deceptive. Any such bottle, whether or not it bears the indicia required under Part 173 of this chapter, is not an approved container for the purposes of \$201.501 of this part, and shall not be used for packaging distilled spirits for domestic purposes.

§ 201.540j Disposition of stocks of liqnor bottles.

When a proprietor discontinues business, or permanently discontinues the use of a particular size or type of liquor bottle, the stocks of such bottles on hand shall either be disposed of to another person authorized to receive liquor bottles, or destroyed (including disposition for purposes which will render them unusable as bottles): Provided, That, on approval by the assistant regional commissioner of the region in which the proprietor's premises are located of a written application submitted in duplicate, liquor bottles may be otherwise disposed of.

§ 201.540k Use and resale of liquor bottles.

No proprietor shall use any liquor bottle except for packaging distilled spirits, or dispose of any empty liquor bottle except to another person authorized to receive liquor bottles or as provided in § 201.540j. Bottles may be furnished to others for display and testing purposes as provided in §§ 201.540g and 201.540h, respectively.

BOTTLE LABEL REQUIREMENTS

§ 201.5401 Certificate of label approval or exemption.

Proprietors are required by 27 CFR Part 5 to obtain approval of labels, or exemption from label approval, for any label to be used on bottles of spirits for domestic use and shall exhibit evidence of label approval, or of exemption from label approval, on request of the assigned officer.

§ 201.540m Caution notice, spirits bottled in bond.

Each bottle of spirits bottled in bond under section 5233, I.R.C. (except for export) shall have affixed thereto a caution notice (clearly legible) reading as follows:

This bottle has been filled and stamped under the provisions of sections 5205 and 5233, Internal Revenue Code. Any person who shall reuse the stamp affixed to this bottle or remove the contents of this bottle without so breaking the stamp affixed thereto as to prevent reuse, or who shall sell this bottle, or reuse it for distilled spirits, will be liable to the penalties prescribed by law.

Bottles containing spirits bottled for export may have affixed thereto such caution notice.

(72 Stat. 1366; 26 U.S.C. 5233)

§ 201.540n Statements required on labels under an exemption from label approval.

All labels to be used on bottles of spirits for domestic use under an exemption from label approval shall contain the applicable information required in §§ 201.5400 through 201.540u. Where a statement of age is required, it shall have the meaning given, and be stated in the manner provided, in 27 CFR Part 5.

§ 201.5400 Brand name, class and type, and alcohol content.

The brand name, class and type as set out in 27 CFR Part 5, and alcohol con-

tent of the distilled spirits, by proof, shall be shown on the label except that the alcohol content may be stated in percentage, by volume, in the case of liqueurs, cordials, bitters, cocktails, gin fizzes, or other such specialties.

§ 201.540p Net contents.

The net contents of liquor bottles shall be shown on the label, unless the statement of the net contents is permanently marked on the side, front, or back of the bottle.

§ 201.540q Name and address of bottler.

There shall be stated on the label the phrase "Bottled by," immediately fol-lowed by the name of the bottler or the trade name under which the spirits are bottled, and the place where such spirits are bottled. If the bottler is the actual bona fide operator of more than one bottling plant engaged in bottling the same brand of distilled spirits, there may be stated immediately following the name (or trade name) of such bottler the addresses of the plants at which such product is bottled: Provided, That on labels of whisky and straight whisky there shall be stated the State of distillation of such whisky, if such whisky is not distilled in the State given in the address on the brand label: Provided further,

(a) That, where distilled spirits are bottled by or for the distiller thereof, there may be stated, in lieu of the phrase "Bottled by," followed by the bottler's name (or trade name) and address, the phrase "Distilled by," followed by the name (or trade name) under which the particular spirits were distilled, and the address (or addresses) of the distiller;

(b) That, where distilled spirits are bottled by or for the rectifier thereof, there may be stated, in lieu of the phrase "Bottled by," followed by the bottler's name (or trade name) and address, the phrase "Blended by," "Made by," "Prepared by," "Manufactured by," or "Produced by" (whichever may be appropriate to the act of rectification involved), followed by the name (or trade name) under which the distilled spirits were rectified, and the address (or addresses) of the rectifier; and

(c) That, on labels of distilled spirits bottled for a retailer or other person who is not the actual distiller or rectifier of such distilled spirits, there may also be stated the name and address of such retailer or other person, immediately preceded by the words "Bottled for," or "Distributed by," or other similar statement.

For the purpose of this section, the term "bottler" shall include the proprietor of a distilled spirits plant qualified to bottle distilled spirits in bond.

§ 201.540r Age of whisky not blended or rectified.

If whisky is not blended or rectified, the age thereof shall be shown on the label, but this statement shall not be required as to whisky bottled in bond or foreign or domestic whisky 4 years or more old.

§ 201.540s Age of whisky blended or rectified.

If whisky is blended or rectified, the age of the whisky therein and the respective percentage, by volume, of whisky or whiskies and neutral spirits shall be shown on the label: *Provided*, That this statement shall not be required in the case of blended foreign or domestic whiskies containing no neutral spirits, all of which are 4 years or more old.

§ 201.540t Age of brandy.

If brandy is aged for a period of less than 2 years, the age thereof shall be shown on the label.

§ 201.540u Coloring matter.

A statement of the percentage, by volume, of coloring matter, if such coloring matter is present in the distilled spirits in excess of 2½ percent by volume, shall be shown on the label, except that this requirement shall not apply to liqueurs, cordials, bitters, cocktails, gin fizzes, or other such specialties.

14. A new section, § 201.630a, is added, immediately following § 201.630, to provide recordkeeping requirements respect-

ing liquor bottles, as follows:

§ 201.630a Records of liquor bottles.

Proprietors having facilities for bottling in bond or bottling premises shall keep records covering the receipt, use, and disposition of liquor bottles in such manner as to enable any internal revenue officer to verify and trace the receipt and disposition of such bottles.

(72 Stat. 1374; 26 U.S.C. 5301)

### PART 250—LIQUORS AND ARTICLES FROM PUERTO RICO AND THE VIRGIN ISLANDS

PAR. F. Title 26 CFR Part 250 is amended as follows:

1. Section 250.11 is amended to include a definition of "Liquor bottle," immediately following the existing definition of "I.R.C." The added definition reads as follows:

§ 250.11 Meaning of terms.

Liquor bottle. A bottle made of glass or earthenware, or of other suitable material approved by the Director, Alcohol and Tobacco Tax Division, designed or intended for use as a container for distilled spirits for sale for beverage purposes.

2. Section 250.38 is amended by deleting the reference to Part 175 and by adding a reference to Subpart P. As amended, § 250.38 reads as follows:

§ 250.38 Containers of distilled spirits.

Containers of distilled spirits brought into the United States from Puerto Rico, having a capacity of not more than 1 gallon, shall conform to the requirements of Subpart P of this part.

(72 Stat. 1374; 26 U.S.C. 5301)

3. Section 250.203 is amended by deleting the reference to Part 175 and by inserting a reference to Subpart P. As amended, § 250.203 reads as follows:

#### § 250.203 Containers of 1 gallon or less.

Containers of distilled spirits brought into the United States from the Virgin Islands, having a capacity of not more than 1 gallon, shall conform to the requirements of Subpart P of this part.

# (72 Stat. 1374; 26 U.S.C. 5301)

4. A new Subpart P is added to provide requirements concerning liquor bottles brought into the United States from Puerto Rico and the Virgin Islands. As added, Subpart P reads as follows:

#### Subpart P-Requirements for Liquor Bottles

Juph	arr r-kedottements for Eldoor bottles
Sec.	
250.311	Scope of subpart.
250.312	Standards of fill.
250.313	Indicia for bottles.
250.314	Distinctive liquor bottles.
250,315	Approval of distinctive liquor bottles.
250.316	Bottles not constituting approve

poses. 250.318 Liquor bottles denied entry.

250.318 Liquor bottles denied el 250.319 Used liquor bottles.

AUTHORITY: The provisions of this Subpart P issued under sec. 7805 of the Internal Revenue Code, 68A Stat. 917; 26 U.S.C. 7805. Interpret or apply sec. 5301 of the Internal Revenue Code, 72 Stat. 1374; 26 U.S.C. 5301.

250.317 Bottles to be used for display pur-

# Subpart P—Requirements for Liquor Bottles

#### § 250.311 Scope of subpart.

The provisions of this subpart shall apply only to liquor bottles having a capacity of ½ pint or more except where expressly applied to liquor bottles of less than ½-pint capacity.

#### § 250.312 Standards of fill.

Distilled spirits brought into the United States from Puerto Rico or the Virgin Islands in containers of 1 gallon or less for sale shall be in liquor bottles, including liquor bottles of less than ½-pint capacity, which conform to the applicable standards of fill provided in Subpart H of 27 CFR Part 5. Empty liquor bottles, including liquor bottles of less than ½-pint capacity, which conform to the provisions of Subpart H of 27 CFR Part 5 or § 201.540b of this chapter, may be brought into the United States for packaging distilled spirits as provided in Part 201 of this chapter.

## § 250.313 Indicia for bottles.

Except as provided in § 250.314, only liquor bottles bearing the indicia prescribed by § 173.34 of this chapter may be used for bringing distilled spirits into the United States from Puerto Rico or the Virgin Islands. Additional information may, as provided in Part 173 of this chapter, be permanently marked on such bottles.

#### § 250.314 Distinctive liquor bottles.

On application, Form 4329, the assistant regional commissioner may authorize distilled spirits to be brought into the United States from Puerto Rico or the Virgin Islands in liquor bottles not bearing the indicia required under Part 173

of this chapter, provided such bottles, because of their unique or distinctive shape or design, have been found by the Director, Alcohol and Tobacco Tax Division, not to afford a jeopardy to the revenue and to be suitable for the intended purpose.

# § 250.315 Approval of distinctive liquor bottles.

Application, in letter form, in duplicate, for the approval of any distinctive liquor bottle, accompanied by a specimen bottle or an authentic model or other representation acceptable to the Director and nine photographs thereof, size 5" x 7", shall be submitted to the Director, Alcohol and Tobacco Tax Division. The application shall specify whether the bottles are to be used for packaging liqueurs, cordials, bitters, cocktails, and other specialties, or for packaging other distilled spirits. Approval of the distinctive bottle must be obtained prior to the submission of an application on Form 4329 to the assistant regional commis-

# § 250.316 Bottles not constituting approved containers.

The Director, Alcohol and Tobacco Tax Division, is authorized to disapprove any bottle, including a bottle of less than ½-pint capacity, for use as a liquor bottle which he determines to be deceptive. The customs officer at the port of entry shall deny entry of any such bottle containing distilled spirits, whether or not it bears the indicia required under Part 173 of this chapter, upon advice from the Director that such bottle is not an approved container for distilled spirits for consumption in the United States.

# § 250.317 Bottles to be used for display purposes.

Empty liquor bottles may be brought into the United States and may be furnished to liquor dealers for display purposes, provided each bottle is marked to show that it is to be used for such purpose. Any paper strip used to seal the bottle shall be of solid color and without design or printing, except that a border or a design, formed entirely of the legend "not genuine—for display purposes only" is permissible. Records shall be kept of the receipt and disposition of such bottles, showing the names and addresses of consignees, dates of shipment, and size, quantity, and description of bottles.

## § 250.318 Liquor bottles denied entry.

Filled liquor bottles not conforming to the provisions of this subpart shall be denied entry into the United States: Provided, That, upon letterhead application, in triplicate, the assistant regional commissioner of the region in which the port of entry is situated may, in nonrecurring cases, authorize the release from customs custody of distilled spirits in bottles, except those coming under the provisions of § 250.316, which, through unintentional error, do not conform to the provisions of this subpart, if he finds that such release will not afford jeopardy to the revenue.

§ 250.319 Used liquor bottles.

The Director may, pursuant to letterhead application filed in triplicate, authorize an importer to receive liquor bottles assembled for him as provided in § 194.263 of this chapter. Used liquor bottles so received may be stored at any suitable location pending return to Puerto Rico or the Virgin Islands. Records shall be kept of the receipt and disposition of such bottles.

### PART 251—IMPORTATION OF DIS-TILLED SPIRITS, WINES, AND BEER

PAR. G. Title 26 CFR Part 251 is amended as follows:

1. Section 251.11 is amended to include a definition of "Liquor bottle," immediately following the existing definition of "I.R.C." The added definition reads as follows:

#### § 251.11 Meaning of terms.

Liquor bottle. A bottle made of glass or earthenware, or of other suitable material approved by the Director, designed or intended for use as a container for distilled spirits for sale for beverage purposes.

2. Section 251.56 is amended by deleting references to Part 175 and by adding references to Subpart N, and by making a clarifying change. As amended, § 251.56 reads as follows:

# § 251.56 Distilled spirits containers of a capacity of not more than 1 gallon.

Bottled distilled spirits imported into the United States for sale shall be bottled in liquor bottles which conform to the requirements of Subpart N of this part and 27 CFR Part 5, and shall be stamped in accordance with this part. Empty bottles imported for the packaging of distilled spirits shall conform to the requirements of Subpart N of this part. (For Customs requirements as to marking, see 19 CFR Parts 11 and 12.)

3. Section 251.58 is amended by deleting the reference to Part 175 and by inserting a reference to Part 201; and by making editorial changes. As amended, \$ 251.58 reads as follows:

#### § 251.58 Containers of 1 gallon or less.

Labels on imported containers of distilled spirits, and on containers of imported distilled spirits bottled in customs custody, for sale at retail, are required to be covered by a certificate of label approval (Form 1649) issued pursuant to 27 CFR Part 5. Containers of imported distilled spirits bottled after taxpayment and withdrawal from customs custody are required to be covered by a certificate of label approval (Form 1649) or a certificate of exemption from label approval (Form 1650) issued pursuant to 27 CFR Part 5. When distilled spirits are to be labeled under a certificate of exemption from label approval, the labels affixed to containers are required to conform to the provisions of Part 201 of this chapter.

4. Section 251.74 is amended by deleting the reference to Part 175, inserting a reference to Subpart N, making editorial changes, and correcting the citation. As amended, § 251.74 reads as follows:

# § 251.74 Exemption from requirements pertaining to stamps, marks, bottles, and labels.

The provisions of this part relating to the affixing of red strip stamps, the indicia requirements for containers prescribed by Subpart N of this part, and the labeling of containers as prescribed by 27 CFR Part 5 are not applicable to imported distilled spirits (a) not for sale or for any other commercial purpose whatever; (b) on which no internal revenue tax is required to be paid or determined on or before withdrawal from customs custody; (c) for use as ship stores; or (d) for personal use. Samples of distilled spirits, other than those provided for in § 251.49, imported for any purpose are not exempt from the requirements pertaining to stamps, marks, bottles, and labels: Samples of wine and beer brought into the United States pursuant to § 251.49 are exempt from the labeling requirements of 27 CFR Parts 4 and 7, respectively. Exemptions from the requirement that imported distilled spirits, wines, and beer be marked to indicate the country or origin are set forth in customs regulations (19 CFR Part 11). (72 Stat. 1358, 1374; 26 U.S.C. 5205, 5301)

5. Section 251.121 is amended by deleting the reference to Part 175 and inserting a reference to Subpart N, and

by changing the citation. As amended, § 251.121 reads as follows:

### § 251.121 Containers.

Imported distilled spirits may be bottled in either domestic or imported containers conforming to the provisions of Subpart N of this part.

(72 Stat. 1374; 26 U.S.C. 5301)

6. A new Subpart N is added to provide requirements concerning liquor bottles imported into the United States. As added, Subpart N reads as follows:

## Subpart N-Requirements for Liquor Bottles

Sec.
251.201 Scope of subpart.
251.202 Standards of fill.
251.203 Indicia for bottles.
251.204 Distinctive liquor bottles.
251.205 Approval of distinctive liquor bottles.
251.206 Bottles not constituting approved

containers.
251.207 Bottles to be used for display pur-

poses.
251.208 Liquor bottles denied entry.

251.209 Used liquor bottles.

AUTHORITY: The provisions of this Subpart N issued under sec, 7805 of the Internal Revenue Code, 68A Stat. 917; 26 U.S.C. 7805, Interpret or apply sec. 5301 of the Internal Revenue Code, 72 Stat. 1374; 26 U.S.C. 5301.

# Subpart N—Requirements for Liquor Bottles

§ 251.201 Scope of subpart.

The provisions of this subpart shall apply only to liquor bottles having a ca-

pacity of ½ pint or more except where expressly applied to liquor bottles of less than ½-pint capacity.

#### \$ 251,202 Standards of fill.

Distilled spirits imported into the United States in containers of 1 gallon or less for sale shall be imported only in liquor bottles, including liquor bottles of less than ½-pint capacity, which conform to the applicable standards of fill provided in Subpart H of 27 CFR Part 5. Empty liquor bottles, including liquor bottles of less than ½-pint capacity, which conform to the provisions of Subpart H of 27 CFR Part 5 or § 201.540b of this chapter, may be imported for packaging distilled spirits in the United States as provided in Part 201 of this chapter.

#### § 251.203 Indicia for bottles.

Except as provided in § 251.204, only liquor bottles bearing the indicia prescribed by § 173.34 of this chapter may be used for the importation of distilled spirits for sale. Additional information may, as provided in Part 173 of this chapter, be permanently marked on the bottles.

#### § 251,204 Distinctive liquor bottles.

On application, Form 4329, the assistant regional commissioner may authorize the importation of distilled spirits in liquor bottles not bearing the indicia required under Part 173 of this chapter, provided such bottles, because of their unique or distinctive shape or design, have been found by the Director not to afford a jeopardy to the revenue and to be suitable for the intended purpose.

# § 251.205 Approval of distinctive liquor bottles.

Application, in letter form, in duplicate, for the approval of any distinctive liquor bottle, accompanied by a specimen bottle or an authentic model or other representation acceptable to the Director and nine photographs thereof, size 5'' x 7'', shall be submitted to the Director. The application shall specify whether the bottles are to be used for packaging liqueurs, cordials, bitters, cocktails, and other specialties, or for packaging other distilled spirits. Approval of the distinctive bottle must be obtained prior to the submission of an application on Form 4329 to the assistant regional commissioner.

# § 251.206 Bottles not constituting approved containers.

The Director is authorized to disapprove any bottle, including a bottle of less than ½-pint capacity, for use as a liquor bottle which he determines to be deceptive. The customs officer at the port of entry shall deny entry of any such bottle containing distilled spirits, whether or not it bears the indicia required under Part 173 of this chapter, upon advice from the Director that such bottle is not an approved container for distilled spirits for consumption in the United States.

§ 251.207 Bottles to be used for display purposes.

Empty liquor bottles may be imported and furnished to liquor dealers for display purposes, provided each bottle is marked to show that it is to be used for such purpose. Any paper strip used to seal the bottle shall be of solid color and without design or printing, except that a border or a design, formed entirely of the legend "not genuine—for display purposes only" is permissible. The importer shall keep records of the receipt and disposition of such bottles, showing the names and addresses of consignees, dates of shipment, and size, quantity, and description of bottles.

#### § 251.208 Liquor bottles denied entry.

Filled liquor bottles, not conforming to the provisions of this subpart, shall be denied entry into the United States: Provided, That, upon letterhead application, in triplicate, the assistant regional commissioner of the region in which the port of entry is situated may, in non-recurring cases, authorize the release from customs custody of distilled spirits in bottles, except those coming under the provisions of § 251.206, which, through unintentional error, do not conform to the provisions of this subpart, if he finds that such release will not afford a jeopardy to the revenue.

#### § 251.209 Used liquor bottles.

The Director may, pursuant to letterhead application filed in triplicate, authorize an importer to receive liquor bottles assembled for him as provided in § 194.263 of this chapter. Used liquor bottles so received may be stored at any suitable location pending exportation for reuse. The importer shall keep records of the receipt and disposition of used liquor bottles.

[F.R. Doc. 68-5381; Filed, May 3, 1968; 8:47 a.m.]

#### SUBCHAPTER H-INTERNAL REVENUE PRACTICE

# PART 601—STATEMENT OF PROCEDURAL RULES

#### Miscellaneous Amendments

This part as filed with the Office of the Federal Register on June 29, 1955, was last amended on December 21, 1967 (32 F.R. 20645). The following amendments are made to Part 601:

PARAGRAPH 1. Section 601.105 is amended by revising paragraphs (b) (5) (vi) (b), (c) (2) (ii) and (iii), (c) (5), and (d) (2) (i) to read as follows:

- § 601.105 Examination of returns and claims for refund, credit or abatement; determination of correct tax liability.
  - (b) Examination of returns. \* \* \*
    (5) Technical advice from the National
- Office. \* \* \*

  (vi) Conference in the National
  Office. \* \* \*
- (b) A taxpayer is entitled, as a matter of right, to only one conference in the

National Office unless one of the circumstances discussed in (a) through (c) of this subdivision exists. This conference will usually be held at the branch level in the appropriate division in the office of the Assistant Commissioner (Technical) and will usually be attended by a person who has authority to act for the branch chief. (See § 601.201(a) (2) for the divisions involved.) If more than one subject is discussed at the conference, the discussion constitutes a conference with respect to each subject. At the request of the taxpayer or his representative, the conference may be held at an earlier stage in the consideration of the case than the Service would ordinarily designate. A taxpayer has no "right" of appeal from an action of a branch to the director of a division or to any other National Office official. A taxpayer is not entitled, as a matter of right, to a separate conference in the Chief Counsel's office on a request for technical

(c) District conference procedure. \* \* \*

(2) Field audit. \* \* \*

relies.

(ii) If the total amount of proposed additional tax, proposed overassessment, or claimed refund does not exceed \$2,500 for any taxable year, the taxpayer will be granted a district Audit Division conference on request. A written protest is not required.

(iii) If the amount of proposed additional tax, proposed overassessment, or claimed refund exceeds \$2,500 for any taxable year, the taxpayer, on request, will be granted a district Audit Division conference, provided a written protest is filed setting forth the facts, law, and arguments upon which the taxpayer

(5) Settlement authority. The authority of the Chief, Conference Staff, may be extended to include the settlement of selected issues on a basis reflecting an evaluation of litigating hazards, provided a substantially identical issue has been previously so disposed of by a regional Appellate Division. This pro-cedure applies only if the total amount of proposed additional tax, proposed overassessment, or claimed refund does not exceed \$2,500 for any year.

(d) Thirty-day letters and protests.

(2) Protests. (i) No written protest is required to obtain a district Audit Division conference in an office audit case. However, in a field audit case a written protest is required to obtain a district conference if the total amount of proposed additional tax, proposed over-assessment or claimed refund exceeds \$2,500 for any taxable period. When the taxpayer requests Appellate Division consideration, a written protest is required if the total amount of proposed additional tax, proposed overassessment, or claimed refund (or, in an offer in compromise, the total amount of assessed tax, penalty, and interest) exceeds \$2,500 for any taxable period. A written protest is also required if no district conference is held regardless of the amount involved. Instructions for preparation of protests are sent with the preliminary letter.

\* . . Par. 2. Section 601.106 is amended by revising paragraphs (a) (1), (b), and (f) (5), and by adding a new paragraph (i) to read as follows:

§ 601.106 Appellate functions.

(a) General. (1) There is provided in each region an Appellate Division with office facilities within the region. Unless they otherwise specify, taxpayers residing outside the territorial limits of the regional Appellate Divisions use the facilities of the Washington, D.C., branch office of the Appellate Division of the Mid-Atlantic Region. Subject to the limitations set forth in subparagraphs (2) and (3) of this paragraph, the Commissioner has delegated to certain officers of the Appellate Division of each region authority to represent the regional commissioner in his exclusive and final authority for the determination of Federal income, profits, estate, or gift tax liability (whether before or after the issuance of a statutory notice of deficiency) and for the determination of employment or certain Federal excise tax liability, in any case originating in the office of any district director situated in the region or in any case in which jurisdiction has been transferred to the region, in which the taxpayer submits a written request for Appellate consideration and a written protest, when required, to the determination of liability made by that officer. A written protest is required if the total amount of proposed additional tax, proposed overassessment, or claimed refund (or, in an offer in compromise, the total amount of assessed tax, penalty, and interest) exceeds \$2,500 for any taxable period. A written protest is also required if no district conference is held regardless of the amount involved. The Appellate Division has complete jurisdiction of every income, profits, estate, or gift tax case after the issuance of the statutory notice of deficiency, subject to the limitations provided in subparagraph (2) of this paragraph. If the statutory notice of deficiency was issued by a district director or the Director of International Operations, the Appellate Division may waive jurisdiction to the director who issued the statutory notice during the 90-day (or 150-day) period for filing petition with the Tax Court. except where criminal prosecution has been recommended and not finally disposed of or the statutory notice includes the ad valorem fraud penalty. After the filing of a petition in the Tax Court the Appellate Division continues to have exclusive jurisdiction of the case, subject to the provisions of subparagraph (2) of this paragraph. Subject to the exceptions and limitations set forth in subparagraph (2) of this paragraph, there is also vested in the Appellate Division of the region authority to represent the regional commissioner in his exclusive authority to settle (i) all cases docketed in the Tax Court of the United

States and designated for trial at any place within the territory comprising the region and (ii) all docketed cases originating in the office of any district director situated within the region or in which jurisdiction has been transferred to the region, which are designated for trial at Washington, D.C., unless the petitioner resides in and his books and records are located (or can be made available) in the region which includes Washington, D.C.

(b) Initiation of proceedings before the Appellate Division. In any case in which the district director has issued a preliminary or "30-day letter" and the taxpayer files a written request for Appellate consideration and a written protest when required (see paragraph (c) (1) of § 601.103 and § 601.507) against the except as to those taxes described in paragraph (a) (3) of this section, the taxpayer has the right (and will be so advised by the district director) of administrative appeal to the regional office of the Appellate Division. Organizations such as labor unions and trade associations which have been examined by the district director to determine the amounts expended by the organization for purposes of lobbying, promotion or defeat of legislation, political campaigns, or propaganda related to those purposes are treated as "taxpayers" for the purpose of this right of administrative appeal. Thus, upon filing a written request for Appellate consideration and a written protest, when required, to the district director's findings that a portion of member dues is to be disallowed as a deduction to each member because expended for such purposes, the organization will be afforded full rights of administrative appeal to the Appellate Division of the region similar to those rights afforded to taxpayers generally. After review of any required written protest by the district director, the case and its administrative record are referred to the Appellate Division. No taxpayer is required to submit his case to the Appellate Division for consideration. Appeal is at the option of the taxpayer. A request for administrative appeal to the Appellate Division will not be denied because no district conference was held in the district director's office. After the issuance by the district director of a statutory notice of deficiency, upon the taxpayer's request, the Appellate Division may take up the case for settlement and may grant the taxpayer a conference thereon. Except in unusual circumstances, however, no conference will be granted prior to the filing of a petition in the Tax Court for a redetermination of the deficiency proposed in the statutory notice.

. . . . (f) Conference and practice requirements. \* \* \*

(5) Rule V. In order to bring before the Appellate Division an unagreed income, estate, or gift tax case in prestatutory notice status, an unagreed employment or excise tax case, or an offer in compromise, the taxpayer or his representative must first file with the district director a written request for Appellate consideration. A written protest setting forth specifically the reasons for his refusal to accept the district director's findings is also required if the total amount of proposed additional tax, proposed overassessment, or claimed refund (or, in an offer in compromise, the total amount of assessed tax, penalty, and interest) exceeds \$2,500 for any taxable period, or if no district conference was held regardless of the amount involved. A protest submitted by the taxpayer should contain a statement of facts on which the taxpayer relies, made under the penalties of perjury, and should meet all the issues raised by the Service which the taxpayer desires to contest (see paragraph (c) (1) of § 601.103 and § 601.507). The protest and any new facts, law, or arguments presented therewith will be reviewed by the district director for the purpose of deciding whether further development or action is required prior to referring the case to the Appellate Division. Where the Appellate Division has an issue under consideration as a result of the filing of a protest or Tax Court petition, it may, with the concurrence of the taxpayer, assume jurisdiction in a related case without the necessity of an additional protest, after the district director has completed any necessary action. The Director, Appellate Division, may authorize the regional Appellate Division to accept jurisdiction (after any necessary action by the district director) in specified classes of cases without a written protest, provided a written request for Appellate Division consideration is submitted by or on behalf of each taxpayer. .

(i) Conference in National Office. The procedure for referral of questions to the National Office upon request of the tax-payer is not applicable to cases under the jurisdiction of any office of the Appellate Division. The National Office does not grant conference rights to taxpayers on requests for technical information submitted by the Appellate Division.

Par. 3. Section 601.109 is amended by revising paragraph (d) to read as follows:

§ 601.109 Bankruptcy and receivership cases.

(d) Priority of claims. Under section 3466 of the Revised Statutes and section 3467 of the Revised Statutes, as amended, taxes are entitled to priority over other claims therein stated and the receiver or other person designated as in control of the assets or affairs of the debtor by the court in which the receivership proceeding is pending may be held personally liable for failure on his part to protect the priority of the Government respecting taxes of which he has notice. Under section 64 of the Bankruptcy Act, taxes may be entitled to priority over other claims therein stated and the trustee, receiver, debtor in possession or other person designated as in control of the

assets or affairs of the debtor by the court in which the bankruptcy proceeding is pending may be held personally liable for any failure on his part to protect a priority of the Government respecting taxes of which he has notice and which are entitled to priority under the Bankruptcy Act. Sections 75(1), 77(e), 199, 337(2), 455, and 659(6) of the Bankruptcy Act also contain provisions with respect to the rights of the United States relative to priority of payment. Bankruptcy courts have jurisdiction under the Bankruptcy Act to determine all disputes regarding the amount and the validity of tax claims against a bankrupt or a debtor in a proceeding under the Bankruptcy Act. A receivership proceeding or an assignment for the benefit of creditors does not discharge any portion of a claim of the United States for taxes and any portion of such claim allowed by the court in which the proceeding is pending and which remains unsatisfied after the termination of the proceeding shall be collected with interest in accordance with law. A bankruptcy proceeding under Chapters I through VII of the Bankruptcy Act does discharge that portion of a claim of the United States which became legally due and owing more than three years preceding bankruptcy, with certain exceptions provided in the Bankruptcy Act as does a proceeding under section 77 or Chapter X of the Bankruptcy Act. Any taxes which are dischargeable under the Bankruptcy Act which remain unsatisfied after the termination of the proceeding may be collected only from exempt property.

Par. 4. Section 601.201 is amended by revising paragraphs (a) (2) and (6), (b) (1), (d) (2), (e) (1), (f) (2), (l) (9), and (o) (1) (i), and by adding four new paragraphs (b) (5), (d) (4), (n) (3) (iii), and (p), to read as follows:

§ 601.201 Rulings and determination letters.

- (a) General practice and definitions. \* \* \*
- (2) A "ruling" is a written statement issued to a taxpayer or his authorized representative by the National Office which interprets and applies the tax laws to a specific set of facts. Rulings are issued only by the National Office. The issuance of rulings is under the general supervision of the Assistant Commissioner (Technical) and has been largely redelegated to the Directors of the Income Tax Division and the Miscellaneous and Special Provisions Tax Division. (See § 601.328 for rulings relating to distilled spirits, wine, beer, cigars, cigarettes, cigarette papers and tubes, and certain firearms, and under the Federal Alcohol Administration Act.)

(6) A "closing agreement," as the term is used herein, is an agreement between the Commissioner of Internal Revenue or his delegate and a taxpayer with respect to a specific issue or issues entered into pursuant to the authority contained in section 7121 of the Internal Revenue Code. Such a closing agreement

is based on a ruling which has been signed by the Commissioner or his delegate and in which it is indicated that a closing agreement will be entered into on the basis of the holding of the ruling letter. Closing agreements are final and conclusive except upon a showing of fraud, malfeasance, or misrepresenta-tion of material fact. They may be entered into where it is advantageous to have the matter permanently and conclusively closed, or where a taxpayer can show good and sufficient reasons for an agreement and the Government will sustain no disadvantage by its consummation. In appropriate cases, taxpayers may be required to enter into a closing agreement as a condition to the issuance of a ruling. Where in a single case, closing agreements are requested on behalf of each of a number of taxpayers, such agreements are not entered into if the number of such taxpayers exceeds 25. However, in a case where the issue and holding are identical as to all of the taxpayers and the number of taxpayers is in excess of 25, a Mass Closing Agreement will be entered into with the taxpayer who is authorized by the others to represent the entire group. See § 601.202 for closing agreements of the type not covered in this section.

(b) Rulings issued by the National Office. (1) In income and gift tax matters, the National Office issues rulings on prospective transactions and on completed transactions before the return is filed. However, rulings will not ordinarily be issued if the identical issue is also involved in a return of the taxpayer already filed for a taxable period with respect to which the statutory period of limitations on assessment or refund of tax has not expired. Similarly, if the return for the prior year is under the jurisdiction of the Appellate Division, the National Office will not ordinarily issue a ruling. The National Office issues rulings involving qualifications of plans under section 401 of the Code or the exempt status of organizations under section 501 or 521 of the Code, only to the extent provided in paragraphs (o) and (n), respectively of this section. The National Office will not issue rulings with respect to the replacement of involuntarily converted property, even though replacement has not been made, if the taxpayer has filed a return for the taxable year in which the property was converted. However, see paragraph (c) (6) of this section as to the authority of district directors to issue determination letters in this connection.

(5) Rulings will be made on provisions of the Code under which regulations have not been issued if the question raised is clearly covered by the Code. If the answer is not entirely free from doubt, but is reasonably certain, a ruling will be made only after it is established that a business emergency requires a ruling or that unusual hardship will result from failure to obtain a ruling. If doubt exists as to the interpretation of the provisions of the Code the ruling letter will contain a caveat stating that the

ruling is without effect if regulations, when issued, conflict with its holding. No ruling will be issued if doubt as to the interpretation of the law governing the question cannot be reasonably resolved before the issuance of regulations.

(d) Discretionary authority to issue rulings and determination letters. \* \* \*

(2) There are, however, certain areas where, because of the inherently factual nature of the problem involved, or for other reasons, the Service will not issue rulings or determination letters. A ruling or determination letter is not issued on alternative plans of proposed transactions or on hypothetical situations. A specific area or a list of these areas is published from time to time in the Internal Revenue Bulletin. Such list is not all inclusive since the Service may decline to issue rulings or determination letters on other questions whenever warranted by the facts or circumstances of a particular case. The National Office and district directors may, when it is deemed appropriate and in the best interest of the Service, issue information letters calling attention to well-established principles of tax law. . 180 -

(4) A ruling or determination letter is not issued on a matter upon which a recent court decision adverse to the Government has been handed down and the question of following the decision or further litigating the matter has not been resolved.

(e) Instructions to taxpayers. (1) A request for a determination letter or a ruling is to be submitted in duplicate if (i) it is a request for exemption under section 501(c) or 501(d) of the Code; (ii) more than one issue is presented in the request; or (iii) a closing agreement is requested with respect to the issue presented. It is not necessary to present requests in duplicate under other circumstances including requests for exemption from tax under section 521 of the Code or with respect to the qualification of plans under section 401 of the Code.

(f) Conferences in the National Office. \* \* \*

(2) A taxpayer is entitled as a matter of right, to only one conference in the National Office unless one of the circumstances discussed in this paragraph exists. This conference will usually be held at the branch level of the appropriate division in the office of the Assistant Commissioner (Technical) and will usually be attended by a person who has authority to act for the branch chief. (See § 601.201(a) (2) for the divisions involved.) If more than one subject is to be discussed at the conference, the discussion will constitute a conference with respect to each subject. At the request of the taxpayer or his representative, the conference may be held at an earlier stage in the consideration of the case than the Service would ordinarily designate. No taxpayer has a "right" to appeal the action of a branch to a Division Director or to any other official of the Service. A taxpayer is not entitled, as a matter or right, to a separate conference in the Chief Counsel's office on a request for a ruling.

(1) Effect of rulings. \* \* \*

(9) With respect to Revenue Rulings published in the Internal Revenue Bulletin, taxpayers generally may rely upon such rulings in determining the rule applicable to their own transactions and need not request a specific ruling applying the principles of a published Revenue Ruling to the facts of their particular cases where otherwise applicable. However, see subparagraph (10) of this paragraph. Except where otherwise specifically indicated, published Revenue Rulings and procedures apply retroactively. Revenue Rulings published in the Internal Revenue Bulletin ordinarily are not revoked or modified retroactively.

(n) Organization claiming exemption under section 501 or 521 of the Code. \* \* \*

(3) Effect of exemption rulings or

determination letters. \* \* \*

(iii) (a) When an organization which
has been listed in TRS Publication No.

has been listed in IRS Publication No. 78 as an organization contributions to which are deductible under section 170 of the Code subsequently ceases to qualify as such, and the ruling or determination letter issued to it is revoked, contributions made to the organization by persons unaware of the change in the status of the organization generally will be considered allowable until (1) the date of publication of an announcement in the Internal Revenue Bulletin that contributions are no longer deductible, or (2) a date specified in such an announcement where deductibility is terminated as of a different date.

(b) In appropriate cases, however, this advance assurance of deductibility of contributions made to such an organization may be suspended pending verification of continuing section 170 qualification. Notice of such suspension will be made in a public announcement by the Service. In such cases allowance of deductions for contributions made after the date of the announcement will depend upon statutory qualification of the organization under section 170.

(c) In any event, the Service is not precluded from disallowing any contributions made after an organization ceases to qualify under section 170 where the contributor (1) had knowledge of the revocation of the ruling or determination letter, (2) was aware that such revocation was imminent, or (3) was in part responsible for, or was aware of, the activities or deficiencies on the part of the organization which gave rise to the loss of qualification.

(o) Employees' trusts or plans—(1) Determination letters. (i) Determination letters authorized in paragraph (c) (5) of this section are limited to the qualification of plans or trusts under section 401(a) of the Code and bond purchase

plans under section 405(a), and to the exempt status of trusts under section 501(a). This includes consummated and proposed transactions relating to the following:

(a) The initial qualification of a plan and, if trusteed, the status for exemption

of a trust;

(b) Compliance with the applicable requirements of foreign situs trusts as to taxability of beneficiaries (section 402(c)) and deductions for employer contributions (section 404(a)(4));

(c) Amendments to plans and trusts;

(d) Curtailment of plans;

(e) Termination of plans and trusts;
(f) The effect on the qualification of the plan, and status for exemption of the trust, of an investment of trust funds in the stock or securities of the employer or controlled corporation (ownership of 50 percent or more of all voting stock or 50 percent or more of the total value of shares of all classes of stock); and

(g) The effect on qualification of trust investments in the stock or securities of controlled corporations described in (f) of this subdivision; however, determination letters are not issued concerning the fair market value of the investment, or the adequacy of security behind a loan.

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(4)

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(p) Pension plans of self-employed individuals—(1) Determination and opinion letters. (i) District directors also issue determination and opinion letters relating to the qualification of pension and profit-sharing plans which cover self-employed individuals under sections 401(a) and 405(a) of the Code and determination letters relating to the status for exemption of related trusts and custodial accounts under section 501(a) of the Code.

(ii) A determination letter as to the qualification of a pension or profit-sharing plan, and the exempt status of a related trust or custodial account, if any, is not required as a condition for obtaining the tax benefits pertaining to the plan or trust. However, paragraph (c) (5) of this section, permits district directors to issue determination letters relating to the qualification of plans and as to the exempt status of related trusts. While paragraphs (a) through (m) of this section are applicable to plans and trusts covering only common-law employees, they are equally applicable to plans and trusts which include self-employed individuals.

(iii) District directors will, upon request, furnish a written opinion as to the acceptability (for the purposes of section 401(a), 405(a), or 501(a) of the Code) of the form of any master or prototype plan designed to include groups of self-employed individuals who may adopt the plan, where the plan is submitted by a sponsor which is a trade or professional association, bank, insurance company, or regulated investment company. A determination as to the exempt status of a trust or custodial account forming part of a master or prototype plan will be made at the time of approval of the plan as to form, if the trustee or custodian is designated. As

used here, the term "master plan" refers to a standardized form of plan, with a related form of trust (or custodial) agreement, where indicated, administered by the sponsoring organization for the purpose of providing plan benefits on a standardized basis. The term "prototype plan" refers to a standardized form of plan, with or without a related form of trust (or custodial) agreement, which is made available by the sponsoring organization, for use without change by employers who wish to adopt such a plan, and which will not be administered by the sponsoring organization which makes such form available. The degree of relationship among the separate employers adopting either a "master plan" or a "prototype plan" or to the sponsoring organization is immaterial.

(iv) Since a determination as to the qualification of a particular employer's plan can be made only with regard to facts peculiar to such employer, a letter expressing the opinion of the Service as to the acceptability of the form of a master or prototype plan will not constitute a ruling or determination as to the qualification of a plan as adopted by any individual employer nor as to the exempt status of a related trust or custodial account. District directors will issue determination letters, upon request, as to the qualification of individually designed plans and plans of employers who adopt previously approved master or prototype forms of plans. At the same time a determination will be made as to the exempt status of a related trust or custodial account where the funding organization is not specified by the sponsor.

(2) Determination letters as to qualified bond purchase plans. A determination as to the qualification of a bond purchase plan will, upon request, be made by the appropriate district director. Form 3673, Application for Approval of Self-Employed Pension or Profit-Sharing Plan as Part of a Master or Prototype Form or any Bond Purchase Plan, shall be used for this purpose. Parts I and III of the form, when properly completed, will constitute a bond purchase plan.

(3) Instructions to sponsoring organizations and employers. (i) A sponsoring organization referred to in subparagraph (1) (iii) of this paragraph, which desires a written opinion as to the acceptability of the form of a master or prototype plan (or as to the exempt status of a related trust) should submit its request to the district director in the district where the sponsoring organization maintains its principal place of business. Copies of all documents consisting of plan and trust instruments (including all amendments thereto) together with specimen insurance contracts (where applicable) shall be submitted with the request. Form 3672, Application for Approval of Master or Prototype Plan for Self-Employed Individuals, is to be used for this purpose.

(ii) (a) Subsequent to obtaining approval of the form of a master or prototype plan, a sponsoring organization may wish to amend such plan on behalf of all employers or only for future employers who may adopt the plan. Whether

a sponsoring organization may effect such an amendment depends on the plan's administrative provisions.

(b) If provision is made in the plan that each employer has delegated to the sponsor the power to amend the plan and that each employer shall be deemed to have consented thereto, the plan may be amended by the sponsor. If the plan contains no specific provision permitting the sponsor to amend such plan, but all employers consent in writing to permit such amendment, the sponsor may then amend the plan. However, where a sponsor is unable to secure the consent of each employer, the plan cannot be amended. In such cases any change will have to be effected by the adoption of a new plan, together with a new Form 3672. The new plan will be complete and separate from the old plan, and individual employers may, if they desire, substitute the new plan for the old plan.

(c) Where the plan has been properly amended as provided in (a) and (b) of this subdivision the sponsor shall submit, in lieu of Form 3672, a copy of the amendment and, if required, copies of the signed consent of each participating employer.

(d) Upon approval of the amendment by the Service, an opinion letter will be issued to the sponsor containing the serial number of the original plan, followed by a Suffix: "A-1" for the first amendment, "A-2" for the second amendment, etc. Employers adopting the form of plan subsequent to the date of the amendment will use the revised serial number.

(e) If a new plan is submitted, together with Form 3672 and copies of all documents evidencing the plan, an opinion letter bearing a new serial number will be issued to the sponsor and all employers who adopt the new plan shall use the new serial number. Employers who adopted the old plan will continue to use the original serial number. However, employers who wish to change to the new plan may do so by filing an amended Form 3673 with his district director indicating the change.

(iii) If a request submitted by an employer relates to the initial qualification, amendment, curtailment or termination of a plan which includes self-employed individuals and which does not utilize a master or prototype plan or trust, the general procedures for obtaining advance determinations as provided in paragraph (o) of this section, will apply. In such cases, the employer must submit to the district director all of the information which is required by paragraph (o) (2) of this section and which relates to plan provisions and coverage.

(iv) An employer who desires an advance determination as to the status for qualification of a plan which utilizes a master or prototype form which has previously received a favorable opinion letter as to compliance with sections 401 (a) and 501(a) of the Code, must file Form 3673, in duplicate, with his district director. Similarly, an employer who desires a determination as to the status of a bond purchase plan under section

405(a) of the Code, must file Form 3673. Information called for by paragraph (o) (2) (ii) of this section however, is not required.

is not required.

(4) Selected districts in regions to issue opinion letters. Regional Commissioners of Internal Revenue have been authorized to select certain district directors to issue opinion letters referred to in subparagraph (1) of this paragraph for other districts in their region. Sponsors of master and prototype plans will be notified by the district director with whom the application is filed if such application has been transferred to another district for processing.

(5) Applicability. The general procedures of paragraphs (a) through (m) and paragraph (o) of this section relating to the issuance of rulings and determination letters are applicable to requests relating to the qualification of plans covering self-employed individuals under section 401(a) and 405(a) of the Code and the status of related trusts under section 501(a) of the Code, as amplified by the specific procedures and instructions contained in this paragraph.

Par. 5. Section 601.203 is amended by revising so much of paragraph (c) (1) as precedes subdivision (i) thereof, and paragraph (d), to read as follows:

§ 601.203 Offers in compromise.

. (c) Consideration of offer. (1) An offer in compromise is first considered by the district director with whom the offer is filed. If the offer is based on inability to pay, an investigation is made by a revenue officer in the district Collection Division. However, if the offer is based on doubt as to liability, the investigation is made by a revenue agent in the district Audit Division. In either event. the examining officer makes a written recommendation for acceptance or rejection of the offer. If the district director has jurisdiction over the processing of the offer he will:

(d) Conferences. Before filing a formal offer in compromise, a taxpayer may request a meeting in the office which would have jurisdiction over his offer to explore the possibilities of compromising unpaid tax liability. After all investigations have been made, the taxpayer may also request a meeting in the office having jurisdiction of his offer to determine the amount which may be accepted as a compromise. If agreement is not reached at such meeting and the district director has processing jurisdiction over the offer, the taxpayer will be informed that he may request in writing a district conference. A written protest is also required if the assessed tax, penalty, and interest exceeds \$2,500 for any return or taxable period. If agreement is not reached at the district conference, the taxpayer will be offered an opportunity to request consideration of his case by the regional office of the Appellate Division. Such request must be in writing and, if the assessed tax, penalty, and interest exceeds \$2,500 for any return or taxable period, a written protest is also required.

The procedure in the two preceding sentences does not apply if the offer relates to a tax over which Appellate Division has no authority (see § 601.106(a)(3)). Taxpayers and their representatives are required to fulfill and comply with the applicable conference and practice requirements. See Subpart E of this part.

6. Section 601,301(c)(2) amended by revising subdivisions (v) and (vi) and by adding subdivision (vii), to read as follows:

- § 601.301 Imposition of taxes, qualification requirements, and regulations.
  - . . (c) Regulations, \* \* \*
- (2) Miscellaneous liquor transactions \* \*
- (v) Manufacture and sale of certain compounds, preparations, and products containing alcohol;
- (vi) Temporary regulations respecting the filing of deferred payment tax returns by proprietors of distilled spirits plants; and

(vii) Temporary regulations respecting the withdrawal free of tax from bonded wine cellars, of wine, or wine products made from wine, when rendered unfit for beverage use.

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Par. 7. Section 601.304 is amended by revising paragraph (f) and by adding new paragraphs (1) and (m), to read as follows:

§ 601.304 Preparation and filing of claims.

(f) Distilled spirits, wines, or beer for export. Procedural instructions in respect of claims for (1) drawback of internal revenue tax on distilled spirits, wines, or beer for export, use as supplies on certain vessels or aircraft, or deposit in a foreign-trade zone, and (2) remission of tax on distilled spirits, specially denatured spirits, wines, or beer, withdrawn without payment or free of tax and lost during transportation to the port of export, manufacturing bonded warehouse, vessel or aircraft, or foreign-trade zone, as applicable, are contained in Part 252 of this chapter.

(1) Reopening claims. A claimant who wishes to have a rejected claim reopened must, within the applicable statutory period of limitations, submit a written application to his assistant regional commissioner (alcohol and tobacco tax) for reconsideration of the claim. Such application must show that the additional evidence to be presented is new and material, and that such evidence was unknown to the claimant, or unobtainable by him, when the claim was previously under consideration.

(m) Claimant's rights under law and regulations. Before final action has been taken on a claim, a claimant who, by reason of an oversight, misunderstanding of law and regulations, miscalculation, or other cause, did not claim the full amount of abatement, refund, credit, or drawback, as the case may be, of tax to

which he is legitimately entitled, may amend a valid claim, and statements filed in support thereof, in instances where such a claim is deficient in establishing his eligibility to the rights extended him under law and regulations.

Par. 8. Section 601.311(b) (7) is amended by revising subdivisions (iii) and (iv) and by deleting subdivision (v), to read as follows:

§ 601.311 Imposition of taxes; regulations.

(b) Regulations. \* \* \*

(iii) Purchase, receipt, possession, offering for sale, or sale or other disposition of cigars and cigarettes by dealers in such products; and

(iv) Authorizations to execute bonds and extensions of coverage of bonds on behalf of corporate sureties.

(v) [deleted]

Par. 9. Section 601,315 is amended by adding new paragraphs (i) and (j), to read as follows:

§ 601.315 Claims.

(i) Reopening claims. A claimant who wishes to have a rejected claim reopened must, within the applicable statutory period of limitations, submit a written application to his assistant regional commissioner (alcohol and tobacco tax) for reconsideration of the claim. Such application must show that the additional evidence to be presented is new and material, and that such evidence was unknown to the claimant, or unobtainable by him, when the claim was previously under consideration

(j) Claimant's rights under law and regulations. Before final action has been taken on a claim, a claimant who, by reason of an oversight, misunderstanding of law and regulations, miscalculation, or other cause, did not claim the full amount of abatement, refund, credit, or drawback, as the case may be, of tax to which he is legitimately entitled, may amend a valid claim, and statements filed in support thereof, in instances where such a claim is deficient in establishing his eligiblity to the rights extended him under law and regulations.

Par. 10. Section 601.319 is amended to read as follows:

#### § 601.319 Applicable laws.

Chapter 53 of the Internal Revenue Code of 1954 (26 U.S.C. 5801-5862), the provisions of which are chiefly derived from the National Firearms Act, as amended (act of June 26, 1934, 48 Stat. 1236), imposes a tax on the manufacture, and transfer in the United States, of machine guns and certain other types of firearms, and an occupational tax upon every importer and manufacturer of, and dealer and pawnbroker in, such machine guns and firearms. Section 1(b) (2) of the act of August 9, 1939 (53 Stat. 1291; 49 U.S.C. 781-788) makes provision for the seizure and forfeiture of vessels, vehicles, and aircraft which are used to transport, carry, or possess, or to facilitate the same, any firearm with respect to which there has been com-

mitted any violation of the National Firearms Act or any regulations issued pursuant thereto. The Federal Firearms Act as amended (52 Stat. 1250; 15 U.S.C. 901-910) makes it unlawful for any manufacturer or dealer (except a manufacturer or dealer having a license issued under the provisions of the act) or any person who is a fugitive from justice or, except as provided in § 177.31 of this chapter, any person who is under in-dictment for, or has been convicted of, a crime punishable by imprisonment for a term exceeding 1 year, to transport, ship, or receive in interstate or foreign commerce any firearm or ammunition: Provided. That a person who has been convicted of a crime punishable by imprisonment for a term exceeding 1 year (other than a crime involving a firearm or other weapon, or a violation of the Federal Firearms Act or of the National Firearms Act) may make application to the Commissioner for relief from the disabilities incurred by reason of such conviction.

Par. 11. Section 601.324 is amended by adding a new paragraph (d) to read as follows:

§ 601.324 Claims.

(d) Claims may be reopened or amended in accordance with the provisions of § 601.304 (1) and (m).

Par. 12. Section 601.327 is amended by revising paragraph (a) to read as follows:

#### § 601.327 Offers in compromise.

(a) Liabilities (other than forfeiture) under Internal Revenue Code. Persons desiring to submit offers in compromise in order to avoid prosecution proceedings, and taxpayers who disclaim liability in whole or in part for taxes or claim inability to pay the taxes in full, may submit offers in compromise to the district director of internal revenue or to an internal revenue officer for forwarding to the district director. If the offer in compromise is based on inability to pay, the proponent should include in the financial statement on Form 433 (see § 601.203(b)) appropriate amounts to reflect his interest, if any, in jointly owned property, the loan value of life insurance, and future income from trusts and similar sources. Each assistant regional commissioner (alcohol and tobacco tax) has the authority to accept or reject offers in compromise of (1) tax liabilities arising from (i) the illegal production of untaxpaid distilled spirits, wines, or beer, (ii) the failure to file returns of, or to pay, occupational taxes with respect to distilled spirits, wines, beer, or firearms, and (iii) the failure to pay firearms "making" or transfer taxes; (2) criminal liabilities of retail dealers in liquor arising from violations of the internal revenue laws relating to liquor, including the reuse or refilling of liquor bottles; and (3) liabilities arising under chapter 52 of the Code (cigars, cigarettes, and eigarette papers and tubes). The Director, Alcohol and Tobacco Tax Division, has the authority to accept or reject offers in compromise of civil liability (of less than \$100,000) and criminal liability arising under chapters 51 and 53 of the code in cases not subject to compromise assistant regional commissioners (alcohol and tobacco tax). The Commissioner accepts or rejects all other offers in compromise except those in compromise of liabilities listed in paragraphs (b) and (c) of this section. (For offers in compromise generally, see § 601.203.) Form 656 is used in all cases arising under this paragraph, regardless of whether the amount of the offer is tendered in full at the time the offer is filed or the amount of the offer is to be paid by deferred payment or payments. Offers received by the district director which come within the purview of the assistant regional commissioner (alcohol and tobacco tax) or the Director, Alcohol and Tobacco Tax Division, are forwarded to such assistant regional commissioner for consideration and appropriate action. When final action has been taken. the district director, the assistant regional commissioner (when applicable), and the proponent are notified of the acceptance or rejection of the offer. If the offer is rejected, the sum submitted with the offer is returned to the proponent, and prosecution or collection proceedings are resumed. If the offer is accepted, the proponent is notified and the case is closed. Acceptance of an offer in compromise of civil liabilities does not remit criminal liabilities, nor does acceptance of an offer in compromise of criminal liabilities remit civil liabilities.

Par. 13. Section 601.401 is amended by revising paragraphs (a) (5) and (d) (1) to read as follows:

# § 601.401 Employment taxes.

(a) General. \* \* \*

- (5) Use of Federal Reserve banks and authorized commercial banks in connection with payment of Federal employment taxes. Most employers are required to deposit employment taxes either on a monthly basis or a semimonthly basis as
- (i) Semimonthly deposits. With respect to wages paid during February and March of 1967 or any calendar quarter thereafter, special deposits within 3 banking days after the close of a semimonthly period are required if the employee tax deducted and the employer tax under chapter 21, and income tax withheld at source on wages under chapter 24, exclusive of taxes reportable on Form 942 and Form 943, aggregate more than \$2,500 (\$4,000 in the case of wages paid after May 1966 and before February 1967) for any month in the preceding calendar quarter. An amount not required to be deposited by this subdivision may nevertheless be directly remitted by the employer with his return, or may be deposited.
- (ii) Monthly deposits. With respect to employers not required to make deposits under subdivision (i) of this subparagraph, if (a) during any calendar month, other than the last month of a calendar quarter, the aggregate amount of the

employee tax deducted and the employer tax under chapter 21 and the income tax withheld at source on wages under chapter 24, exclusive of taxes reportable on Form 942 and Form 943, exceeds \$100, or (b) at the end of any month or period of 2 or more months and prior to December 1 of any calendar year, the total amount of undeposited taxes imposed by chapter 21, with respect to wages paid for agricultural labor, exceeds \$100, it is the duty of the employer to deposit such amount within 15 days after the close of such calendar month. However, in the case of the last month of any calendar quarter (last month of the calendar year in the case of agricultural employers) the employer may either include with his return direct remittance for the amount of such taxes or voluntarily deposit such

(iii) Additional rules. Deposits under subdivisions (i) and (ii) of this subparagraph are made with a Federal Reserve bank or a commercial bank authorized in accordance with Treasury Depart-ment Circular No. 1079, revised, to accept remittances of these taxes for transmission to a Federal Reserve bank. The remittance of such amount must be accompanied by a Federal Tax Deposit, Withheld Income and FICA Taxes, form (Form 501, or Form 511 in the case of Agricultural Employers). Each employer making deposits shall report on the return for the period with respect to which such deposits are made information regarding such deposits in accordance with the instructions applicable to such return and pay therewith (or deposit by the due date of such return) the balance, if any, of the taxes due for such period.

(iv) Employers under chapter 22 of the Code. Depositary procedures similar to those prescribed in this subparagraph are prescribed for employers as defined by the Railroad Retirement Tax Act, except that railroad retirement taxes are not required to be deposited semimonthly. Such taxes must be deposited by using Form 507, Federal Tax Deposit, Railroad Retirement Taxes.

(d) Special refunds of employee social security tax. (1) When an employee receives wages from more than one employer during a calendar amounts may be deducted and withheld as employee social security tax (i.e., employee tax under the Federal Insurance Contributions Act) based on wages in excess of \$7,800 (\$6,600 for calendar years 1966 and 1967). Under certain conditions, the employee may receive a so-called "special refund" of the amount of employee social security tax deducted and withheld from wages in excess of such amount. An employee who is entitled to a special refund of employee tax with respect to wages received during a calendar year, and who is required to file an income tax return for such calendar year (or for his last taxable year beginning in such calendar year), may obtain the benefits of such special refund only by claiming credit for such special refund on such income tax return in the same manner as if such special refund

were an amount deducted and withheld as income tax at source on wages.

Par. 14. Section 601.404 is amended by

revising paragraphs (b) and (f) (1), (2), and (3) to read as follows:

- § 601.404 Miscellaneous excise taxes collected by sale of revenue stamps. \*
- (b) Documentary stamp tax on cotton futures. Subchapter D of Chapter 39 of the Code imposes a tax on each contract of sale of any cotton for future delivery unless the contract complies with certain specified conditions.
- (f) General procedure. (1) The documentary and commodity stamp taxes are paid by having affixed to the document, package, container, etc., an internal revenue adhesive stamp or stamps, in an amount equal to the tax due and by thereafter canceling such stamps in the manner prescribed. Payment of occupational taxes is evidenced by the posting or displaying of a special occupational tax stamp on the premises where the business is operated. If the taxpayer required to display the special occupational tax stamp has no fixed place of business, the stamp must be kept on his person. The stamps used for such purposes are prepared by the Internal Revenue Service and distributed through the district director of internal revenue.
- (2) Documentary stamps are used to pay the tax on cotton futures imposed by section 4851(a) of the Code. Commodity stamp taxes are payable with respect to the manufacture, importation, or transfer, as the case may be, of the contents of each package or container. Occupa-tional taxes are payable annually for the privilege of doing business beginning with July 1 of each year, when the taxpayer is in business on that date, or from the beginning of the month in which the business is commenced on a pro rata
- (3) Documentary stamps may be purchased from district directors of internal revenue. Commodity and occupational tax stamps may be purchased only from district directors and duly authorized internal revenue agents. Such purchases may be made only upon the filing of the prescribed requisition, application, or other form and from an official authorized by law to sell such stamps.

Par. 15. Section 601.502 is amended by adding a new paragraph (b) (4) to read as follows:

- § 601.502 Requirements for conference-recognition to practice and, in certain cases, power of attorney or tax information authorization.
- (b) Requirements to be met by taxpayer's representative in order to be recognized. \* \* \*
- (4) List of disbarred or suspended persons. Names furnished by the Director of Practice of attorneys, certified public accountants, or enrolled agents

who have been disbarred or suspended from practice before the Treasury Department will be published in the Internal Revenue Bulletin for the information of personnel of the Service and the general public.

Par. 16. Section 601.503 is amended by revising paragraph (b) to read as fol-

§ 601.503 Requirements for filing evidence of recognition, power of attorney, and tax information authoriza-

(b) Filing power of attorney and tax information authorization. Except as otherwise provided in this paragraph, one copy of a power of attorney must be filed in each office of the Revenue Service in which the representative, in connection with the matter under consideration, desires to perform one or more of the acts enumerated in paragraph (c) (1) of § 601.502. If a power of attorney with respect to the matter has not been filed with the Revenue Service, one copy of a tax information authorization must be filed in each office of the Revenue Service in which the representative, in connection with the matter under consideration, receives or inspects confidential information. For rules relating to the filing of a power of attorney alone, see paragraph (c) (2) (ii) of § 601.502. One additional copy of a power of attorney or tax information authorization also must be filed for each tax matter in excess of one covered by the power of attorney or tax information authorization. If, in addition to a past or present matter, a previously filed power of attorney or tax information authorization relates to a tax matter not presently under consideration, or for which tax returns are not yet due, copies of the power of attorney or tax information authorization will be required to be filed subsequently with respect to those matters. These copies of the power of attorney or tax information authorization may be submitted with the subsequent returns or when the matter is under consideration by the Revenue Service. Where a copy of a power of attorney or tax information authorization is filed with the office of a district director which has the matter under consideration, it is not necessary to file another such copy with the office of a regional commissioner or regional counsel which subsequently has the matter under consideration, unless such office specifically requests the additional copy. In case of a request for a ruling or other matter to be considered in the National Office, a copy of a power of attorney or a tax information atuhorization should be submitted with each request if the representative wishes to represent the taxpayer at a conference in the National Office or receive a copy of the ruling. Standard power of attorney and tax information authorization forms are available in Revenue Service offices. For rules relating to the receipt of the original of the ruling by a representative, see paragraph (a) of § 601.506.

Par. 17. Section 601.601 is amended by revising paragraph (d) and by adding a new paragraph (e) to read as follows:

§ 601.601 Rules and regulations.

(d) Publication of rules and regulations. All internal revenue regulations and Treasury decisions are published in the Federal Register and in the Code of Federal Regulations. See paragraph (a) of § 601.702. The Treasury decisions are also published in the weekly Internal Revenue Bulletin and the semiannual Cumulative Bulletin. The Internal Revenue Bulletin is the authoritative instrument of the Commissioner for the announcement of official rulings, decisions, opinions, and procedures, and for the publication of Treasury decisions, Executive orders, tax conventions, legislation, court decisions, and other items pertaining to internal revenue matters. It is the policy of the Internal Revenue Service to publish in the bulletin all substantive and procedural rulings of importance or general interest, the publication of which is considered necessary to promote a uniform application of the laws administered by the Service. Procedures set forth in Revenue Procedures published in the bulletin which are of general applicability and which have continuing force and effect are incorporated as amendments to the Statement of Procedural Rules. It is also the policy to publish in the bulletin all rulings which revoke, modify, amend, or affect any published ruling. Rules relating solely to matters of internal practices and procedures are not published; however, statements of internal practices and procedures affecting rights or duties of taxpayers, or industry regulation, which appear in internal management documents, are published in the bulletin. No unpublished ruling or decision will be relied on, used, or cited by any officer or employee of the Internal Revenue Service as a precedent in the disposition of other cases.

(e) Foreign tax law. (1) The Service will accept the interpretation placed by a foreign tax convention country on its revenue laws which do not affect the tax convention. However, when such interpretation conflicts with a provision in the tax convention, reconsideration of that interpretation may be requested.

(2) Conferences in the National Office of the Service will be granted to representatives of American firms doing business abroad and of American citizens residing abroad, in order to discuss with them foreign tax matters with respect to those countries with which we have tax treaties in effect.

Par. 18. Section 601.702 is amended by revising paragraph (d) (8) (ii) to read as follows:

§ 601.702 Publication and public inspection.

(d) Rules for disclosure of certain specified matters. \* \*

(8) Accepted offers in compromise.

(ii) Alcohol and tobacco. For each offer in compromise submitted and accepted pursuant to section 7122 in any case arising under subtitle E of the Code (relating to alcohol, tobacco, and certain other excise taxes); pursuant to section 7 of the Federal Alcohol Administration Act (27 U.S.C. 207) in any case arising under that Act; or in connection with property seized under the Federal Firearms Act (15 U.S.C. 901-910), a copy of the Abstract and Statement relating to the offer will be available for public inspection, for a period of 1 year from the date of acceptance, in-

(a) The office of the assistant regional commissioner (alcohol and tobacco tax) who received the offer, or the office of the district director for the internal revenue district in which the offer was submitted, in the case of offers accepted pursuant to the Code or the Federal

Firearms Act, or

(b) The office of the assistant regional commissioner (alcohol and tobacco tax) who received the offer, in the case of offers accepted pursuant to the Federal Alcohol Administration Act.

Information will not be disclosed, however, concerning any trade secrets, processes, operations, style of work, or apparatus, or confidential data or any other matter within the prohibition of 18 U.S.C. 1905.

190 (5 U.S.C. 301, 552(a)(1))

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SHELDON S. COHEN, [SEAL] Commissioner of Internal Revenue.

[F.R. Doc. 68-5382; Filed, May 3, 1968; 8:47 a.m.]

# Title 43—PUBLIC LANDS: INTERIOR

Chapter II-Bureau of Land Management, Department of the Interior

> APPENDIX-PUBLIC LAND ORDERS [Public Land Order 4413]

> > [1-1015]

# IDAHO

# Partial Revocation of Reclamation Project Withdrawal

By virtue of the authority contained in section 3 of the act of June 17, 1902 (32 Stat. 388; 43 U.S.C. 416), as amended and supplemented, it is ordered as fol-

1. The order of the Bureau of Reclamation dated April 30, 1951, concurred in by the Bureau of Land Management on January 28, 1952, and Departmental Order dated March 22, 1919, withdrawing lands for the Mountain Home Project, Idaho, are hereby revoked so far as they affect the following described lands:

BOISE MERIDIAN

T. 1 N., R. 2 E., Sec. 5, SE¼NW¼; Sec. 18, SW¼NE¼.

\_\_\_, U.S.A., on

T. 3 N., R. 2 E., Sec 32, NW¼SE¼. T. 2 N., R. 1 W., Sec. 34, SW¼NE¼.

The areas described aggregate 160 acres in Ada County, Idaho.

The lands are level to rolling with soils of sandy silt loam with float rock scattered throughout. Vegetative cover is cheatgrass, native grasses, and other annuals.

- 2. Until 10 a.m. on October 30, 1968, the State of Idaho shall have a preferred right of application to select the public lands as provided by R.S. 2276, as amended (43 U.S.C. 852). After that time the lands shall be open to operation of the public land laws generally, subject to valid existing rights, the provisions of existing withdrawals, and the requirements of applicable law. All valid applications received at or prior to 10 a.m., October 30, 1968, shall be considered as simultaneously filed at that time. Those received thereafter shall be considered in the order of filling.
- 3. The lands will be open to location under the U.S. mining laws at 10 a.m. on October 30, 1968. They have been open to applications and offers under the mineral leasing laws.

Inquiries concerning the lands should be addressed to the Manager, Land Office, Bureau of Land Management, Boise, Idaho,

HARRY R. ANDERSON,
Assistant Secretary of the Interior.

APRIL 30, 1968.

[F.R. Doc. 68-5357; Filed, May 3, 1968; 8:45 a.m.]

# Title 50—WILDLIFE AND FISHERIES

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

SUBCHAPTER B-HUNTING AND POSSESSION
OF WILDLIFE

# PART 13—IMPORTATION OF WILD-LIFE OR EGGS THEREOF

## Live or Dead Fish, Mollusks, and Crustaceans

For the purpose of clarification and to establish the methodology with approved procedure for determining the absence of viral hemorrhagic septicemia and whirling disease pursuant to the certification required by § 13.7(b), and to remove dead fish and their parts and dead fish eggs (but not live or dead salmonids of the fish family Salmonidae and their live eggs) from the requirements presently imposed by § 13.7(a), and to provide the form of the certificate required by § 13.7(b), § 13.7 is revised to read:

§ 13.7 Importation of live or dead fish, mollusks, and crustaceans or their eggs.

- (a) Except for the salmonids of the fish family Salmonidae, all species of live fish, live mollusks, and live crustaceans, or their live eggs, may be imported, transported, and possessed in captivity without a permit, for scientific, medical, educational, sale or exhibition, or propagational purposes upon the filing of a written declaration with the District Director of Customs at the port of entry as required under § 13.12. No such live fish, live mollusks, live crustaceans, or any progeny, or live eggs thereof, may be released into the wild except by the State wildlife conservation agency having jurisdiction over the area of release or by persons having prior written permission from such agency.
- (b) Notwithstanding authority granted Federal agencies in § 13.4, all live or dead fish or eggs or salmonids of the fish family Salmonidae are prohibited entry into the United States for any purpose unless such importations are by direct shipment, accompanied by a certification that the importation is free of the protozoan Myxosoma cerebralis, the causative agent of so-called "whirling disease," and the virus causing viral hemorrhagic septicemia or "Egtved disease." The certification shall be signed in the country of origin by a designated official acceptable to the Secretary of the Interior, as being qualified in fish pathology, or in the United States, by a qualified fish pathologist designated for this purpose by the Secretary of the Interior.

The time requirements described in "Fisheries Disease Leaflet 9, I. C.2 and II. C.2," as a basis for certification would impose an embargo on all shipments of market-sized fish and eggs until July 1, 1969.

Therefore, certifying officers may, until July 1, 1969, on the basis of a single, comprehensive inspection using methods described in Fisheries Disease Leaflet 9, certify any shipment of market-sized fish or eggs as complying with the regulation at which time, the span of inspection time required in I. C.2 and II. C.2 will also become a mandatory provision of the regulation.

The certificate required by this section shall consist of a statement in the English language, printed or typewritten, stating that this shipment of fish or eggs is free from these two diseases by the methods outlined in Fish Disease Leaflet 9, and will contain (1) the date and port of export in the country of origin and the anticipated United States date of arrival and port of entry, (2) surface or air carrier and flight number, or vessel name or number, (3) bill of lading number or airway bill number, and (4) the handwritten signature, in ink, of the authorized certifying officer, and may be substantially in the following form:

I, \_\_\_\_\_\_, approved by the Secretary of the U.S. Department of the Interior, on \_\_\_\_\_, as a certifying (Date)

official for \_\_\_\_\_, as required by Title (Country)

50, CFR 13.7(b), do hereby certify, using the methodology described in Fish Disease Leaflet (FDL-9, July 1968), that this shipment of \_\_\_\_\_\_ of dead or live fish or fish eggs (Weight in pounds)

or airway bill number)
zoan Myxosoma cerebralis, the causative
agent of so-called "whirling disease," and the
virus causing viral hemorrhagic septicemia
or "Egtved disease."

The shipment is scheduled to depart \_\_\_\_\_, on \_\_\_\_\_\_, via (City and Country) (Date) \_\_\_\_\_\_, with anticipated (Name of carrier)

arrival at the port of \_\_

(Signature in ink of certifying officer)

(City)

This revision of § 13.7(a) is a relaxation which will become effective on July 1, 1968. It further establishes certification procedure for importation of live and dead salmonid fish and their live eggs under § 13.7(b).

The exigency of action necessary to preclude introduction into the United States of viral hemorrhagic septicemia and *Myxosoma cerebralis*, together with the need for continuing foreign importations of salmonid fish and their eggs are vitally important. Development of scientific tests by fisheries pathologists whereby U.S. interests will be safeguarded are now perfected.

Copies of Fisheries Disease Leaflet 9, July 1968, herein referred to have been provided to the U.S. Embassies at Bonn, Copenhagen, Oslo, Ottawa, The Hague, and Tokyo. Additional copies will be provided to any interested person upon request to the Director, Bureau of Sport Fisheries and Wildlife, Department of the Interior, Washington, D.C. 20240.

(Sec. 43, 62 Stat. 667, as amended, 18 U.S.C. 42; 77A Stat. 29, 19 U.S.C. 1202 [Schedule 1, Part 3, Headnote 1-4])

Effective date. Since these revisions impose no new restrictions and are not substantive changes of regulations, 30 days notice and public procedure have been deemed unnecessary. This revision of \$13.7 shall become effective simultaneously on July 1, 1968, with revisions of \$\$13.2, 13.6, and 13.12 as published in the Federal Register of December 21, 1967 (32 F.R. 20654).

JOHN S. GOTTSCHALK, Director, Bureau of Sport Fisheries and Wildlife.

MAY 1, 1968.

[F.R. Doc. 68-5389; Filed, May 3, 1968; 8:47 a.m.]

# Proposed Rule Making

# DEPARTMENT OF THE INTERIOR

Bureau of Mines I 30 CFR Part 2 I HELIUM

Purchase by Federal Agencies and Their Contractors; Extension of Time for Comments

A notice of proposed rule making issued at 33 F.R. 5219 and proposing regulations for the purchase of helium by Federal agencies and their contractors (30 CFR Part 2) contained a closing date for public comments on the proposed rules of April 30, 1968. The period of time for comments, suggestions or objections with respect to the proposed rules is extended to May 31, 1968.

EARL T. HAYES, Acting Director, Bureau of Mines. [F.R. Doc. 68-5358; Filed, May 3, 1968; 8:45 a.m.]

# DEPARTMENT OF HEALTH, EDUCA-TION, AND WELFARE

Food and Drug Administration
[ 21 CFR Parts 1, 5, 80, 125 ]
[Docket No. FDC-78]

FOOD FOR SPECIAL DIETARY USES

Notice of Appointment of Hearing

Examiner

In the Federal Register of April 2, 1968 (33 F.R. 5268), a notice was published scheduling a hearing and prehearing conference in the matter of revising the regulations for food for special dietary uses. It was announced that Mr. David H. Harris was designated to be the hearing examiner for the scheduled proceedings and that he would be authorized to carry out certain functions upon being appointed as a hearing examiner.

Notice is given that effective April 15, 1968, Mr. David H. Harris was duly ap-

pointed as a hearing examiner pursuant to 5 U.S.C. 3105 (Public Law 89-554; 80 Stat. 415) and is therefore authorized to conduct said hearing with full authority to administer oaths and affirmations and do all other things appropriate to the conduct of the hearing. At the conclusion of the hearing, as hearing examiner he shall prepare a report and shall certify the record together with his report to the Commissioner of Food and Drugs for action.

This notice is issued pursuant to provisions of the Federal Food, Drug, and Cosmetic Act (secs. 401, 403(j), 701, 52 Stat. 1046, as amended, 1048, 1055, as amended; 21 U.S.C. 341, 343(j)) and under authority delegated to the Commissioner (21 CFR 2.120).

Dated: May 1, 1968.

JAMES L. GODDARD, Commissioner of Food and Drugs.

[F.R. Doc. 68-5417; Filed, May 3, 1968; 8:47 a.m.]

# Notices

# DEPARTMENT OF THE TREASURY

Office of the Secretary

[Treasury Department Order 174, Amdt. 2]

### BUREAU OF PRINTING AND ENGRAVING

Auditing and Verifying Inventory of Unissued Stocks; Transfer of Functions

By virtue of the authority vested in the Secretary of the Treasury, including the authority in Reorganization Plan No. 26 of 1950, and under the authority vested in me by Treasury Department Order No. 190, Revision 5, it is hereby ordered that the function of auditing and verifying the inventory of unissued stocks of Federal Reserve notes be transferred from the Bureau of Accounts to the Bureau of Engraving and Printing. The Bureau of Engraving and Printing will furnish certified copies of the results of audits made pursuant to this order to the Board of Governors of the Federal Reserve System, to the Comptroller of the Currency, and to the Treasurer of the United States.

This order supersedes and cancels Treasury Department Order 174, Amendment 1, of October 10, 1958, and paragraph 3 of Treasury Department Order No. 174 of May 27, 1953, and revokes the provisions of any other Treasury Department order or authority issued prior hereto, which are in conflict with this order.

This order shall become effective upon completion by the Bureau of Accounts of the verification of inventories of unissued Federal Reserve notes made in conjunction with the transfer of currency custody responsibilities ordered by Treasury Department Order No. 95 (Revision No. 2) dated April 19, 1968.

[SEAL] . JOSEPH W. BARR, Under Secretary of the Treasury.

APRIL 26, 1968.

[F.R. Doc. 68-5383; Filed, May 3, 1968; 8:47 a.m.]

# Secret Service TREASURY GUARDS

# Appointment as Special Policemen

Pursuant to the authority vested in me by Treasury Department Order No. 177-25, 32 F.R. 17490 (1967), all members of the Treasury Uniformed Guard Force are hereby appointed as Special Policemen for duty in connection with the policing of the Main Treasury building and the Treasury Annex. Such uniformed guards appointed as Special Policemen shall have the same powers as sheriffs and constables upon the

premises of the Treasury building and grounds and the Treasury Annex and grounds to enforce the laws enacted to protect persons and property and to prevent breeches of the peace, to suppress affrays, or unlawful assemblies, and to enforce the rules and regulations made and promulgated by the Director, U.S. Secret Service relating to conduct on the Treasury building and grounds and the Treasury Annex and grounds.

[SEAL]

James J. Rowley, Director.

[F.R. Doc. 68-5390; Filed, May 3, 1968; 8:47 a.m.]

# DEPARTMENT OF THE INTERIOR

Geological Survey

[Coal Land Classification Order California No. 4]

#### CALIFORNIA

### Coal Land Classification Order

Correction

In F.R. Doc. 68-2328 appearing at page 3393 in the issue for Tuesday, February 27, 1968, under "Noncoal Lands," line 20 should read "Sec. 27, N½, N½SE¼, SE¼SE¼;".

# DEPARTMENT OF AGRICULTURE

Commodity Credit Corporation SALES OF CERTAIN COMMODITIES

May Sales List

Notice to buyers. Pursuant to the policy of Commodity Credit Corporation issued October 12, 1954 (19 F.R. 6669), and subject to the conditions stated therein as well as herein, the commodities listed below are available for sale and, where noted, for redemption of payment-inkind certificates on the price basis set forth.

The U.S. Department of Agriculture announced the prices at which CCC commodity holdings are available for sale beginning at 3 p.m., e.d.t., on April 30, 1968, and, subject to amendment, continuing until superseded by the June Monthly Sales List.

The following commodities are available: Cotton (upland and extra long staple), wheat, corn, oats, barley, rye, rice, grain sorghum, peanuts, flax, tung oil, butter, cheese, and nonfat dry milk.

There are no changes in the number of commodities listed for May.

Information on the availability of commodities stored in Commodity Credit Corporation bin sites may be obtained from ASCS State offices shown at the end of the sales list, and for commodities stored at other locations from ASCS commodity and grain offices also shown at the end of the list.

Corn, oats, barley, or grain sorghum, as determined by CCC, will be sold for unrestricted use for "Dealers' Certificates" issued under the emergency livestock feed program. Grain delivered against such certificates will be sold at the applicable current market price, determined by CCC.

In the following listing of commodities and sales prices or method of sales, "unrestricted use" applies to sales which permit either domestic or export use and "export" applies to sales which require export only. CCC reserves the right to determine the class, grade, quality, and available quantity of commodities listed for sale.

The CCC Monthly Sales List, which varies from month to month as additional commodities become available or commodities formerly available are dropped, is designed to aid in moving CCC's inventories into domestic or export use through regular commercial channels.

If it becomes necessary during the month to amend this list in any material way—such as by the removal or addition of a commodity in which there is general interest or by a significant change in price or method of sale—an announcement of the change will be sent to all persons currently receiving the list by mail from Washington. To be put on this mailing list, address: Director, Procurement and Sales Division, Agricultural Stabilization and Conservation Service, U.S. Department of Agriculture, Washington, D.C. 20250.

Interest rates per annum under the CCC Export Credit Sales Program (Announcement GSM-3 or 4) for May 1968 are 6 percent for U.S. bank obligations and 7 percent for foreign bank obligations. Commodities now eligible for financing under the CCC Export Credit Sales Program include wheat, wheat flour, barley, bulgur, corn, cornmeal, grain sorghum, upland and extra long staple cotton, tobacco, cottonseed oil, soybean oil, dairy products, tallow, lard, and beef breeding cattle. Commodities purchased from CCC may be financed for export as private stocks under Announcement GSM-4.

Information on the CCC Export Credit Sales program and on commodities available under Title I, Public Law 480, private trade agreements, and current information on interest rates and other phases of these programs may be obtained from the Office of the General Sales Manager, Foreign Agricultural Service, U.S. Department of Agriculture, Washington, D.C. 20250.

The following commodities are currently available for new and existing barter contracts: Oats, cotton (upland

and extra long staple), and tobacco. Wheat and grain sorghum are also available under conditions noted in the individual commodity listings. In addition, free market stocks of corn, grain sorghum, oats, wheat, and wheat flour, Announcement PS-1; tobacco under Announcement PS-3; cottonseed oil and soybean oil under Announcement PS-2; and upland and extra long staple cotton under Announcement PS-4; are eligible for programing in connection with barter contracts covering procurements for Federal agencies that will reimburse CCC. However, Hard Red Winter wheat, 13 percent protein or higher, may not be exported from gulf or west coast ports, and dark northern spring or northern spring wheat, 14 percent or higher protein may not be exported from west coast ports. Further information on private-stock commodities may be obtained from the Office of Barter and Stockpiling, Foreign Agricultural Service, USDA, Washington, D.C. 20250.

The CCC will entertain offers from responsible buyers for the purchase of any commodity on the current list. Offers accepted by CCC will be subject to the terms and conditions prescribed by the Corporation. These terms include payment by cash or irrevocable letter of credit before delivery of the commodity and the conditions require removal of the commodity from CCC stocks within a reasonable period of time. Where sales are for export, proof of exportation is also required, and the buyer is responsible for obtaining any required U.S. Government export permit or license. Purchase from CCC shall not constitute any assurance that any such permit or license will be granted by the issuing

Applicable announcements containing all terms and conditions of sale will be furnished upon request. For easy reference a number of these announcements are identified by code number in following list. Interested persons are invited to communicate with the Agricultural Stabilization and Conservation Service, USDA, Washington, D.C. 20250, with respect to all commodities or-for specified commodities-with the designated ASCS commodity office.

Commodity Credit Corporation reserves the right to amend from time to time, any of its announcements. Such amendments shall be applicable to and be made a part of the sale contracts

thereafter entered into.

CCC reserves the right to reject any or all offers placed with it for the purchase of commodities pursuant to such announcements.

CCC reserves the right to refuse to consider an offer, if CCC does not have adequate information of financial responsibility of the offerer to meet contract obligations of the type contemplated in this announcement. If a prospective offerer is in doubt as to whether CCC has adequate information with respect to his financial responsibility, he should either submit a financial statement to the office named in the invitation prior to making an offer, or communicate with such office to determine whether such a statement is desired in his

case. When satisfactory financial responsibility has not been established, CCC reserves the right to consider an offer only upon submission by offerer of a certified or cashier's check, a bid bond, or other security, acceptable to CCC, assuring that if the offer is accepted, the offerer will comply with any pro-visions of the contract with respect to payment for the commodity and the furnishing of performance bond or other security acceptable to CCC.

Disposals and other handling of inventory items often result in small quantities at given locations or in qualities not up to specifications. These lots are offered by the appropriate ASCS office promptly upon appearance and therefore, generally, they do not appear

in the Monthly Sales List.

On sales for which the buyer is required to submit proof to CCC of exportation, the buyer shall be regularly engaged in the business of buying or selling commodities and for this purpose shall maintain a bona fide business office in the United States, its territories or possessions and have a person, principal, or resident agent upon whom service of judicial process may be had.

Prospective buyers for export should note that generally, sales to U.S. Government agencies, with only minor exceptions will constitute domestic unrestricted use of the commodity.

Commodity Credit Corporation reserves the right, before making any sales, to define or limit export areas.

The Department of Commerce, Bureau of International Commerce, pursuant to regulations under the Export Control Act of 1949, prohibits the exportation or reexportation by anyone of any commodities under this program to Cuba, the Soviet Bloc, or Communist-con-trolled areas of the Far East including Communist China, North Korea, and the Communist-controlled area of Viet Nam except under validated license issued by U.S. Department of Commerce, Bureau of International Commerce.

For all exportations, one of the destination control statements specified in Commerce Department Regulations (Comprehensive Export Schedule § 379.10(c)) is required to be placed on all copies of the shipper's export declaration, all copies of the bill of lading, and all copies of the commercial invoices. For additional information as to which destination control statement to use, the exporter should communicate with the Bureau of International Commerce or one of the field offices of the Department of Commerce.

Exporters should consult the applicable Commerce Department regulations for more detailed information if desired and for any changes that may be made therein.

#### SALES PRICE OR METHOD OF SALE WHEAT BULK

Unrestricted use.

A. Storable. All classes of wheat in CCC inventory are available for sale at market price but not below 115 percent of the 1967 price-support loan rate for the class, grade, and protein of the wheat plus the markup shown in C below applicable to the type of carrier involved.

B. Nonstorable. At not less than market price, as determined by CCC.

C. Markup and examples (dollars per bushel in-store).1

Markup in-store received by—		Examples
Truck	Rail or barge	
\$0.171/2	\$0, 15	Minneapolis—No. 1 DNS (\$1.55) 115 percent +\$0.15; \$1.94. Portland—No. 1 SW (\$1.44) 115 per- cent +\$0.15; \$1.81. Kansas City—No. 1 HRW (\$1.43) 115 percent +\$0.15; \$1.80. Chicago—No. 1 RW (\$1.47) 115 per- cent +\$0.15; \$1.85.

A. CCC will sell limited quantities of Hard Red Winter and Hard Red Spring wheat at west coast ports at domestic market price levels for export under Announcement GR-345 (Revision IV, Oct. 30, 1967, as amended) as follows:

(1) Offers will be accepted subject to the purchasers' furnishing the Portland ASCS Branch Office with a Notice of Sale containing the same information (excluding the subsidy acceptance number) as required by exporters who wish to receive an export payment under GR-345. The Notice of Sale must be furnished to the Commodity Office within 5 calendar days after the date of purchase.

(2) Sales will be made only to fill dollar market sales abroad and exporter must show export from the west coast to a destination west of the 170th meridian, west longitude, and east of the 60th meridian, east longitude, and to countries on the west coast of Central and South America.

B. CCC will sell wheat for export under Announcement GR-261 (Revision II, Jan. 9, 1961, as amended and supplemented) subject to the following:

(1) All classes will be sold subject to offers which include the price at which the buyer proposes to purchase the wheat.

(2) All classes will be sold to fill dollar market sales abroad and exporter must show export from the west coast to a destination within the geographical limitation shown in A(2) above.

(3) All classes will be sold for application to barter contracts entered into pursuant to invitations for barter offers dated prior to August 26, 1966. However, CCC-owned wheat will not be sold for barter at west coast ports.

C. Announcement GR-262 (Revision II, Jan. 9, 1961, as amended) for export as flour as follows: All classes will be sold for application to barter contracts entered into pursuant to invitations for barter offers dated prior to August 26, 1966. However, sales for barter will not be made at west coast ports barter will not be made at west coast ports.

D. CCC will not sell wheat under Announcement GR-346 until further notice.

Available. Chicago, Kansas City. Minneapolis, and Portland ASCS offices.

#### CORN, BULK

Unrestricted use.

A. Redemption of domestic payment-inkind certificates. Such CCC dispositions of corn as CCC may designate will be in redemption of certificates or rights represented by pooled certificates under a feed grain program. The price at which corn shall be valued for such dispositions shall be the market price as determined by CCC, but not less than 115 percent of the applicable 1967 price-support loan rate 2 for the class, grade, and quality of the corn plus the markup shown in C of this unrestricted use section.

B. General sales.

1. Storable Such CCC dispositions of storable corn as CCC may designate as general sales will be made during the month at market price, as determined by CCC, but not less than the Agricultural Act of 1949 formula minimum price for such sales which is 105 percent of the applicable 1967 price support (published loan rate plus 19 cents per bushel) for the class, grade, and quality of the corn, plus the markup shown in C

of this unrestricted use section.

2. Nonstorable. At not less than market price as determined by CCC.

Markups and examples (dollars per bushel in-store 1 basis No. 2 yellow corn 14 percent M.T. 2 percent F.M.) .

Markup in- store received by—	Examples
\$0.14}4	Feed grain program domestic PIK certificate minimums: McLean County, Ill. (\$1.08+\$0.023\$) 115 percent +\$0.143\$; \$1.423\$. Agricultural Act of 1949; stat. minimums: McLean County, Ill. (\$1.08+\$0.023\$ +\$0.19): 105 percent +\$0.143\$; \$1.503\$.

Available, Chicago, Kansas City, Minne-apolis, and Portland ASCS grain offices. Export. Corn from CCC inventory is not

available for export sale.

#### GRAIN SORGHUM (BULK)

Unrestricted use.

A. Redemption of domestic payment-in-kind certificates. Such CCC dispositions of grain sorghum as CCC may designate will be in redemption of certificates or rights represented by pooled certificates under a feed grain program. The minimum price at which grain sorghum shall be valued for such dispositions shall be market price, as determined by CCC, but not less than 115 percent of the applicable 1967 price-support loan rate <sup>2</sup> for the class, grade, and quality of the grain sorghum, plus the markup shown in C of this unrestricted use section applicable to the type of carrier involved.

B. General sales.

1. Storable. Such CCC dispositions of storable grain sorghum as CCC may designate as general sales will be made during the month at market price, as determined by CCC, but not less than the Agricultural Act of 1949 formula minimum price for such sales which is 105 percent of the applicable 1967 pricesupport rate 2 (published loan rate plus 34 cents per hundredweight) for the class, grade, and quality of the grain sorghum, plus the markup shown in C of this unrestricted use section applicable to the type of carrier involved.

2. Nonstorable. At not less than market price as determined by CCC.

C. Markups and examples (dollars per hundredweight in-store 1 No. 2 or better).

Markup in-store received by—		
Truck	Rail or barge	Examples
\$0.2434	\$0, 2034	Feed grain program domestic PIK certificate minimums:  Hale County, Tex. (\$1.59) 115 percent +80.24½; \$2.073½.  Kansas City, Mo. (ex-rail) (\$1.85) 115 percent +80.20½; \$2.33¾.  Agricultural Act of 1949; \$tat. minimums:  Hale County, Tex. (\$1.59+\$0.34); 105 percent +80.24¾; \$2.27¾.  Kansas City, Mo. (ex-rail) (\$1.85 +\$0.34); 105 percent +\$0.20½; \$2.50½.

Sales are made at the higher of the domestic market price, as determined by CCC. or 115 percent of the applicable 1967 pricesupport loan rate plus carrying charges in section C. The statutory minimum price referred to in the price adjustment provisions of the following export sales announcements is 105 percent of the applicable price-support rate plus the markup referred to in C of the unrestricted use section for grain sorghum. Sales will be made pursuant to the following announcement:

A. Announcement GR-212 (Revision 2, Jan. 9, 1961) for application to barter contracts entered into pursuant to invitations for barter offers dated prior to August 26, 1966, and for cash or other designated sales.

Available. Kansas City, Chicago, Minneapolis, and Portland ASCS grain offices.

#### BARLEY, BULK

Unrestricted use.

A. Storable. Market price, as determined by CCC, but not less than 115 percent of the applicable 1967 price-support rate " for the class, grade, and quality of the barley plus the applicable markup.

B. Markups and examples (Dollars per bushel in-store 1 No. 2 or better).

Markup in-store received by—		Examples
Truck	Rail or barge	
\$0, 1734	\$0.15	Cass County, N. Dak. (\$0.87); 115 percent +\$0.17 <sup>1</sup> / <sub>2</sub> ; \$1.18 <sup>1</sup> / <sub>2</sub> . Minneapolis, Minn. (ex-rail) (\$1.10); 115 percent +\$0.15; \$1.42.

C. Nonstorable. At not less than market price as determined by CCC.

Ernort

Sales are made at the higher of the domestic market price, as determined by CCC or 115 percent of the applicable 1967 priceloan rate plus carrying charges in section B. The statutory minimum price referred to in the price adjustment provisions of the following export sales announcement is 105 percent of the applicable price-support rate plus the markup referred to in B of the unrestricted use section for barley. Sales will be made pursuant to the following announcement:

A. Announcement GR-212 (Revision 2, Jan. 9, 1961) for cash or other designated

Available, Chicago, Kansas City, Minneapolis, and Portland grain offices.

### OATS, BULK

Unrestricted use.

A. Market price, as determined by CCC, but not less than 115 percent of the applicable 1967 price-support rate 1 for the class, grade, and quality of the oats plus the markup shown in B below.

B. Markups and examples (dollars per bushel in-store Basis No. 2 XHWO).

Markup instore received by—	Examples—Agricultural Act of 1949; Stat. minimum
Truck	
\$0, 1736	Redwood County, Minn. (\$0.60+\$0.03 quality differential); 115 percent +\$0.17½; \$0.90½.

C. Nonstorable. At not less than the market price as determined by CCC.

Export. Sales are made at the higher of the domestic market price, as determined by CCC, or 115 percent of the applicable 1967 price-support loan rate plus carrying charges in section B. The statutory minimum price referred to in the price adjustment provisions of the following export sales announcements is 105 percent of the applicable pricesupport rate plus the markup referred to in B of the unrestricted use section for oats. Sales will be made pursuant to the following announcement:

A. Announcement GR-212 (Revision 2, Jan. 9, 1961), for application to barter contracts and for cash or other designated sales.

Available. Kansas City, Chicago, Minneapolis, and Portland ASCS grain offices.

#### RYE, BULK

Unrestricted use.

A. Storable. Market price, as determined by CCC, but not less than the Agricultural Act of 1949 formula price which is 115 percent 2 of the applicable 1967 price-support rate for the class, grade, and quality of the grain plus the markup shown in B below

applicable to the type of carrier involved.

B. Markups and examples (dollars per

bushel in-store 1 No. 2 or better).

Markup in-store received by—		Examples—Agricultural Act of 19- Stat. minimum	
Truck	Rail or barge		
\$0.171/2	\$0, 15	Rolette County, N. Dak. (\$0.90); 115 percent +\$0.173/5; \$1.213/2. Minneapolis, Minn. (ex-rail) (\$1.23); 115 percent +\$0.15; \$1.57.	

C. Nonstorable. At not less than market price as determined by CCC.

Export.

Sales are made at the higher of the domestic market price, as determined by CCC, or 115 percent of the applicable 1967 pricesupport loan rate plus carrying charges in section B. The statutory minimum price referred to in the price adjustment provisions of the following export sales announcement is 105 percent of the applicable pricesupport rate plus the markup referred to in of the unrestricted use section for rve. Sales will be made pursuant to the following announcement:

A. Announcement GR-212 (Revision 2, Jan. 9, 1961) for cash or other designated

Available, Chicago, Kansas City, Portland, and Minneapolis ASCS grain offices.

# RICE, ROUGH

Unrestricted use.

Market price but not less than 1967 loan rate plus 5 percent plus 41 cents per hundredweight, basis in store.

Export.

As milled or brown under Announcement GR-369, Revision III, as amended, Rice Export Program.

Available. Prices, quantities, and varieties of rough rice available from Kansas City ASCS Commodity Office.

#### COTTON, UPLAND

Unrestricted use.

A. Competitive offers under the terms and conditions of Announcement NO-C-32 (Sale of Upland Cotton for Unrestricted Use). Under this announcement, upland cotton acquired under price-support programs will be sold at the highest price offered but in no event at less than the higher of (a) 110 percent of the current loan rate for such cotton, or (b) the market price for such cotton, as determined by CCC.

B. Competitive offers under the terms and conditions of Announcement NO-C-31 (Disposition of Upland Cotton-In Redemption

of Payment-In-Kind Certificates or Rights in Certificate Pools, In Redemption of Export Commodity Certificates, Against the "Shortand Under Barter Transactions), as amended. Cotton may be acquired for immediate delivery at its current market price, as determined by CCC, but not less than a minimum price determined by CCC. Cotton may be acquired for delivery on August 1, 1968, at the market price for cotton for delivery at such future time, as determined by CCC, but not less than a minimum price determined by CCC. Minimum prices for both immediate and delayed delivery will in no event be less than 120 points (1.2 cents) per pound above the loan rate for such cotton at the time it is to be delivered.

Export.

CCC disposals for barter. Competitive offers under the terms and conditions of Announcements CN-EX-28 (Acquisition of Upland Cotton for Export under the Barter Program) and NO-C-31 (described above), as amended.

#### COTTON, EXTRA LONG STAPLE

Unrestricted use.

Competitive offers under the terms and conditions of Announcements NO-C-6. (Revised July 22, 1960), as amended, and NO-C-10. as amended. Under these announcements extra long staple cotton (domestically grown) will be sold at the highest price offered but in no event at less than the higher of (a) 115 percent of the current support price for such cotton plus reasonable carrying charges, or (b) the domestic market price as determined by CCC.

Export

A. CCC sales for export. Competitive offers under the terms and conditions of Announcements CN-EX-22 (Extra Long Staple Cotton Export Program) and NO-C-27 (Sale of Extra Long Staple Cotton), as amended.

B. Barter. Competitive offers under the terms and conditions of Announcement CN-EX-27 (Acquisition of Extra Long Staple Cotton for Export under the Barter Program), and NO-C-27 (Sale of Extra Long Staple Cotton), as amended.

COTTON, UPLAND OR EXTRA LONG STAPLE

Unrestricted use.

Competitive offers under the terms and conditions of Announcement NO-C-20 (Sale of Special Condition Cotton). Any such cot-(Below Grade, Sample Loose, Damaged Pickings, etc.) owned by CCC will be offered for sale periodically on the basis of samples representing the cotton according to schedules issued from time to time by CCC.

Availability information.

Sale of cotton will be made by the New Orleans ASCS Commodity Office, Sales announcements, related forms and catalogs for upland cotton and extra long staple cotton showing quantities, qualities, and location may be obtained for a nominal fee from that

#### PEANUTS, SHELLED

When stocks are available in their area of responsibility, the quantity, type, and grade offered and whether for restricted or unrestricted use are announced in weekly lot lists are invitations to bid issued by the following:

GFA Peanut Association, Camilla, Ga. Peanut Growers Cooperative Marketing Association, Franklin, Va.

Southwestern Peanut Growers' Associa-

tion, Gorman, Tex.

A. Restricted use sales. Announcement PR-1 as amended, and the lot list contain terms and conditions of sales restricted to domestic or export.

1. Shelled peanuts of less than U.S. No. 1 grade may be purchased for foreign or domestic crushing.

All sales are made on the basis of competitive bids each Wednesday, by the Pro-

ducer Associations Division, Agricultural CHEDDAR CHEESE (STANDARD MOISTURE BASIS)
Stabilization and Conservation Service,
Washington, D.C. 20250, to which all bids are

Unrestricted use.

Announced prices under MP-14: 50 750 submitted.

#### TUNG OIL

Unrestricted use.

Sales are made periodically on a competitive bid basis. Bids are submitted to the Producer Association Division, Agricultural Stabilization and Conservation Washington, D.C. 20250.

The quantity offered and the date bids are to be received are announced to the trade in notices of Invitation to Bid, issued by the National Tung Oil Marketing Cooperative, Inc., Poplarville, Miss. 39470.

Terms and conditions of sale are as set forth in Announcement NTOM-PR-4 of April 6, 1967, as amended, and the applicable Invitation to Bid.

Bids will include, and be evaluated on the basis of, price offered per pound f.o.b. storage location. For certain destinations, CCC will as provided in the Announcement, as amended, refund to the buyer a "freight equalization" allowance.

Copies of the Announcement or the Invitation may be obtained from the Cooperative Producer Associations Division, ASCS, Telephone Washington, D.C., area code 202, DU 8-3901.

#### FLAXSEED, BULK

Unrestricted use.

A. Storable. Domestic market price but not less than the applicable 1967 support price for the class, grade, and quality of flaxseed plus 14½ cents per bushel, and plus the respective markup shown in B below applicable to the type of carrier involved.

B. Markups and examples (dollars per bushel in-store1).

Markup per bushel received by—				
Truck	Rail or barge	Terminal	Class and grade	Price
\$0.193/2	\$0.151/4	Minneapolis	No. 1	\$3, 44%

C. Nonstorable. At not less than domestic market price as determined by CCC. Available. Through the Minneapolis ASCS

Branch Office.

### DATRY PRODUCTS

Sales are in carlots only in-store at storage location of products. Submission of offers.

Submit offers to the Minneapolis ASCS Commodity Office.

#### NONFAT DRY MILK

Unrestricted use.

Announced prices, under MP-14: Spray process, U.S. Extra Grade, 25.40 cents per pound packed in 100-pound bags and 25.65 cents per pound packed in 50-pound bags.

Export.

Announced prices, under MP-23, pursuant to invitations issued by Minneapolis ASCS Commodity Office. Invitations will indicate the type of export sales authorized, the announced price and the period of time such price will be in effect.

#### BUTTER

Unrestricted use.

Announced prices, under MP-14: 74 cents per pound—New York, Pennsylvania, New Jersey, New England, and other States bordering the Atlantic Ocean and Gulf of Mexico. 73.25 cents per pound—Washington, Oregon and Celifornia. Oregon, and California. All other States 73 cents per pound.

Announced prices, under MP-14: 52.750 cents per pound—New York, Pennsylvania, New England, New Jersey, and other States bordering the Atlantic Ocean and Ocean and the Gulf of Mexico. All other States 51.750 cents per pound.

#### FOOTNOTES

The formula price delivery basis for binsite sales will be f.o.b.

2 Round product up to the nearest cent.

USDA AGRICULTURE STABILIZATION AND CON-SERVATION SERVICE OFFICES

#### GRAIN OFFICES

Kansas City ASCS Commodity Office, 8930 Ward Parkway (Post Office Box 205), Kansas City, Mo. 64141. Telephone: Emerson 1-0860.

Alabama, Alaska, Arizona, Arkansas, Colorado, Florida, Georgia, Hawaii, Kansas, Louisiana, Mississippi, Missouri, Nebraska, Nevada, New Mexico, North Carolina, Oklahoma, South Carolina, Tennessee, Texas, and Wyoming (domestic and export), California (domestic only)

Branch Office—Chicago ASCS Branch Office, 226 West Jackson Boulevard, Chicago, Ill. 60604. Telephone: Area Code 312.

353-6581.

Delaware, Illinois, Indiana, Connecticut. Iowa, Kentucky, Maine, Maryland, Massachusetts, Michigan, New Hampshire, New Jersey, New York, Ohio, Pennsylvania, Rhode Island, Virginia, Vermont, and West Virginia.

Branch Office-Minneapolis ASCS Branch Office, 310 Grain Exchange Building, Minneapolis, Minn. 55415. Telephone:

334-2051.

Minnesota, Montana, North Dakota, South Dakota, and Wisconsin.

Branch Office—Portland ASCS Branch Office, 1218 Southwest Washington Street, Portland, Oreg. 97205. Telephone: 226-

3361.
Idaho, Oregon, Utah, and Washington (domestic and export sales), California (export sales only).

PROCESSED COMMODITIES OFFICE—(ALL STATES)

Minneapolis ASCS Commodity Office, 6400 France Avenue South, Minneapolis, Minn. 55435. Telephone: Area Code 612, 334-3200.

#### COTTON OFFICE (ALL STATES)

New Orleans ASCS Commodity Office, Wirth Building, 120 Marais Street, New Orleans, La. 70112. Telephone: 527-7766.

# GENERAL SALES MANAGER OFFICES

Representative of General Sales Manager, New York Area: Joseph Reidinger, 80 Lafayette Street, New York, N.Y. 10013. Telephone: 264-8439, 8440, 8441.
Representative of General Sales Manager,

West Coast Area: Callan B. Duffy, Appraisers' Building, Room 802, 630 Sansome Street, San Francisco, Calif. 94111. Telephone: 556-6185.

#### ASCS STATE OFFICES

Illinois, Room 232, U.S. Post Office and Courthouse, Springfield, Ill. 62701. Telephone: Area Code 217, 525-4180.

Indiana, Room 110, 311 West Washington Street, Indianapolis, Ind. 46204. Telephone: Area Code 317, 633-8521.

Iowa, Room 937, Federal Building, 210 Walnut Street, Des Moines, Iowa 50309. Telephone: Area Code 515, 284-4213.

Kansas, 2601 Anderson Avenue, Manhattan, Kans. 66502, Telephone: Area Code 913, JE 9-3531.

Michigan, 1405 South Harrison Road, East Lansing, Mich, 48823, Telephone: Area Code 517, 372-1910.

Missouri, I.O.O.F. Building, 10th and Walnut Streets, Columbia, Mo. 65201. Tele-

phone: Area Code 314, 442-3111.

Minnesota, Federal Building and U.S. Courthouse, 1821 University Avenue, St. Paul, Minn. 55104. Telephone: Area Code 612, 228-7651.

Montana, Post Office Box 670, U.S.P.O. and Federal Office Bullding, Bozeman, Mont. 59715. Telephone: Area Code 406, 587–4511, Ext. 3271.

Nebraska, Post Office Box 793, 5801 O Street, Lincoln, Nebr. 68501. Telephone: Area Code 402, 475-3361.

North Dakota, Post Office Box 2017, 15 South 21st Street, Fargo, N. Dak. 58103. Telephone: Area Code 701, 237-5205.

Ohio, Room 202, Old Federal Building, Columbus, Ohio 43215. Telephone: Area Code 614, 469-5644.

South Dakota, Post Office Box 843, 239 Wisconsin Street SW., Huron, S. Dak. 57350. Telephone: Area Code 605, 352-8651, Ext. 321 or 310.

Wisconsin, Post Office Box 4248, 4601 Hammersley Road, Madison, Wis. 53711. Telephone: Area Code 608, 254 4441, Ext. 7535.

(Sec. 4, 62 Stat. 1070, as amended; 15 U.S.C. 714b. Interpret or apply sec. 407, 63 Stat. 1066; sec. 105, 63 Stat. 1051, as amended by 76 Stat. 612; secs. 303, 306, 307, 76 Stat. 614-617; 7 U.S.C. 1441 (note))

Signed at Washington, D.C., on May 1, 1968

E. A. JAENKE, Acting Executive Vice President, Commodity Credit Corporation.

[F.R. Doc. 68-5384; Filed, May 3, 1968; 8:47 a.m.]

Federal Crop Insurance Corporation
[Notice 37]

# CORN AND SOYBEANS IN IOWA

# Extension of Closing Date for Filing of Applications for 1968 Crop Year

Pursuant to the authority contained in § 401.3 of Title 7 of the Code of Federal Regulations, and pursuant to paragraph 1 of the resolution adopted by the Board of Directors of the Federal Crop Insurance Corporation on March 19, 1954, the time for filing applications for corn and soybean crop insurance for the 1968 crop year in all counties in Iowa where such insurance is otherwise authorized to be offered is hereby extended until the close of business on May 10, 1968. Such applications received during this period will be accepted only after it is determined that no adverse selectivity will result.

> JOHN N. LUFT, Manager,

Federal Crop Insurance Corporation.

[F.R. Doc. 68-5366; Filed, May 3, 1968; 8:46 a.m.]

[Notice 38]

# CORN AND SOYBEANS IN ILLINOIS AND CERTAIN OTHER STATES

Extension of Closing Date for Filing of Applications for 1968 Crop Year

Pursuant to the authority contained in  $\S 401.3$  of Title 7 of the Code of Federal

Regulations, and pursuant to paragraph 1 of the resolution adopted by the Board of Directors of the Federal Crop Insurance Corporation on March 19, 1954, the time for filing applications for corn and soybean crop insurance for the 1968 crop year in all counties in Illinois, Indiana, Michigan, Ohio, Pennsylvania, and Wisconsin where such insurance is otherwise authorized to be offered is hereby extended until the close of business on May 10, 1968. Such applications received during this period will be accepted only after it is determined that no adverse selectivity will result.

JOHN N. LUFT,

Manager,

Federal Crop Insurance Corporation.

[F.R. Doc. 68-5367; Filed, May 3, 1968;
8:46 a.m.]

# DEPARTMENT OF COMMERCE

Bureau of International Commerce [Case No. 382]

# EMIL BLASCHKE AND CO., GmbH Order Denying Export Privileges

In the matter of Emil Blaschke and Emil Blaschke & Co., GmbH, Schorndorfer Strasse 20, 7057 Endersback (Stuttgart), Federal Republic of Ger-

many, Respondents.

By charging letter dated August 15, 1967, the above respondents were charged by the Director, Investigations Division, Office of Export Control with violations of the Export Control Act and regulations. The respondents were represented by counsel and filed an answer but did not request an oral hearing and, pursuant to § 382.7 of the Export Regulations an oral hearing was deemed to be waived. An informal hearing was held on December 12, 1967, at which a representative of the General Counsel's Office of the Department of Commerce, on behalf of the Investigations Division, presented documentary evidence for the purpose of supporting the charges.

Following the informal hearing the Compliance Commissioner, to resolve certain questions that were raised by the pleadings and evidence, served written interrogatories on respondents pursuant to § 382.6 of the Export Regulations. The respondents answered the interrogatories. Thereafter the Government amended the charging letter to conform certain allegations therein to the facts disclosed in the answers to the inter-

rogatories.

The charging letter, as amended, alleges in substance that respondents violated certain specific sections of the Export Regulations in that in December 1965 they received in West Germany from a supplier in the United States seven machines used in processing synthetic fibers and that contrary to the destination control statement and oral notification by a representative of the U.S. Government against unauthorized reexportation they combined the said seven machines with certain stretch-

winding machines and sold them to persons they knew intended to and did in fact reexport them to Communist China.

The respondents admit that they received the machines; that the invoice they received bore the destination control statement; that a stretch-winding machine with four of the machines in question was shipped on March 22, 1966, to Communist China; that a stretch-winding machine with the remaining three machines in question was shipped on September 2, 1966, to a person known by respondents as intending to reexport the machines to Communist China.

The respondents presented a number of matters by way of defense and mitigation. Principally, and in substance, respondents claim that the proposal and order form from the U.S. supplier contained no reference to destination control; that the destination control notice in the invoice, which was in English, did not come to the attention of those who could understand it; that they were not notified orally by a representative of the U.S. Government of the restrictions on reexportation; that at all times they intended to reexport the machines in question and so advised a representative of the U.S. supplier and that no restrictions on reexportation were mentioned; that if they had been advised of the restrictions on reexportation at the time they were negotiating to purchase the machines they would not have placed the order; that in making the sales of March 22, and September 2, 1966, they did not intend to violate any law of the United States.

The Compliance Commissioner has considered the pleadings in the case (including the various matters presented by respondents in defense and mitigation) and the evidence, and he has submitted to the undersigned a written report which includes a summary of the evidence, findings of fact, and findings that violations have occurred. He has recommended that remedial action as hereinafter set forth be taken against respondents. The Compliance Commissioner has also submitted the record in the case including charging letter and amendment, respondents' answer, and exhibits.

With reference to the culpability of the respondents, the Compliance Commissioner said:

It is acknowledged by respondents that they reexported four of the (machines in question) to Communist China on March 22, 1966, and that three of the machines were reexported on September 2, 1966, to a party who respondents knew intended to reexport the machines to Communist China. The machines, in fact, were reexported to that destination.

With respect to both reexportations respondents disclaim knowledge of the restrictions on the reexportation of the machines in question to Communist China and deny any intention to violate the laws of the United States.

The political relationship that has for years existed between the United States and Communist China is well known throughout the world. The U.S. embargo on the exportation or reexportation of U.S.-origin commodities or technical data to Communist China has been in effect since 1950. It is

difficult to believe that a businessman engaged in importing and exporting U.S.-origin commodities and who trades with Communist China would not at least, in a general way, be aware of the fact that there are U.S. restrictions on the shipment of U.S.origin goods to that country. The respondents' conduct in connection with the transaction was not that of innocent parties. When first interviewed concerning the enduse of the machines in July 1966 Blaschke indicated that all the machines were then on his premises and stated that no final decision had been made as to their use, although at that time he had already shipped four of the machines to Communist China. He was told at that time of the U.S. restrictions on shipments of U.S.-origin goods to Communist China. At the August 1966 interview Blaschke again concealed the true facts as to the disposition of the machines. At that time three machines were on the Blaschke premises and he said that four of the machines were at the (premises of another) firm. (The other) firm in fact had only one machine. Again at the February 1967 interview Blaschke was not forthright. At that time he said that five of the machines had been shipped to Red China, whereas in fact all seven of the machines in question had been reexported for that destination.

These repeated deceptions by respondents weigh heavily against their claim that they acted innocently. The fact is, and I find, that they had specific knowledge of the restrictions on the reexportation of the machines at least as early as January 1966 when they received the \*\* invoice with destination control statement. The invoice was seen by Blaschke who can read and understand the English language. Further, on July 11, 1966, a careful explanation of the U.S. export regulations was given to Blaschke and his attention was called to the destination control statement. Notwithstanding this notification respondents made the exportation of the machines on September 2, 1966, which they knew was intended for Communist China. Respondents did not seek or obtain authorization from the U.S. Department of Commerce for either the March or September exportation.

After considering the record in the case, I hereby make the following findings of fact:

- 1. The respondent Emil Blaschke and Co., GmbH, is a limited liability company located in Endersback near Stuttgart, West Germany. It is in the business of manufacturing and distributing machines for processing synthetic fibers. The respondent Emil Blaschke at the time here material had a 50 percent interest in the company and was its general manager. As a principal official of the company he participated in and was responsible for the transaction in question. The respondent company and Blaschke individually will be referred to as respondents.
- 2. Pursuant to an order received from respondents, a U.S. manufacturer exported to respondents in December 1965 seven take-up machines used for winding in the processing of synthetic fibers, having a total value of \$6,342. The said machines were received by respondents at their place of business in West Germany.
- 3. The commercial invoice for the machines from the supplier to the respondents bore a destination control notice, in accordance with § 379.10(c) (2) of the Export Regulations, stating that

the commodities described therein were licensed by the United States for ultimate destination West Germany and that diversion contrary to U.S. law was prohibited. Early in January 1966 the commercial invoice came to the attention of, and was seen by, respondent Blaschke who was able to read and understand the destination control statement.

4. The respondents combined four of the take-up machines in question with a stretch-winding machine and on March 22, 1966, in contravention of the destination control notice, reexported said take-up machines as combined to a consignee in Communist China.

5. On or about July 11, 1966, a representative of the U.S. Government called on respondents at their place of business and carefully explained to them the applicable provisions of the U.S. Export Regulations and the purpose of the destination control notice and advised them of the consequences of violations of the said regulations.

6. The respondents combined the three remaining take-up machines in question with a stretch-winding machine and on September 2, 1966, notwithstanding the destination control statement and the oral notification of prohibition against diversion, they reexported said take-up machines so combined to a party at a destination outside of West Germany with knowledge that said party intended to reexport the said take-up machines to Communist China. The said party did in fact reexport said machines to Communist China.

7. The respondents did not request or obtain authorization from the U.S. Department of Commerce to reexport any of the take-up machines in question from West Germany.

Based on the foregoing, I have concluded that the respondents violated \$\$ 381.2 and 381.6 of the U.S. Export Regulations in that they did and caused the following acts: Without authorization from the Office of Export Control, they knowingly reexported, transshipped, and diverted U.S.-origin commodities to Communist China contrary to the provisions of the Export Regulations, and also contrary to provisions and conditions of an export control document and notification of prohibition against such action.

As to the sanction that should be imposed the Compliance Commissioner said:

I now turn to the sanction that should be imposed on respondents. I have already mentioned the important aspects of the case unfavorable to respondents. At the July and August 1966 interviews they were uncooperative and gave no indication that some of the machines had already gone to Communist China and that the others were intended to go. However, in February 1967 they admitted that some of the machines had gone to that destination. While there are some aspects of their answer to the charging letters that are misleading and not in accordance with the facts, as I have found them, it must be acknowledged in the respondents' favor that here they admitted reexportation of the seven machines to Communist China. As the case progressed

the respondents became more cooperative and their answers to interrogatories in February 1968, for the most part, appear to be quite truthful, even on some points in which the answers do not give support to some of their earlier contentions. However, I do not accept respondents' version of the July 11, 1966, interview.

The machines in question, valued at approximately \$6,300, were not of military character or of strategic nature. Reexportation of the machines to Communist China, even though prohibited under the general embargo on the shipment of U.S. goods to that country, was forbidden for reasons other than national security.

The respondents have not questioned the authority of this Government to control reexportations of U.S.-origin commodities. They said that they were not aware of the restrictions with regard to these machines. However, it has been found that they were aware of the restrictions. They did not take the necessary steps to avoid becoming involved in violations.

The purpose of sanctions in a case of this type is to bring about compliance with the Export Control Act and regulations and also to act as a deterrent as to future violations. I do not believe that these respondents are incorrigible. I believe that if they are denied export privileges for 1 year and thereafter placed on probation for 3 years the purposes of sanctions in cases of this type will be accomplished. I recommend such a sanction.

Now after considering the record in the case and the report and recommendation of the Compliance Commissioner and being of the opinion that his recommendation as to the sanction that should be imposed is fair and just and calculated to achieve effective enforcement of the law: It is hereby ordered:

I. All outstanding validated export licenses in which respondents appear or participate in any manner or capacity are hereby revoked and shall be returned forthwith to the Bureau of International Commerce for cancellation.

II. Except as qualified in Part IV hereof, the respondents for a period of 4 years from the effective date of this order are hereby denied all privileges of participating, directly or indirectly, in any manner or capacity, in any transaction involving commodities or technical data exported from the United States, in whole or in part, or to be exported, or which are otherwise subject to the export regulations. Without limitation of the generality of the foregoing, partici-pation prohibited in any such transaction, either in the United States or abroad, shall include participation: (a) As a party or as a representative of a party to any validated export license application; (b) in the preparation or filing of any export license application or reexportation authorization, or document to be submitted therewith; (c) in the obtaining or using of any validated or general export license or other export control documents; (d) in the carrying on of negotiations with respect to, or in the receiving, ordering, buying, selling, delivering, storing, using, or disposing of any commodities or technical data; (e) in the financing, forwarding, transporting, or other servicing of such commodities or technical data.

III. Such denial of export privileges shall extend not only to the respondents,

but also to their representatives, agents, partners, and employees, and also to any person, firm, corporation, or other business organization with which they now or hereafter may be related by affiliation, ownership, control, position of responsibility, or other connection in the conduct of trade or services connected therewith.

IV. One year after the effective date hereof, without further order of the Bureau of International Commerce, the respondents shall have their export privileges restored conditionally and thereafter for the remainder of the denial period the respondents shall be on probation. The conditions of probation are that the respondents shall fully comply with all requirements of the Export Control Act of 1949, as amended, and all regulations, licenses, and orders issued thereunder.

V. Upon a finding by the Director, Office of Export Control, or such other official as may be exercising the duties now exercised by him, that the respondents have knowingly failed to comply with the requirements and conditions of this order or with any of the conditions of probation, said official at any time, with or without prior notice to said respondents. by supplemental order, may revoke the probation of said respondents, revoke all outstanding validated export licenses to which said respondents may be parties and deny to said respondents all export privileges for a period up to 3 years. Such order shall not preclude the Bureau of International Commerce from taking further action for any violation as shall be warranted. On the entry of a supplemental order revoking respondents' probation without notice, they may file objections and request that such order be set aside, and may request an oral hearing, as provided in § 382.16 of the Export Regulations, but pending such further proceedings, the order of revocation shall remain in effect.

VI. During the time when the respondents or other persons within the scope of this order are prohibited from engaging in any activity within the scope of Part II hereof, no person, firm, corporation, partnership, or other business organization, whether in the United States or elsewhere, without prior disclosure to and specific authorization from the Bureau of International Commerce, shall do any of the following acts, directly or indirectly, in any manner or capacity, on behalf of or in any association with the respondents or other persons denied export privileges within the scope of this order, or whereby said respondents or such other persons may obtain any benefit therefrom or have any interest or participation therein, directly or indirectly; (a) apply for, obtain, transfer, or use any license, Shipper's Export Declaration, bill of lading, or other export control document relating to any exportation, reexportation, transshipment, or diversion of any commodity or technical data exported or to be exported from the United States, by, to, or for the respondents or other persons denied export privileges within the scope of this order; or (b) order, buy, receive,

use, sell, deliver, store, dispose of, forward, transport, finance, or otherwise service or participate in any exportation, reexportation, transshipment, or diversion of any commodity or technical data exported or to be exported from the United States.

This order shall become effective on May 6, 1968.

Dated: April 26, 1968.

SHERMAN R. ABRAHAMSON, Acting Director, Office of Export Control.

[F.R. Doc. 68-5354; Filed, May 3, 1968; 8:45 a.m.]

# Maritime Administration [Docket No. S-210]

### AMERICAN EXPORT ISBRANDTSEN LINES, INC.

### Notice of Application

Notice is hereby given of letter dated April 11, 1968, of American Export Isbrandtsen Lines, Inc., which is considered as an application for permission, under section 805(a) of the Merchant Marine Act, 1936, as amended, to permit its affiliated company, The Cleveland-Cliffs Iron Co., to charter eight bulk ore carriers on a bareboat basis from its wholly owned subsidiary, The Cleveland-Cliffs Steamship Co., and to operate such vessels exclusively on the Great Lakes, and the St. Lawrence River, and sometimes between U.S. ports.

Interested parties may inspect this application in the Office of Government Aid, Maritime Administration, Room 4077, GAO Building, 441 G Street NW., Washington, D.C.

Any person, firm, or corporation having any interest (within the meaning of section 805(a)) in such application and desiring to be heard on issues pertinent to section 805(a) or desiring to submit comments or views concerning the application must, by close of business on May 17, 1968, file same with the Secretary, Maritime Subsidy Board/Maritime Administration in writing, in triplicate. together wth petition for leave to intervene which shall state clearly and concisely the grounds of interest, and the alleged facts relied on for relief. Notwithstanding anything in § 201.78 of the rules of practice and procedure (46 CFR Part 201), petitions for leave to intervene received after the close of business on May 17, 1968, will not be considered in this proceeding.

If no petitions for leave to intervene are received within the specified time, or if it is determined that petitions filed do not demonstrate sufficient interest to warrant a hearing, the Maritime Subsidy Board/Maritime Administration will take such action as may be deemed appropriate.

In the event petitions to be heard on the application are received from parties with standing, a hearing has been tentatively scheduled for May 23, 1968, at 10 a.m., in Room 4519, General Accounting Office Building, 441 G Street NW. Washington, D.C. The purpose of the hearing will be to receive evidence under section 805(a) relative to whether the proposed operation (a) could result in unfair competition to any person, firm or corporation operating exclusively in the coastwise or intercoastal service or (b) would be prejudicial to the objects and policy of the Act.

By order of the Maritime Subsidy Board/Maritime Administration.

Dated: May 2, 1968.

James S. Dawson, Jr., Secretary.

[F.R. Doc. 68-5444; Filed, May 3, 1968; 8:47 a.m.]

# Office of Foreign Direct Investments FOREIGN DIRECT INVESTMENT

### Extension of Date for Filing Revisions to Form FDI-101 and Amended Form FDI-101

Notice is hereby given to persons whose most recently filed Form FDI-101 contained estimated amounts that the date by which a revised Form FDI-101 must be filed has been extended from May 6, 1968 (as stated in the Instructions For Completing The Base Period Report On Amended Form FDI-101) to June 10, 1968.

JOSEPH W. BARTLETT, Acting Director, Office of Foreign Direct Investments.

MAY 2, 1968.

[F.R. Doc. 68-5443; Filed, May 3, 1968; 8:47 a.m.]

# DEPARTMENT OF HEALTH, EDUCA-TION, AND WELFARE

Office of the Secretary

# INSTANT NONFAT DRY MILK PROGRAM

# Notice of Memorandum of Understanding

The Department of Agriculture and the Department of Health, Education, and Welfare have reached a policy agreement to serve as a basis for the development of consistent regulations and recommendations for standards and ordinances covering instant nonfat dry milk and for farms producing manufacturing grade milk.

Public Health Service will continue to publish revisions of its proposed ordinance and code in regard to Grade A fluid milk and Grade A dry milk products used in Grade A pasteurized milk and milk products.

For instant nonfat dry milk for household use or for institutional use, standards will be established which approximate those of the PHS recommended bacterial count for Grade B milk received at the plant. Only commingled milk which meets these standards will be used

milk

PHS recommended ordinance and USDA recommended minimum standards for farms producing manufacturing-grade milk will be consistent and will include mandatory farm inspection. They will also include inspection of milk from individual farms at the primary receiving station. Where the primary receiving station is the same as the dry milk manufacturing plant, present USDA practices for handling probational or unacceptable milk, on the basis of the standards to be set, will be applied. Otherwise, milk received at primary stations approaching or exceeding the maximum allowable limits of bacterial count, sediment, and other criteria will be cause for additional farm inspection. Enforcement of farm standards must be left to the State or local authorities.

The standards for plant equipment and good manufacturing practices for in-stant nonfat dry milk proposed in the PHS recommended ordinance and the USDA and FDA regulations for plant maintenance and inspection, etc., are to be in agreement on all criteria in an

explicit manner.

If the above technical agreements are reached, the PHS will include in its recommended ordinance and code for instant nonfat dry milk, a statement that the State or communities may accept USDA plant inspection and the USDA "extra-grade" shield as evidence of compliance with the requirements for the raw commingled milk and with the standards for plant equipment and operation.

It is agreed that the standards should be made progressively more stringent. Conferences of industry and Government representatives should periodically meet to work towards this goal.

Technical staff of both agencies will discuss labeling of the nonfat dry milk products. USDA, PHS, and FDA should

be consistent on this point.

These provisions are contained in a memorandum of understanding signed by the Secretaries of Agriculture and Health, Education, and Welfare in January 1968. Official copies of the memorandum may be obtained from the Dairy Division, Consumer and Marketing Service, U.S. Department of Agriculture, and the Office of Public Information, Department of Health, Education, and Wel-

> LEON JACOBS, Deputy Assistant Secretary for Science, DHEW.

APRIL 16, 1968.

[F.R. Doc. 68-5386; Filed, May 3, 1968; 8:47 a.m.]

# ATOMIC ENERGY COMMISSION

[Docket No. 50-142]

## REGENTS OF UNIVERSITY OF CALIFORNIA

### Notice of Issuance of Facility License Amendment

No request for a hearing or petition for leave to intervene having been filed

proposed action in the FEDERAL REGISTER on April 5, 1968 (33 F.R. 5427), the Atomic Energy Commission has issued, in the form set forth in that notice, Amendment No. 7 to Facility License No. R-71 to the Regents of the University of California.

The amendment authorizes the University to operate the Argonaut-type nuclear reactor, located on its campus in Los Angeles, at increased power levels up to 500 kw for brief periods of time to obtain heat transfer and shield performance data.

Dated at Bethesda, Md., this 23d day of April 1968.

For the Atomic Energy Commission.

DONALD J. SKOVHOLT, Assistant Director for Reactor Operations, Division of Reactor Licensing.

[F.R. Doc. 68-5353; Filed, May 3, 1968;

# CIVIL AERONAUTICS BOARD

[Docket No. 19255; Order E-26731]

### EAST COAST POINTS-EUROPE SERVICE INVESTIGATION

Order Disposing of Petitions for Reconsideration and Motions for Consolidation and Directing Severance

Adopted by the Civil Aeronautics Board at its office in Washington, D.C., on the 1st day of May 1968.

By Order E-25991, November 17, 1967. the Board instituted this investigation to determine whether the public convenience and necessity require new and improved service in foreign air transportation (1) between Miami and London, and (2) between Boston, Hartford, Philadelphia, Washington, D.C., and Baltimore, on the one hand, and points in Norway, Sweden, Denmark, Finland, the Netherlands, Belgium, Luxembourg, Switzerland, Austria, Yugoslavia, Greece, and Turkey, on the other hand. The Board expressly excluded from the scope of the case (1) the possible award of cargo-only authorizations, (2) authorizations of service to the United Kingdom (other than Miami-London), France, Italy, the Federal Republic of Germany, Spain, Portugal, and Ireland, as well as the Eastern European countries (Poland, Rumania, Czechoslovakia, Hungary, Bulgaria, Albania, the U.S.S.R., and the Eastern portion of Germany), and (3) any question of the alteration, amendment, modification, or suspension of the existing certificate authority of Pan American and TWA for transatlantic service under section 401(g) of the Act. Thereafter, petitions for reconsideration or modification of Order E-25991,1 an-

for the production of instant nonfat dry following publication of the notice of swers," and applications and motions to consolidate 3 were filed.

> Essentially, the petitions for reconsideration or modification would (1) expand the proceeding by including with respect to the Miami-London route or the East Coast points-Europe route, or both routes, issues of service to additional U.S. points on the mainland, in the Pacific, and in the Caribbean, and additional countries, or points in countries, in Europe, or by adding new transatlantic routes for consideration; (2) include in the proceeding a question of relaxing a restriction in Northwest's certificate for route 3; (3) include consideration of cargo-only authorizations, as requested by Airlift; (4) exclude consideration of new authorizations to carry property between the United States and those European countries at issue which are presently certificated to receive cargo service by two U.S.-flag carriers, combination or all-cargo (Norway, Sweden, Denmark, the Netherlands, Belgium, and Switzerland), as requested by Seaboard; and (5) exclude consideration of new authorizations to carry property between Miami and London and between the United States and Austria, Finland, Greece, Turkey, and Yugoslavia, unless consideration is given to cargo-only authorizations in these markets, also as requested by Seaboard.

Caribbean Airways, World Airways, several civic bodies (city of Atlanta, Atlanta Freight Bureau, and Atlanta Chamber of Commerce; Charleston Trident Chamber of Commerce, city of Charleston, and South Carolina Aeronautics Commission; Greater Miami Traffic Association; Board of Transportation of New Castle County, Del.; Chamber of Commerce of the New Orleans Area; and Greater Tampa Chamber of Commerce, city of Tampa, and county of Hillsborough, Fla.). A late-filed petition for reconsideration, together with a motion for leave to file said petition, was filed by the Government of the U.S. Virgin Islands. There is ample justification for the late-filing; however, the petition for reconsideration will be denied on the merits.

2 Answers to petitions for reconsideration and/or motions for consolidation were filed by Braniff Airways, Eastern, National, Northwest Airlines, Pan American World Airways, Seaboard, Trans World Airlines, United Air Lines, Western Air Lines, and the Houston parties (city of Houston and Houston Chamber of Commerce).

3 Motions for consolidation of applications were filed by Braniff, Capitol, Caribair, Delta (two motions), Eastern, Modern Air Transport, National (together with a contingent motion for consolidation), Northeast Airlines, Northwest, ONA, Pan American, Seaboard, Standard Airways, Trans Caribbean, Trans International Airlines, TWA, United, Western, and World Airways. A late-filed motion for consolidation for consolidati tion for consolidation, together with a motion for leave to file such motion for consolidation, was filed by Executive Jet Aviation, and an answer opposing the motion for leave to file was filed by Pan American, Executive Jet Aviation's motion for leave to file out of time its motion for consolidation will be denied, since no sound justification for the late filing has been provided.

We have also considered requests contained in the motions for consolidation filed by Braniff, Northwest, and Western which did not file petitions for reconsideration, and in the motions for consolidation filed by other carriers seeking reconsideration.

<sup>&</sup>lt;sup>1</sup> Petitions for reconsideration or modification were filed by Airlift International, Capitol International Airways, Caribbean-Atlantic Airlines, Delta Air Lines, Eastern Air Lines, National Airlines, Overseas National Airways, Seaboard World Airlines, Trans

Upon consideration of the petitions for reconsideration or modification, we have decided to make two changes in the scope of the issues as defined in Order E-25991 and to deny the petitions in all other respects. In addition, we will sever the Miami-London issues for separate hearing and decision on an expedited basis.

1. Northwest's request for modification of a restriction on its domestic route authority. Northwest, which did not file a petition for reconsideration, seeks in its application and motion for consolidation an amendment of condition (4) in its certificate for route 3. Presently, condition (4) in pertinent part requires that Northwest's services east of Milwaukee originate or terminate at New York/ Newark, Philadelphia, or Washington, D.C. Northwest requests an appropriate amendment which would enable it to originate or terminate flights at the foreign points on the East Coast points-Europe route in issue, and thus to operate single-plane service between such European points and the points on its system behind the East Coast gateways.

Pursuant to Northwest's request, we will include an issue of whether, in the event Northwest is awarded a certificate to serve between Philadelphia or Washington, D.C., and the designated European countries, any technical amendment of condition (4) is necessary or should be made to enable the carrier to operate single-plane service to Europe through the Philadelphia and Washington, D.C., gateways from other points on its route, subject to the continued requirement that (with specified exceptions) such flights shall originate or terminate at Minneapolis-St. Paul or a point west thereof. Since one of the purposes of this portion of this proceeding is to allow carriers having existing domestic routes behind the East Coast gateways to propose single-plane transatlantic services from interior cities via these gateways, inclusion of the foregoing issue will be consonant with the Board's objectives, without significantly expanding the scope of the issues. Further, it is not apparent that the requested amendment, if granted, would be inconsistent with the original purpose of including condition (4) in Northwest's certificate. Indeed, there is a substantial question as to whether the condition as presently written would in fact preclude Northwest from combining its existing route 3 domestic authority with new transatlantic authority awarded to it so as to per-

mit single-plane service between interior See Northwest Airlines, Inc., Chicago-Milwaukee-New York Service, 6 C.A.B. 217 (1944), in which the Board extended Northwest's route from Milwaukee to New York via Detroit, subject to a condition, which is the predecessor of condition (4), that service east of Milwaukee shall be rendered only on flights originating at the Twin Cities or a point west thereof and terminating at New York, or originating at New York and terminating at Twin Cities or a point west thereof.

The Board's opinion (at page 223) makes it

clear that the purpose of the restriction was

to minimize diversion from other carriers,

Pennsylvania-Central Airlines,

points and Europe through the East Coast gateways, provided the requirements of condition (4) were otherwise satisfied. We will expect the parties to address themselves to this technical question in addition to the issue of whether a substantive modification of condition (4) should be made in connection with any award of East Coast-Europe authority to Northwest.

2. Proposed property issues. As previously noted, Airlift and Seaboard have requested modification of the issues with respect to certification of property service over the routes at issue. Upon consideration of the matters presented in their petitions and in the answers thereto, we have determined to include an issue of awarding cargo-only authorizations. Since the grant of authority to operate all-cargo service is already embraced by the issues, the additional issue will enable us to consider the possible certification of property-only service without undue enlargement of the record.

Moreover, when in Order E-25991 we determined not to consider the possible grant of authorizations limited to the carriage of cargo, we did so in view of the pendency of the Domestic Coterminal Points-Europe All-Cargo Service Investigation, Docket 18531,7 which concerns only issues of transatlantic all-cargo service. The addition of an issue of cargoonly awards will not significantly duplicate issues in the Domestic Coterminal Points case, inasmuch as the only overlapping will relate to service between one of the designated East Coast points-Washington, D.C.—and six of the named European countries—the Netherlands. Belgium, Denmark, Norway, Sweden, and Switzerland. Rather than carve out the duplicative issues, we will let them remain in the case. The Domestic Coterminal Points proceeding is in an advanced procedural stage, awaiting decision by an examiner, and should be decided considerably before the pending case is decided. Consequently, any decision here on the Washington, D.C., markets will necessarily be made in the light of the ultimate decision in the Domestic Coterminal Points case respecting such markets.

3. Proposed designation of additional U.S. terminals and Western European countries. The Board instituted this investigation with two clearly defined and limited objectives: First, to reach an early decision on the award of the Miami-London route provided for in the United States-United Kingdom bilateral agreement, in time for the carrier or carriers selected to begin direct service on January 1, 1970, contemporaneously with the U.K.-designated carrier, British Overseas Airways Corp.; and second, to explore ways and means of reducing congestion at New York's airports on

transatlantic services and in connection therewith to consider the need for new or improved services across the Atlantic Ocean to Western European countries certificated to only one U.S.-flag combination carrier."

The proposals which have been advanced would enormously broaden the scope of both the Miami-London route phase of this proceeding and the East Coast points-Europe route issues which the Board has undertaken to examine. The proposed additional domestic terminals include a large number of points on the mainland (Wilmington, Del.; Charleston, S.C., Atlanta, Tampa/ St. Petersburg/Clearwater, New Orleans, Dallas/Fort Worth, Houston, Pitts-burgh, Cleveland, St. Louis, Minneapolis/ St. Paul, Denver, Seattle, San Francisco/Oakland, and Los Angeles/Long Beach), one point in the Pacific (Honolulu), and points in the Caribbean (Puerto Rico and the Virgin Islands). On the other side of the ocean, all of the Western European countries now excluded from consideration would be added in one fashion or another. Were these proposals for expansion of the issues granted in whole or in major part. the Board would be engaged in a broadscale examination of the American flag transatlantic route pattern which would undoubtedly attract additional applicants and applications.

The matters set forth in the petitions for reconsideration do not establish that the scope of the issues as ordered by the Board is unreasonable in light of the two basic objectives that the Board had in mind in inaugurating the investigation. Rather, what the petitioners seek is consideration of new issues which are generally unrelated to the Board's objectives and which would greatly expand the scope of the issues as ordered by the its complexity, and prolong its conclusion. In our judgment, the addition of the proposed new issues would not be in the public interest.

4. Severance of Miami-London route issue. In Order E-25991, the Board in ordering this proceeding set down for hearing directed separate treatment of the Miami-London issues so that, if it became necessary, those issues could be severed for separate decision. We now find that complete separation of the Miami-London issues from the remainder of the proceding at this time is desirable.10 There is no interrelationship

including

later Capital.

<sup>&</sup>lt;sup>6</sup> Thus, it is noted that when Northwest's route was extended from Milwaukee to New York via Detroit, the Board stated (6 C.A.B. 217, at 223, supra) that "service on such a new route by Northwest should be confined to flights originating at Minneapolis-St. Paul or points west thereof, and continuing to New York, and vice versa." Order E-25122, May 9, 1967, and Order

E-25513, Aug. 9, 1967.

<sup>&</sup>lt;sup>8</sup> In response to National's question as to whether the latter objective is to be pursued solely within the confines of existing bilateral agreements, we intend this portion of the case to be a broad-ranging inquiry in which we will attempt to determine what additional services in the markets we have designated are required by the public convenience and necessity.

The motions for consolidation which have been filed already involve a total of 20 applicants and 31 applications.

<sup>&</sup>lt;sup>10</sup> The proceeding involving the severed issues will be designated as the Miami-London Route Investigation, Docket 19856. The remaining portion of the proceeding in Docket 19255 will retain the existing designation, viz. East Coast Points-Europe Service Investigation.

between these issues and the issues involving the routes between the designated East Coast gateways and Europe, and our action will assure that there are no procedural complications that could prevent an early award of the Miami-London route. Further, in the interest of saving time, we will order the severed issues heard on an expedited basis, and will expect all parties to fully cooperate with the assigned examiner in the trial of the issues, to the end that his report may be issued at the earliest possible moment.

5. Motions for consolidation. We find that the applications of Braniff in Dockets 19076 and 19428, Caribair in Docket 19432, Delta in Dockets 19416 and 19417, Eastern in Docket 19405, Modern in Docket 19400, National in Dockets 17568 and 19425, Northeast in Dockets 17468 and 19409, ONA in Dockets 19434 and 19435, Pan American in Docket 19424, Seaboard in Docket 19430, Standard in Docket 19420, Trans Caribbean in Docket 19418, Trans International in Docket 19370, TWA in Docket 19419, United in Dockets 19410 and 19411, and World in Docket 19403, conform to the scope of the issues defined in Order E-25991, and should therefore be con-solidated." We will (a) deny Braniff's motion for consolidation to the extent that it seeks to consolidate the carrier's application in Docket 19429 for an East Coast points-Europe route also including the United Kingdom, France, Italy, the Federal Republic of Germany, Spain, Portugal, and Ireland;<sup>12</sup> (b) grant Capitol's motion for consolidation of its application, as amended, in Docket 19395. except to the extent that it seeks authority to serve Wilmington, Del.; (c) deny Caribair's motion for consolidation to the extent that the carrier requests consolidation of its applications in Dockets 18883 and 19433 for a San Juan-Madrid route and Puerto Rico/Virgin Islands-Europe route, respectively; (d) dismiss National's contingent motion for consolidation of its application in Docket 19483 seeking an East Coast points-Europe route with Miami as an East Coast coterminal 18 and a route between Miami and the United Kingdom, France, Italy, the Federal Republic of Germany, Spain, Portugal, and Ireland; (e) grant Northwest's motion for consolidation of its application in Docket 19415, including the request therein for modification of condition (4) in its certificate for route 3; (f) deny ONA's motion for consolidation to the extent that the carrier seeks to consolidate its applications in Dockets 19436 and 19440 for routes not embraced by the issues; and (g) grant Western's

1. That (a) the issues in Docket 19255 involving service between Miami and London be and they hereby are severed from Docket 19255 and set down for hearing and decision on an expedited basis in a proceeding to be designated as the Miami-London Route Investigation, Docket 19856 and (b) the remaining issues in Docket 19255 shall be heard and decided under the existing designation;

2. That (a) the issues in Docket 19856 be and they hereby are expanded by including an issue of awarding cargoonly authorizations and (b) the issues remaining in Docket 19255 be and they hereby are expanded by including an issue of awarding cargo-only authorizations and an issue of whether, in the event Northwest is awarded a route between Philadelphia or Washington, D.C., and points in designated European countries, modification of condition (4) in the carrier's certificate for route 3 is required or should be made to enable Northwest to provide single-plane service between interior points in the United States on its route and points in Europe via the Philadelphia and Washington, D.C., gateways;

3(a). That the following applications be and they hereby are consolidated for hearing and decision in Docket 19856 insofar as they conform to the scope of the issues in that proceeding as established in this order: Braniff, Docket 19076; Caribair, Docket 19432; Delta, Docket 19416; Modern, Docket 19400; National, Docket 17568; Northeast, Docket 17468; Overseas National, Docket 19434; and United, Docket 19411;

(b) That the portions of the following applications which request a Miami-London route be and they hereby are consolidated for hearing and decision in said Docket 19856 insofar as they conform to the scope of the issues in that proceeding as established in this order: Capitol, Docket 19395; Eastern, Docket 19405; Northwest, Docket 19415; Pan American, Docket 19424; Seaboard, Docket 19430; Trans Caribbean, Docket 19418; Trans International, Docket 19370; TWA, Docket 19419; Western, Docket 19414; and World, Docket 19403;

4(a) That the following applications be and they hereby are consolidated for hearing and decision in Docket 19255 insofar as they conform to the scope of the issues in that proceeding as established in this order: Braniff, Docket 19428; Delta, Docket 19417; National, Docket 19425; Northeast, Docket 19409; Overseas National, Docket 19435; Standard, Docket 19420; and United, Docket 19410;

(b) That the portions of the following applications which request an East Coast points-Europe route be and they hereby are consolidated for hearing and decision in said Docket 19255 insofar as they conform to the scope of the issues in that proceeding as established in this order: Capitol, Docket 19395; Eastern, Docket 19405; Northwest, Docket 19415; Pan American, Docket 19424; Seaboard, Docket 19430; Trans Caribbean, Docket 19418; Trans International, Docket 19370; TWA, Docket 19419; Western, Docket 19414; and World, Docket 19403;

5. That the portions of the foregoing applications not consolidated in either Docket 19856 or Docket 19255 for hearing and decision be and they hereby are dismissed pursuant to the Board's rules of practice:

6. That National's contingent motion for consolidation of its application in Docket 19483 be and it hereby is dismissed:

7. That the motion of the Government of the U.S. Virgin Islands for leave to file out of time a petition for reconsideration be and it hereby is granted;

8. That the motion of Executive Jet Aviation for leave to file out of time a motion for consolidation of its application in Docket 19454 be and it hereby is denied:

 That, except to the extent granted, all petitions for reconsideration and motions for consolidation be and they hereby are denied.

This order will be published in the Federal Register.

By the Civil Aeronautics Board.

[SEAL]

MABEL MCCART, Acting Secretary.

[F.R. Doc. 68-5385; Filed, May 3, 1968; 8:47 a.m.]

# CIVIL SERVICE COMMISSION

DEPARTMENT OF LABOR

Notice of Grant of Authority To Make Noncareer Executive Assignment

Under authority of § 9.20 of Civil Service Commission Rule IX (5 CFR 9.20), the Civil Service Commission authorizes the Department of Labor to fill by non-career executive assignment in the excepted service the position of Director, Office of Federal Contract Compliance.

UNITED STATES CIVIL SERV-ICE COMMISSION, [SEAL] JAMES C. SPRY,

Executive Assistant to the Commissioners.

[F.R. Doc. 68-5873; Filed, May 3, 1968; 8:46 a.m.]

motion for consolidation of its application in Docket 19414, except to the extent that the carrier seeks authority to serve Minneapolis/St. Paul and Denver on the East Coast points-Europe route.

Accordingly, it is ordered:

1. That (a) the issues in Docket 19255 involving service between Miami and

These applications will be consolidated, however, only to the extent that they seek authority to engage in foreign air transportation.

<sup>&</sup>lt;sup>12</sup> Braniff's application in Docket 19428 is limited to the East Coast points-Europe route defined in Order E-25991.

National's application in Docket 19425 is limited to the East Coast points-Europe route defined in Order E-25991.

# FFDERAL POWER COMMISSION

[Docket No. G-2683, etc.]

### ASSOCIATED PROGRAMS, INC., ET AL.

Notice of Applications for Certificates, Abandonment of Service and Petitions To Amend Certificates 1

APRIL 25, 1968.

Take notice that each of the Applicants listed herein has filed an application or petition pursuant to section 7 of the Natural Gas Act for authorization to sell natural gas in interstate commerce or to abandon service heretofore authorized as described herein, all as more fully described in the respective applications and amendments which are on file with the Commission and open to public inspection.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington, D.C. 20426, in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) on or before

May 17, 1968.

Take further notice that, pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by sections 7 and 15 of the Natural Gas Act and the Commission's rules of practice and pro-cedure, a hearing will be held without further notice before the Commission on all applications in which no protest or petition to intervene is filed within the time required herein if the Commission on its own review of the matter believes that a grant of the certificates or the authorization for the proposed abandonment is required by the public conven-ience and necessity. Where a protest or petition for leave to intervene is timely filed, or where the Commission on its own motion believes that a formal hearing is required, further notice of such hearing will be duly given: Provided, however, That pursuant to § 2.56, Part 2, Statement of General Policy and Interpretations, Chapter I of Title 18 of the Code of Federal Regulations, as amended, all permanent certificates of public convenience and necessity granting applications, filed after July 1, 1967, without further notice, will contain a condition precluding any filing of an increased rate at a price in excess of that designated for the particular area of production for the period prescribed therein unless at the time of filing of protests or petitions to intervene the Applicant indicates in writing that it is unwilling to accept such a condition. In the event Applicant is unwilling to accept such condition the application will be set for formal hearing.

Under the procedure herein provided for, unless otherwise advised, it will be unnecessary for Applicants to appear or be represented at the hearing.

> GORDON M. GRANT, Secretary.

This notice does not provide for consolidation for hearing of the several matters covered herein.

Docket No. and date filed	Applicant	Purchaser, field, and location	Price per Mcf	Pres- sure base
G-2683. E 4-5-68	Associated Programs, Inc. (successor to Associated Oil & Gas Co.), Suite 708, 3616 Richmond Ave., Houston, Tex.	Tennessee Gas Pipeline Co., a divi- sion of Tenneco, Inc., Trans-Tex Field, Wharton County, Tex.	1 16, 1695	14, 65
G-3999_ E 4-5-68	77027.  Associates Programs, Inc. (successor to Associated Oil &	Tennessee Gas Pipeline Co., a divi- sion of Tenneco, Inc., Agua Dulce	2 15, 38069	14. 65
G-4229 E 4-5-68	Gas Co.).  Associated Programs, Inc. (successor to Associated Oil & Gas Co. (Operator) et al.).	sion of Tenneco, Inc., Agua Dulce Field, Nucces County, Tex. Trunkline Gas Co. Cage Ranch Field, Brooks County, Tex.	* 14. 37454	14. 65
D 4-17-68	Service Bldg., Bartlesville, Okla. 74003 (partial abandon-	Texas Eastern Transmission Corp. South Cottonwood Creek Field, De Witt County, Tex.	(1)	
	ment).  - Bowser Gas & Oil Co., 1231 20th St., Parkersburg, W. Va. 26101.	Consolidated Gas Supply Corp. acreage in Calhoun, Ritchie, and Gilmer Counties, W. Va. El Paso Natural Gas Co., Langlie- Mattix Field, Lea County, N.	20, 0	15, 325
G-6316 C 2-21-68	Amerada Petroleum Corp., <sup>5</sup> Post Office Box 2040, Tulsa, Okla. 74102.	El Paso Natural Gas Co., Langlie- Mattix Field, Lea County, N. Mex.	10, 0	14. 65
E 4-5-68	. Associated Programs, Inc. (suc- cessor to Associated Oil &	Trunkline Gas Co., Alfred-Almond Field, Jim Wells County, Tex.	o 14, 3676	14. 65
G-10739 D 11-20-67	Office Box 2819 Dailas Tex	Texas Eastern Transmission Corp., Tuisita-Wilcox Field, Bee County, Tex.	(7)	
	Box 2444, Houston, Tex. 77001.	Tennessee Gas Pipeline Co., a division of Tenneco Inc., La Reforma Field, Starr and Hidalgo Counties Tex	Assigned	*******
D 4-8-68	Placid Oil Co. (Operator) et al., 2500 First National Bank Bldg., Dallas, Tex. 75202.	H. L. Hunt, Whelan Field, Harrison County, Tex.	(9)	******
	Bidg., Dallas, Tex. 75202.  Sunray DX Oil Co., Post Office Box 2039, Tulsa, Okla. 74102.	Transcontinental Gas Pipe Line Corp., Pointe Au Fer Field, Terre- bonne Parish, La. Tennessee Gas Pipeline Co., a divi- sion of Tenneco, Inc., Lower Mud Lake Field, Cameron Parish, La. Consolidated Gas Supply Corp., Sandy Township, Clearfield County, Pa.	20. 625	15. 025
	Gulf Oil Corp., Post Office Box 1589, Tulsa, Okla. 74102.	Tennessee Gas Pipeline Co., a divi- sion of Tenneco, Inc., Lower Mud Lake Field, Cameron Parish, La.	20. 625	15. 025
CI60-427 E 4-3-68	J & J Enterprises, Inc. (successor to S. W. Jack Drilling Co. et al.), 518 Allegheny Ave.,	Consolidated Gas Supply Corp., Sandy Township, Clearfield County, Pa.	27. 5	15, 325
CI60-437	Avonmore, Pa. 26301.	do	27.5	15, 325
15 4-3-68			27.5	15, 325
CI61-550	Lario Oil & Gas Co., 301 South	Cities Service Gas Co., ILS Field, Barber County, Kans.	Depleted	
CI61-922 E 4-8-68	Market St., Weinita, Kans. 67202 (partial abandonment). First National Bank in Dallas, Trustee (Operator) et al. (successor to Jake L. Hamon (Operator) et al.), Post Office Box 6031, Dallas, Tex. 75222. Turner & Fiske (successor to Dulancy Off Co.) Box 1168	South Texas Natural Gas Gathering Co., Northeast Thompsonvillo Field, Jim Hogg County, Tex.	15. 0	14. 65
CI61-1355. E 4-5-68		Tennessee Gas Pipeline Co., a divi- sion of Tenneco, Inc., El Puerto Field, Starr County, Tex. South Texas Natural Gas Gather-	17. 24	14. 65
E 4-8-68	Graham, Tex. 76046.  First National Bank in Dallas, Trustee (Operator) et al.  (Successor to Jake J. Hamon)		15.0	14, 65
CI62-825 D 4-4-68 <sup>11</sup>	Mobil Oil Corp	Field, Jim Hogg County, Tex. El Paso Natural Gas Co., Rojo Caballos Field, Pecos County, Tex.	Assigned	******
E 4-5-68	Associated Programs, Inc. (successor to Associated Oil	Tennessee Gas Pipeline Co., a divi- sion of Tenneco, Inc., New Taiton Field Wharton County Tex	u 14. 5	14. 65
CI62-1164 E 4-17-68	& Gas Co. (Operator) et al). W. G. Kennedy (successor to Gibson Oil Co., Inc.), 1313 Southwest 22d \$t., Miami,	Consolidated Gas Supply Corp., Grant District, Ritchie County, W. Va.	25, 0	15. 325
CI63-173. E 4-5-68	Fla. 33101.  Associated Programs, Inc. (successor to Associated Oil & Gas Co. (Operator) et al.).	Kansas-Nebraska Natural Gas Co., Inc., Bijou Field, Morgan County, Colo.	12.0	15. 025
CI63-819. D 4-10-68	Atlantic Richfield Co	Cities Service Gas Co., Northwest Lovedale Field, Harper County, Okla.	(13)	
C163-1560 E 4-5-68	Associated Programs, Inc. (successor to Associated Oil & Gas Co.).	Valley Gas Transmission, Inc., Koopman and San Diego East Fields, Jim Wells and Duval Counties, Tex.	15. 0	14. 65
E 4-12-68	Reading & Bates Production Co. (Operator) et al. (successor to Goff Oil Co.), 11th Floor, Philtower Bidg., Tulsa, Okla. 74103.	Natural Gas Pipeline Co. of America, Nobscot Field, Custer and Dewey Counties, Okla.	15. 0	14. 65
CI65-73 E 10-19-67	Ben Gittleman (successor to	Equitable Gas Co., acreage in Ritchie County, W. Va.	16.0	15. 324
	B. H. Bostwick), Post Office Box 229, Alma, Mich. 48801. Associated Programs, Inc., (successor to Associated Oil & Gas Co.).	Texas Eastern Transmission Corp., Englehart Field, Colorado County, Tex.	15. 0	14, 65
CI65-416 E 4-12-68	Reading & Bates Production Co. (Operator), et al. (successor to Goff Oil Co. et al.).	Panhandle Eastern Pipe Line Co., South Teagarden Field, Woods County, Okla.	H 15. 0	14. 65
Filing code: A-In		A DESCRIPTION OF THE PARTY OF T		

B-Abandonment.

See footnotes at end of table.

C—Amendment to add acreage.
D—Amendment to delete acreage. -Partial succession.

0010																							
Pres- sure base	15,025	14. 66	14.65	14.65	-	15,325	15.025	15.025		15.028	15.325				act; ns similar	d and the				4	v Opinion		
Price per Mcf	21. 25	16.0	17.0	16. 56	Uneconomical	27. 5	20.625	17.7	Depleted	21.25	25.0	Depleted	(23)		al said contring condition	to be delete				Justment	containing a funosed b		
Purchaser, field, and location	Texas Gas Transmission Corp., North Maurice Field, Lafayette Parish La.	Colorado Interstate Gas Co., Greenwood Field, Morton County, Kans.	Kansas-Nebraska Natural Gas Co., Inc., E. L. Miller Unit, Texas	County, Okla. Lone Star Gas Co., Willow Springs Field (Danville area), Gregg	L. D. French, North La Ward and Ul	Tex. United Fuel Gas Co., Rocky Fork Field, Kanawha County, W. Va.	Transcontinental Gas Pipe Line Corp., Point An Fer Field, Terre-	bonne Parish, Gas Co., Boundary El Paso Natural Gas Co., Boundary Butte Field, San Juan County, N. Mex.	Consolidated Gas Supply Corp., Grant District, Pleasants County,	W. Va. Trunkline Gas Co., Ship Shoal and South Timbalier Areas, Offshore,	Equitable Gas Co., Salt Lick Dis- trict, Braxton County, W. Va.	Harry C. Boggs Gas Co., Harper District, Roane County, W. Va.	South Texas Natural Gas Gathering Co., Cano Field, Hidalgo County, Tex.	17358. 165–286. 185–581.	* Rate in latter supert to return a roads of the state of	as-well gas under the acreage proposed to produced from the subject acreage.	ntract. of coowner.	Anisatrone we constructed to C. Fred Chambers et al. 10 Deletes acreage assigned to C. Fred Chambers et al. 12 Rate in effect subject to refind in Docket No. R.162-206. 14 Wall no lowner produces eas in commercial constitities.	ment. C165-1281. ation charge.	ibject to upward and downward B.t.u. ad	iffied by Opinion No. 468-A.	T. Applicant has agreed to accept permanent became contraining continuous summa to accept a permanent of 46s, as modified by Ophino No. 46s, as modified by	68-5253; Filed, May 3, 1968; 8:45 a.m.]
Applicant	The Superior Oil Co., Post Office Box 1521, Houston,	Colorado Oil & Gas Corp. (successor to Bruce Anderson et al.), Box 749, Denver, Colo.		roleum Corp., Box 2040, Tulsa,		Tex. 75206. Cecil Meadows Enterprises, c/o Paul F. Starr, agent, 216 Mar-	ket St. Spencer, W. Va. 25276 Texaco, Inc., Post Office Box 52332, Houston, Tex. 77052.	Consolidated Oil & Gas, Inc. (successor to Shell Oil Co.), c/o Samuel L. McClaren, attorney, 550 Petroleim Club	Bldg., Denver, Colo. 80202. Herbert H. Smellie & Homer W. Myers et al., Post Office Box	<ul><li>150, St. Mary, W. Va. 26170.</li><li>Shell Oil Co., 50 West 50th St., New York, N. Y. 10020.</li></ul>	Jennings Petroleum Corp., c/o John S. Holy, attorney at law, Post Office Box 643, Weston, W.	Va. 26452.  Bonnett Oil & Gas Co., Post Office Box 394, Clendenin, W.	G. Frederick Shepherd, Suite 101-A, 2929 Cedar Springs Rd., Dallas, Tex. 75219.	subject to refund in Docket No. Granification of the subject to refund in Docket No. B.	en no production from subject acreased Apr. 8, 1968, Applicant agreed to [by Opinion No. 468, as modified by subject to refund in Docket No. R.	production or potential reserves of gerroneously included casinghead gas	ge assigned to James A. wood, Luss. W. Allen et al., Unit No. 1 from co.	age assigned to C. Fred Chambers et a subject to refund in Docket No. R	pward and downward B.t.u. adjusting arroneously filed under Docket Noter or Mof gathering and transport	556 cent tax reimbursement.  see assigned to Sunray DX Oil Co.	ed Mar. 18 and Mar. 27, 1968, Applies imposed by Opinion No. 468, as mod	as agreed to accept permanent cerum fied by Opinion No. 468-A. ceased Mar. 1963.	[F.R. Doc. 68-5253; F
Docket No. and date filed	CI68-1202 A 4-11-68	CI68-1203 F 4-9-68	CI68-1204 A 4-12-68	CI68-1205 A 4-12-68	CI68-1206 B 4-12-68	CI68-1207	CI68-1208 A 4-15-68	CI68-1209 (G-13876) F 4-15-68	CI68-1210 B 4-16-68	CI68-1211 A 4-16-68	CI68-1212 A 4-17-68	CI68-1213 B 4-18-68	CI68-1214 B 4-18-68	1 Rate in effect 2 Rate in effect	* There has be 5 By letter file to those imposed 6 Rafe in effect	7 There is no subject contract	8 Deletes acrea 9 Deletes the J	11 Deletes acres 12 Rate in effects 13 Well no long	Men no long Men Subject to u Men Application Men Tropydos 2 oc	17 Includes 1.7 18 Includes 0.01 19 Includes order	20 By letters fill similar to those	No. 468, as modi	
Pres- sure base	14.65	15. 325	14.65	14.65	14.65		14.65	14. 65		15, 325	14, 65	14.65	3 14.65	14.65	14.65	14.65	14.65		15.325	15, 325	15.025	14. 65	
Price per Mcf	16.0	25.0	10.5	15.0	12.0		1415.0	17.0		16 27. 0	17.0	17 18.7	18 15, 01556	Assigned 14 17.0	14.5	14.5	14 16.5	Depleted	25.0	28.0	27.0	15.0	
Purchaser, field, and location	Northern Natural Gas Co., Denison (Strawn) Field, Sutton County,	Tex.  Equitable Gas Co., Salt Lick and Otter Districts. Braxton County.	W. Va. Almos Gas Gathering Co., Cranz Field, Bee and Live Oak Counties.	Tex. Arkansas Louisiana Gas Co., Ar-	0	Corp., acreage in Major County, Okla.	Panhandle Eastern Pipe Line Co., acreage in Dewey County, Okla.	A	County, Okia,	Consolidated Gas Supply Corp., Grant District, Ritchle County, W. Va.	El Paso Natural Gas Co., Mocane Laverne Field, Beaver County, Okla.	Michigan Wisconsin Pipe Line Co., Laverne Field, Harper County.	Okla. Arkansas Louisiana Gas Co., Kinta Field, Le Flore County, Okla,	United Gas Pipe Line Co., Mustang Island Field, Nuces County, Tex. Panhandle Eastern Pipe Line Co.,	Northwest Dombey Field, Texas Navi Producing Co. (Operator), E. Paso Natural Gas Co., Spraberry agent, 243 First National Field, Reagan County, Tex.		El Paso Natural Gas Co., Mendel	Field, Pecos County, 1ex. Florida Gas Transmission Co., Citrus Grove Field, Matagorda	County, Tex. Consolidated Gas Supply Corp., Union District, Upshur County,	Þ		Arkansas Louisiana Gas Co., Southeast Ames Field, Major County,	Chia.
Applicant	Petroleum Corp. of Texas (Operator) et al. (successor to	Shell Oil Co.), Post Office Box 911, Breckenridge, Tex. 76024. Jennings Petroleum Corp., Kermag Ridge, Oklahoma	City, Okla, 73102.  Payne Producing Co. (successor	Office Box 60005, Corpus Christi, Tex. 78406. Skelly Oli Co. (Operator) et al	Post Office Box 1650, Tulsa, Okla. 74102.	Crawford Oil & Gas Reserves, Inc.), 6810 West Highway 54,	Consolidated Production Corp. (successor to G. M. Close), First Fourity Bldg 120 North		Industries, Inc.), c/o Harry C. Marberry, attorney, 2207 First National Bidge, Oklahoma	W. G. Kennedy (successor to Gibson Oil Co. et al., First National Rank of Onliney	Paul M. Haywood (successor to H. F. Sears (Operator) et al.)  Post Office Rox 672, Perryton.	Tex. 79070. Southland Royalty Co. (Operator) et al., 1600 First Na-	tional Bidg., Fort Worth, Tex. 76101.  Humble Oil & Refining Co., Post Office Box 2180,	Houston, Tex. 77001.  Atlantic Richfield Co  Humble Oil & Refining Co	MWJ Producing Co. (Operator), agent, 2413 First National	Bank Bldg., Midland, Tex. 79701.	Oil & Refining Co.21	Mobil Oil Corp	J & J Enterprises, Inc	James S. Ray, 718 Kanawha Valley Bldg., Charleston,	W. Va. 25301. Lrvine L. Geer, 211 Terrace St., Warren. Pa. 16365.	Tenneco Oil Co., Post Office Box 2511, Houston, Tex. 77001.	of the fact of the second of the following
Docket No. and date filed	C165-516. E 4-11-68	C165-817	CI65-1220	CT88_176	E 4-12-68	E 4-11-68	CI66-727 E 4-15-68	CI66-731 E 4-8-68		CI66-1184 E 4-17-68	CI66-1350 E 4-8-68	CI67-174 C 4-16-68	CI67-1104 C 4-12-68	CI67-1543 D 4-10-68 10 CI67-1691	C&D 3-20-68 CI68-925 A 1-25-68	CT68_1050	A 2-26-68 CI68-1133	A 3-20-68 CI68-1196 B 4-10-68	CI68-1197 A 4-10-68	CI68-1198 A 4-10-68	CI68-1200	CI68-1201 A 4-11-68	Carlo Contract

[Docket No. RI68-248]

#### TENNECO OIL CO.

Order Amending Order for Hearings on and Suspension of Proposed Changes in Rates

APRIL 25, 1968.

On November 1, 1967, Tenneco Oil Co. (Tenneco) filed with the Commission a proposed change in rate from 16 cents to 18.015 cents per Mcf which was designated as Supplement No. 2 Tenneco's FPC Gas Rate Schedule No. 185 and pertains to sales of natural gas to Panhandle Eastern Pipe Line Co. from the S. W. Greenough Field, Beaver County, Okla. (Panhandle Area). The Commission by order issued December 1. 1967, suspended Tenneco's proposed rate increase and deferred the use thereof until May 2, 1968, and thereafter until such further time as it is made effective in the manner prescribed by the Natural Gas Act.

On February 12, 1968, Tenneco filed a correction to its notice of change filed on November 1, 1967, to reflect the proper contractual effective date for the rate increase proposed. The effective date now proposed is January 1, 1968. The subject rate schedule consists of a ratification of a Carter Oil contract dated November 13, 1967, which provides for a periodic increase in rate 5 years from the 1st day of the month following the date of first delivery under the contract. First delivery under the ratified contract commenced on December 1, 1967. Accordingly, the correct effective date for the subject change in rate should be January 1, 1968.

In view of the above, we believe that Tenneco's corrective letter dated February 8, 1968, designated as Supplement No. 1 to Supplement No. 2 to Tenneco's FPC Gas Rate Schedule No. 185, should be accepted for filing subject to the suspension proceeding in Docket No. RI68-248, and the suspension period in said docket extended from May 2, 1968, to June 1, 1968, as hereinafter ordered.

The Commission finds: Good cause exists for amending the suspension order issued December 1, 1967, in Docket No. RI68-248, to the extent hereinafter provided.

The Commission orders:

(A) The suspension order issued December 1, 1967, in Docket No. RI68–248, is amended only so far as to permit the acceptance for filing of Supplement No. 1 to Supplement No. 2 to Tenneco's FPC Gas Rate Schedule No. 185, subject to the suspension proceeding in said docket, and the suspension period ordered therein is extended from May 2, 1968, to June 1, 1968.

(B) In all other respects, the order issued by the Commission on December 1, 1967, in Docket No. RI68-248, shall re-

main unchanged and in full force and effect.

By the Commission.

[SEAL]

KENNETH F. PLUMB, Acting Secretary.

[F.R. Doc. 68-5375; Filed, May 3, 1968; 8:47 a.m.]

## FEDERAL RESERVE SYSTEM

OTTO BREMER FOUNDATION

Notice of Application for Approval of Acquisition of Shares of Bank

Notice is hereby given that application has been made to the Board of Governors of the Federal Reserve System pursuant to section 3(a) of the Bank Holding Company Act of 1956 (12 U.S.C. 1842(a)), by Otto Bremer Foundation, which is a bank holding company located in St. Paul, Minn., for the prior approval of the Board of the acquisition by applicant of 11.63 percent of the voting shares of American National Bank and Trust Co., St. Paul, Minn.

Section 3(c) of the Act provides that the Board shall not approve (1) any acquisition or merger or consolidation under this section which would result in a monopoly, or which would be in furtherance of any combination or conspiracy to monopolize or to attempt to monopolize the business of banking in any part of the United States, or (2) any other proposed acquisition or merger or consolidation under this section whose effect in any section of the country may be substantially to lessen competition, or to tend to create a monopoly, or which in any other manner would be in restraint of trade, unless it finds that the anticompetitive effects of the proposed transaction are clearly outweighed in the public interest by the probable effect of the transaction in meeting the convenience and needs of the community to be served.

Section 3(c) further provides that, in every case, the Board shall take into consideration the financial and managerial resources and future prospects of the company or companies and the banks concerned, and the convenience and needs of the community to be served.

Not later than thirty (30) days after the publication of this notice in the FEDERAL REGISTER, comments and views regarding the proposed acquisition may be filed with the Board. Communications should be addressed to the Secretary, Board of Governors of the Federal Reserve System, Washington, D.C. 20551. The application may be inspected at the office of the Board of Governors or the Federal Reserve Bank of Minneapolis.

Dated at Washington, D.C., this 25th day of April 1968.

By order of the Board of Governors.

[SEAL] ROBERT P. FORRESTAL,
Assistant Secretary.

[F.R. Doc. 68-5355; Filed, May 3, 1968; 8:45 a.m.]

# INTERAGENCY TEXTILE ADMINISTRATIVE COMMITTEE

CERTAIN COTTON TEXTILES AND
COTTON TEXTILE PRODUCTS PRODUCED OR MANUFACTURED IN
MEXICO

**Temporary Levels** 

APRIL 30, 1968.

On June 2, 1967, the U.S. Government, in furtherance of the objectives of, and under the terms of, the Long-Term Arrangement Regarding International Trade in Cotton Textiles done at Geneva on February 9, 1962, concluded a comprehensive bilateral cotton textile agreement with the Government of Mexico concerning exports of cotton textiles and cotton textile products from Mexico to the United States over a 4-year period beginning on May 1, 1967. Among the provisions of the agreement are those establishing an aggregate limit, Group limits, and specific limits for Categories 9, 10, 22, 23, 26, 27, 63, and 64, with sub-limits on duck fabric (parts of Categories 26 and 27), and on zipper tapes (part of Category 64).

The levels set forth in the letter published below for the 1-month period beginning May 1, 1968, and extending through May 31, 1968, are subject to consultations now in progress between the Governments of the United States and Mexico concerning overshipments in Categories 28 through 64, occurring in the first agreement year. However, it should be recognized that these levels may remain in effect for the entire second agreement year beginning May 1, 1968, and extending through April 30, 1969. The level for the Apparel, Made-Up, and Miscellaneous Group (Categories 28 through 64) has been adjusted to reflect tentative deductions for overshipments occurring in the first agreement year. A final directive establishing levels pursuant to paragraph 12 of the agreement, will be issued at a future date.

Accordingly, there is published below a letter of April 30, 1968, from the Chairman of the President's Cabinet Textile Advisory Committee to the Commissioner of Customs, directing that the amounts of cotton textiles and cotton textile products in Categories 1 through 64, produced or manufactured in Mexico, which may be entered or withdrawn from warehouse for consumption in the United States for the 1-month period beginning May 1, 1968 and extending through May 31, 1968, be limited to designated levels. The letter published below and the actions pursuant thereto are not designed to implement all of the provisions of the bilateral agreement, but are designed to assist only in the implementation of certain of its provisions.

> STANLEY NEHMER, Chairman, Interagency Textile Administrative Committee, and Deputy Assistant Secretary for Resources.

PRESIDENT'S CABINET TEXTILE ADVISORY
COMMITTEE

COMMISSIONER OF CUSTOMS, Department of the Treasury, Washington, D.C. 20226.

APRIL 30, 1968.

Dear Mr. Commissioner: Under the terms of the Long-Term Arrangement Regarding International Trade in Cotton Textiles done at Geneva on February 9, 1962, pursuant to the bilateral cotton textile agreement of June 2, 1967, between the Governments of the United States and Mexico, and in accordance with Executive Order 11052 of September 28, 1962, as amended by Executive Order 11214 of April 7, 1965, you are directed to prohibit, effective May 1, 1968, and for the 1-month period extending through May 31, 1968, entry into the United States for consumption and withdrawal from warehouse for consumption of cotton textiles and cotton textile produced or manufactured in Mexico, in excess of the designated levels of restraint set forth below.

The combined level of restraint for Categories 1, 2, 3, and 4, shall be 11,823,914 pounds. Of this amount not more than 2,967,391 pounds shall be in Categories 3 and 4

The overall level of restraint for Categories 5 through 27 shall be 22,050,000 square yards. Within the overall level of restraint for Categories 5 through 27, the following specific levels of restraint shall apply:

			1-month
			level of
	Category		restraint
9	square	yards	4, 200, 000
10			2, 100, 000
22		_do	4, 200, 000
23		_do	3, 150, 000
26		_do 1	6, 300, 000
27		_do 1	2, 100, 000

<sup>1</sup> Of the total amount for Categories 26 and 27, not more than 4,725,000 square yards shall be in duck fabric, T.S.U.S.A. Nos.:

320...01 through 04, 06, 08 321...01 through 04, 06, 08 322...01 through 04, 06, 08 326...01 through 04, 06, 08 327...01 through 04, 06, 08 328...01 through 04, 06, 08

Within the overall level of restraint for Categories 5 through 27, each category without a specific level of restraint is subject to a consultation level of 525,000 square yards, pursuant to paragraph 7 of the bilateral agreement. If appropriate, future directions concerning these categories will be made to you by letter from the Chairman of the Interagency Textile Administrative Committee

The overall level of restraint for Categories 28 through 64, shall be 1,315,500 square yards equivalent.\* There is attached to this directive the rates of conversion into square yard equivalents of the aforesaid categories to be used in implementing this part of this directive.

This level has been adjusted to reflect tentative charges for overshipments in Categories 28 through 64 for the agreement year beginning May 1, 1967, and extending through April 30, 1968. Final charges, pursuant to paragraph 12 of the agreement, will be made to you by letter from the Chairman of the Interagency Textile Administrative Committee.

3 Attachment filed as part of original document.

Within this overall level of restraint for Categories 28 through 64, the following specific levels of restraint shall apply:

Category 1-Month Level of Restraint
63 \_\_\_\_\_\_ 115,500 pounds.
64 \_\_\_\_\_ 285,978 pounds (of which
not more than 94,500
pounds shall be in zipper
tapes, T.S.U.S.A. No.
347,3340).

Within the overall level of restraint for Categories 28 through 64, each category without a specific level of restraint is subject to a consultation level of 367,500 square yards equivalent, pursuant to paragraph 7 of the bilateral agreement. If appropriate, future directions concerning these categories will be made to you by letter from the Chairman of the Interagency Textile Administrative Committee.

In carrying out this directive, cotton textiles and cotton textile products in Categories 1 through 27, produced or manufactured in Mexico and which have been exported to the United States from Mexico prior to May 1, 1968, shall, to the extent of any unfilled balances, be charged against the levels of restraint established for such goods during the period May 1, 1967, through April 30, 1968. In the event the levels of restraint established for the period May 1, 1967, through April 30, 1968, have been exhausted by previous entries, such goods shall be denied entry. Moreover, the provisions of the directive of March 15, 1968, concerning cotton textile products in Categories 28 through 64, produced or manufactured in Mexico and exported therefrom to the United States during the period beginning May 1, 1967, and extending through April 30, 1968, are to remain in full force and effect until further notice.

The levels of restraint set forth above are subject to adjustment pursuant to the provisions of the bilateral agreement of June 2, 1967, between the Governments of the United States and Mexico which provides in part that within the aggregate and applicable group limits, limits on certain categories may be exceeded by not more than 5 percent; for the limited carryover of shortfalls in certain categories to the next agreement year; and for administrative arrangements. Any appropriate adjustments pursuant to the provisions of the bilateral agreement referred to above, will be made to you by letter from the Chairman of the Interagency Textile Administrative Committee.

A detailed description of the categories in terms of the T.S.U.S.A. numbers was published in the Federal Register on January 17, 1968 (33 F.R. 582), and amendments thereto on March 15, 1968 (33 F.R. 4600).

In carrying out the above directions, entry into the United States for consumption shall be construed to include entry for consumption into the Commonwealth of Puerto Rico.

The actions taken with respect to the Government of Mexico and with respect to imports of cotton textiles and cotton textile products from Mexico have been determined by the President's Cabinet Textile Advisory Committee to involve foreign affairs functions of the United States. Therefore, the directions to the Commissioner of Customs, being necessary to the implementation of such actions, fall within the foreign affairs exception to the notice provisions of 5 U.S.C.

553 (Supp. II, 1965-66). This letter will be published in the FEDERAL REGISTER, Sincerely yours,

C. R. SMITH, Secretary of Commerce, Chairman, President's Cabinet Textile Advisory Committee.

[F.R. Doc. 68-5368; Filed, May 3, 1968; 8:46 a.m.]

# SECURITIES AND EXCHANGE COMMISSION

[File Nos. 7-2904-7-2910]

AMERICAN RESEARCH AND DE-VELOPMENT CORP. ET AL.

Notice of Applications for Unlisted Trading Privileges and of Opportunity for Hearing

APRIL 30, 1968.

In the matter of applications of the Boston Stock Exchange for unlisted trading privileges in certain securities.

The above-named national securities exchange has filed applications with the Securities and Exchange Commission pursuant to section 12(f)(1)(B) of the Securities Exchange Act of 1934 and Rule 12f-1 thereunder, for unlisted trading privileges in the common stocks of the following companies, which securities are listed and registered on one or more other national securities exchanges:

File No.

American Research and Development
Corp 7-2904
E. F. MacDonald Co. 7-2905
Monarch Machine Tool Co. 7-2906
Simmonds Precision Products, Inc. 7-2907
Square D Co. 7-2908
Tampa Electric Co. 7-2909
Textron, Inc. 7-2910

Upon receipt of a request, on or before May 15, 1968, from any interested person, the Commission will determine whether the application with respect to any of the companies named shall be set down for hearing. Any such request should state briefly the title of the security in which he is interested, the nature of the interest of the person making the request, and the position he proposes to take at the hearing, if ordered. In addition, any interested person may submit his views or any additional facts bearing on any of the said applications by means of a letter addressed to the Secretary Securities and Exchange Commission, Washington 25, D.C., not later than the date specified. If no one requests a hearing with respect to any particular application, such application will be determined by order of the Commission on the basis of the facts stated therein and other information contained in the official files of the Commission pertaining thereto.

For the Commission (pursuant to dele- or replacement of gas transmission lines, gated authority).

[SEAL]

ORVAL L. DUBOIS. Secretary.

[F.R. Doc. 68-5359; Filed, May 3, 1968; 8:45 a.m.]

[70-4623]

### CONNECTICUT GAS CO. AND CON-NECTICUT LIGHT AND POWER CO.

Notice of Proposed Issue and Sale by Subsidiary Company and Acquisition Thereof by Parent of Long-Term Unsecured Notes

APRIL 30, 1968.

Notice is hereby given that the Connecticut Light and Power Co. ("CL&P"), Post Office Box 2010, Hartford, Conn. 06117, an electric utility subsidiary com-pany of Northeast Utilities ("Northeast"), a registered holding company, and its wholly owned gas utility subsidiary company, The Connecticut Gas Co. ("Connecticut Gas"), have filed an application-declaration with this Commission pursuant to the Public Utility Holding Company Act of 1935 ("Act"), designating sections 6, 7, 9, 10, 12(b), and 12(f) of the Act and Rule 43 promulgated thereunder as applicable to the proposed transactions. All interested persons are referred to the application-declaration, which is summarized below, for a complete statement of the proposed transactions.

The capitalization of Connecticut Gas presently consists of \$1,250,000 of capital stock, represented by 12,500 shares of capital stock with a par value of \$100 per share, outstanding demand notes aggregating \$425,000, which stock and notes were issued to and acquired by CL&P before Northeast became a registered holding company, and \$250,000 of long-term unsecured notes issued to and acquired by CL&P pursuant to an order of the Commission (Holding Company Act Release No. 15855 (June 22, 1966)). Connecticut Gas proposes to issue and sell, and CL&P proposes to acquire, from time to time up to an additional \$375,000 of long-term unsecured notes to meet its capital requirements. The aggregate amount of all notes at any one time outstanding, including both the outstanding demand notes and long-term notes and the notes proposed to be issued, will at no time exceed \$1,050,000. The proposed notes will mature 10 years from the date the first such note is issued, will bear interest at a rate equal to the commercial bank prime rate for shortterm loans in effect from time to time in Hartford, Conn. (adjusted as of the date of announcement of any change in such rate), and may be repaid at any time without premium. The funds derived from the issue and sale of the proposed notes will be applied by Connecticut Gas for construction expenditures. Connecticut Gas' construction program contemplates gross construction expenditures of approximately \$358,000 during the ensuing 12 months for the relocation

reconstruction of a city gate station, and installation of filters.

The fees, commissions, and expenses paid or incurred, or to be paid or incurred, directly or indirectly, in connection with the proposed issuance of the notes are estimated to be approximately \$1,000, including estimated legal fees of \$500.

The declaration states that no consent or approval of any State commission or any Federal commission, other than this Commission, is required for the proposed transactions, except approval of the Connecticut Public Utilities Commission, A copy of an application to that commission and its order thereon will be filed by amendment.

Notice is further given that any interested person may, not later than May 20. 1968, request in writing that a hearing be held on such matter, stating the nature of his interest, the reasons for such request, and the issues of fact or law raised by said application-declaration which he desires to controvert; or he may request that he be notified if the Commission should order a hearing thereon. Any such request should be addressed: Secretary, Securities and Exchange Commission, Washington, D.C. 20549. A copy of such request should be served personally or by mail (airmail if the person being served is located more than 500 miles from the point of mailing) upon the applicant-declarant at the abovestated address, and proof of service (by affidavit or, in case of an attorney at law. by certificate) should be filed with the request. At any time after said date, the application-declaration, as filed or as it may be amended, may be granted and permitted to become effective as provided in Rule 23 of the general rules and regulations promulgated under the Act, or the Commission may grant exemption from such rules as provided in Rules 20(a) and 100 thereof or take such other action as it may deem appropriate. Persons who request a hearing or advice as to whether a hearing is ordered will receive notice of further developments in this matter, including the date of the hearing (if ordered) and any postponements thereof.

For the Commission (pursuant to delegated authority).

[SEAL]

ORVAL L. DUBOIS, Secretary.

[F.R. Doc. 68-5360; Filed, May 3, 1968; 8:45 a.m.]

### ROVER SHOE CO. Order Suspending Trading

APRIL 30, 1968.

It appearing to the Securities and Exchange Commission that the summary suspension of trading in the common stock of Rover Shoe Co., Bushnell, Fla., and stock purchase warrants of Rover Shoe Co. being traded otherwise than on a national securities exchange is required in the public interest and for the protection of investors:

It is ordered, pursuant to section 15(c) (5) of the Securities Exchange Act of 1934, that trading in such securities otherwise than on a national securities exchange be summarily suspended, this order to be effective for the period May 1, 1968, through May 10, 1968, both dates inclusive.

By the Commission.

[SEAL]

ORVAL L. DUBOIS, Secretary.

[F.R. Doc. 68-5361; Filed, May 3, 1968; 8:45 a.m.1

### TARIFF COMMISSION

### NONRUBBER FOOTWEAR INDUSTRIES

### Notice of Investigation

In response to a request dated April 29, 1968, by the President of the United States, the U.S. Tariff Commission has instituted an investigation of the economic condition of the domestic producers of nonrubber footwear. The full text of the request is as follows:

DEAR MR. CHAIRMAN:

Pursuant to the authority vested in me by section 332 of the Tariff Act of 1930, I hereby request a comprehensive investigation of the economic condition of the domestic producers of nonrubber footwear, and a report to me on the results of this investigation at the earliest opportunity.

The Commission is requested to report on all factors which, in its judgment, relate to the economic condition of such producers, including, but not limited to, production, sales, investment, employment, prices, profits, exports, imports, U.S. tariff treatment, the participation of such producers in international trade, and, in particular, the effect of imports upon such producers, including the competitive relationship between imports and their products.

Sincerely.

LYNDON B. JOHNSON

Representative Wilbur D. Mills, Chairman of the Committee on Ways and Means, House of Representatives, has joined in this request. A copy of Representative Mills' letter to the Commission is attached to this notice.1

The term "nonrubber footwear" in the President's request refers to footwear of the kinds described in Part 1A of Schedule 7 of the Tariff Schedules of the United States, other than the footwear described in items 700.51, 700.52, 700.53, and 700.60.

Interested parties are invited to submit information pertinent to the investigation. Information so submitted shall include a signed original and 19 true copies. Business data which are deemed confidential shall be submitted on separate sheets, each clearly marked at the top "Business Confidential". All material submitted, except confidential business data, will be made available for inspection by interested persons.

It is contemplated that a public hearing will be held in connection with this

<sup>1</sup> Representative Mills' letter filed as part of the original document.

investigation. Notice thereof will be issued in due course at a later date.

All communications regarding Commission's investigation should be addressed to the Secretary, U.S. Tariff Commission, Washington, D.C. 20436.

Issued: April 30, 1968.

By order of the Commission.

[SEAL]

DONN N. BENT, Secretary.

[F.R. Doc. 68-5374; Filed, May 3, 1968; 8:46 a.m.]

## INTERSTATE COMMERCE COMMISSION

[S.O. 994, ICC Order 12]

### NEW YORK, SUSQUEHANNA, AND WESTERN RAILROAD CO.

### Rerouting and Diversion of Traffic

In the opinion of R. D. Pfahler, agent, the New York, Susquehanna, and Western Railroad Co. is unable to transport traffic between Sparta, N.J., and Stockholm, N.J., because of a bridge out of service.

It is ordered. That:

(a) Rerouting traffic: The New York, Susquehanna, and Western Railroad Co... being unable to transport traffic between Sparta, N.J., and Stockholm, N.J., because of a bridge out of service, that carrier and its connections are hereby authorized to reroute or divert such traffic over any available route to expedite the movement. The billing covering all such cars rerouted shall carry a reference to this order as authority for the rerouting.

(b) Concurrence of receiving roads to be obtained: The railroad desiring to divert or reroute traffic under this order shall receive the concurrence of other railroads to which such traffic is to be diverted or rerouted, before the rerouting

or diversion is ordered.

(c) Notification to shippers: Each carrier rerouting cars in accordance with this order shall notify each shipper at the time each car is rerouted or diverted and shall furnish to such shipper the new routing provided under this order.

(d) Inasmuch as the diversion or rerouting of traffic by said Agent is deemed to be due to carrier's disability, the rates applicable to traffic diverted or rerouted by said Agent shall be the rates which were applicable at the time of shipment on the shipments as originally routed.

(e) In executing the directions of the Commission and of such Agent provided for in this order, the common carriers involved shall proceed even though no contracts, agreements, or arrangements now exist between them with reference to the divisions of the rates of transportation applicable to said traffic; divisions shall be, during the time this order remains in force, those voluntarily agreed upon by and between said

carriers; or upon failure of the carriers to so agree, said divisions shall be those hereafter fixed by the Commission in accordance with pertinent authority conferred upon it by the Interstate Commerce Act.

(f) Effective date: This order shall become effective at 11:59 p.m., April 30,

1968.

(g) Expiration date: This order shall expire at 11:59 p.m., July 31, 1968, unless otherwise modified, changed, or sus-

pended.

It is further ordered, That this order shall be served upon the Association of American Railroads, Car Service Division, as agent of all railroads subscribing to the car service and per diem agreement under the terms of that agreement; and that it be filed with the Director, Office of the Federal Register.

Issued at Washington, D.C., April 29, 1968.

INTERSTATE COMMERCE COMMISSION, R. D. PFAHLER,

[SEAL]

Agent.

[F.R. Doc. 68-5387; Filed, May 3, 1968; 8:47 a.m.]

[Notice 132]

### MOTOR CARRIER TRANSFER **PROCEEDINGS**

MAY 1, 1968.

Synopses of orders entered pursuant to section 212(b) of the Interstate Commerce Act, and rules and regulations prescribed thereunder (49 CFR Part 1132), appear below:

As provided in the Commission's special rules of practice any interested person may file a petition seeking reconsideration of the following numbered proceedings within 20 days from the date of publication of this notice. Pursuant to section 17(8) of the Interstate Commerce Act, the filing of such a petition will postpone the effective date of the order in that proceeding pending its disposition. The matters relied upon by petitioners must be specified in their petitions with particularity.

No. MC-FC-70284. By order of April 26, 1968, the Transfer Board approved the transfer to T. Achenberg Transportation Co., a corporation, Perth Amboy N.J., of permit in No. MC-107723, issued September 21, 1961, to Walter Adlam, doing business as Venango Trucking Co., Jenkintown, Pa., authorizing the transportation of steel bars, straight and fabricated, rods, in coils and fabricated, structural steel, plain and fabricated, sheet piling, column forms and fittings, wire, in coils and fabricated, wire rope and wire fittings, strand and guy rope, wire rope reels, guard rail cable, steel joists, fabricated, bolts, nuts, and nails, from Philadelphia, Pa., to Wilmington, Del., and points in New Jersey; and, column forms and fittings, wire rope reels, and rejected articles, from Wilmington, Del., and points in New Jersey, to Phila-

delphia, Pa. Morton E. Kiel, 140 Cedar Street, New York, N.Y. 10006, practitioner for transferee.

No. MC-FC-70314. By order of April 26, 1968, the Transfer Board approved the transfer to Clyde E. Cutright, doing business as Cecil Cutright Transfer, 7 Thurman Avenue, Buckhannon, W. Va. 26201, of the operating rights in certificate No. MC-108474 issued September 5, 1947, to Cecil Cutright, 7 Thurman Avenue, Buckhannon, W. Va. 26201, authorizing the transportation of; Agricultural commodities, livestock, and household goods as defined in Practices of Motor Common Carriers of Household goods, 17 M.C.C. 467, over irregular routes, between points in Upshur County, W. Va., on the one hand, and, on the other, points in Pennsylvania, Ohio, Maryland, Virginia, and West Virginia.

No. MC-FC-70339. By order of April 26, 1968, the Transfer Board approved the transfer to M. L. Sorenson, Wakonda, S. Dak. 57073, of the operating rights in certificate No. MC-24625 issued January 1, 1941, to A. P. Sorenson, M. L. Sorenson, and Richard Sorenson, doing business as A. P. Sorenson & Sons, Wakonda, S. Dak. 52073, authorizing the transportation of: Livestock, over irregular routes, between Yankton, S. Dak., and Sioux City, Iowa. Household goods, emigrant movables, livestock, agricultural commodities, farm implements and parts therefor, feed, and seed, over irregular routes, between Beresford and Wakonda, S. Dak., and points and places within 15 miles of each, on the one hand, and, on the other, Sioux City, Iowa.

No. MC-FC-70366. By order of April 26, 1968, the Transfer Board approved the transfer to R. A. Lange and R. B. Lange, doing business as Lange Moving & Storage Co., Muskegon, Mich., of the operating rights in certificate No. MC-24280 and MC 24280 (Sub-No. 1) issued June 10, 1949, and April 14, 1967, to H. Porter Lange and Robert A. Lange, doing business as Lange Transfer & Storage Co., Muskegon, Mich., authorizing transportation of (1) household goods, over irregular routes between points and places in Oceana and Muskegon Counties, Mich., on the one hand, and, on the other, points and places in Illinois and Indiana, and (2) general commodities, with exceptions, between points and places in Muskegon, Michigan Heights, and North Muskegon; and cosmetics and toilet preparations, and advertising and sales material, moving in conjunction therewith, over irregular routes, between specified points and places in Michigan. Wilhelmina Boersma, 1600 First Federal Building, Detroit, Mich. 48226; attorney for applicants.

Corrected notice No. MC-FC-70321. By order of March 22, 1968, the Transfer

<sup>1</sup> Corrected to show that the general commodity authority authorizes the transportation of such commodities in bankrupt lots only moving to Philadelphia, Pa.

NOTICES 6845

Board approved the transfer to Wheelways, Inc., Millington, N.J., of the operating rights in certificates Nos. MC-117669, MC-117669 (Sub-No. 1), and MC-117669 (Sub-No. 2), issued January 14, 1959, April 20, 1965, and April 20, 1965, respectively, to Medway Trucking Corp., Philadelphia, Pa., authorizing the transportation, over irregular routes, of general commodities, excluding household goods, and other specified commodities, in bankrupt lots only, from points in the District of Columbia, Delaware, and New Jersey, points in a described portion of New York, a described portion of Pennsylvania, and a described portion of

supplies, equipment, fittings, fixtures, and accessories, between Philadelphia. Pa., on the one hand, and, on the other, points in the District of Columbia, Delaware, and New Jersey, and points in Pennsylvania and Maryland on and east of a line as described; and sewing, knitting, and pressing machines, with parts, equipment, fittings, fixtures, and accessories therefor, between Philadelphia, Pa., on the one hand, and, on the other, points in New Jersey, and points in that part of New York on and south of U.S. Highway 6, of soap chemicals and textile and lubricating oils, in containers, from Philadelphia, Pa., to New York, N.Y., and Maryland to Philadelphia, Pa.; electric Bayonne, Beverly, and Camden, N.J.;

and radios and television sets, incidental parts, batteries, and supplies, and electrical equipment, between points in Philadelphia County, Pa., and between Philadelphia, Pa., on the one hand, and, on the other, Wilmington and Dover, Del., Newark, Perth Amboy, Elizabeth, Trenton, Hammonton, Edgewater, Atlantic City, and Camden, N.J., and points in the New York, N.Y., commercial zone as defined. Robert B. Pepper, 297 Academy Street, Jersey City, N.J. 07306, applicants' representative.

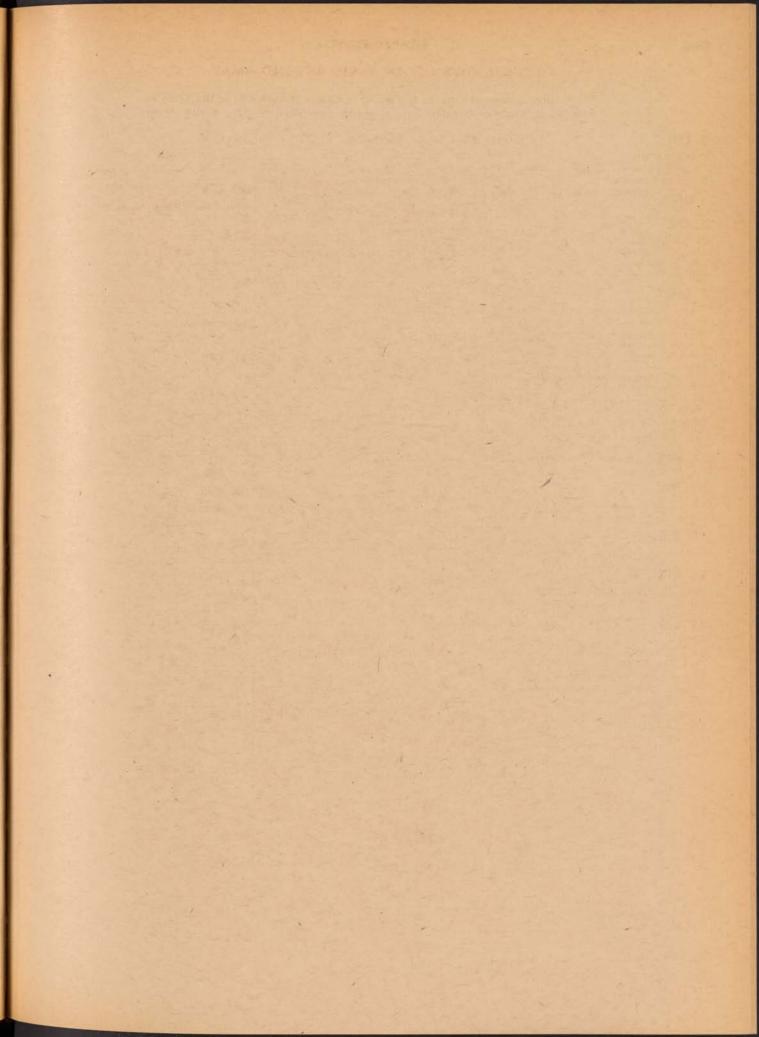
[SEAL] H. NEIL GARSON, Secretary.

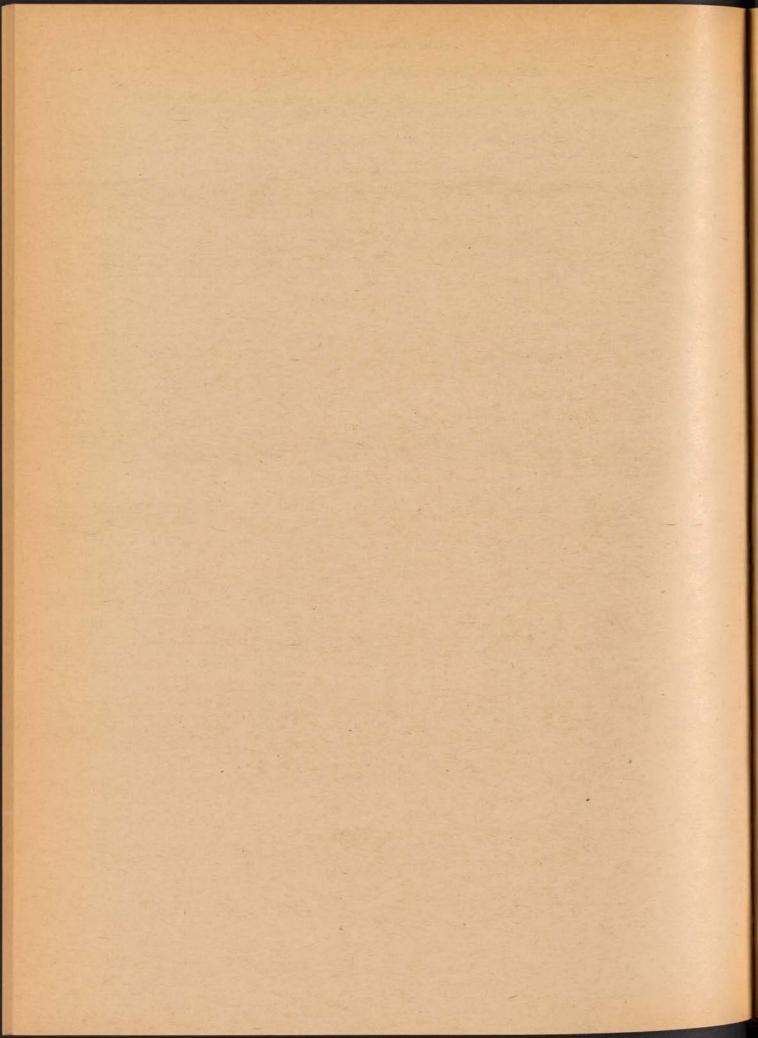
[F.R. Doc. 68-5388; Filed, May 3, 1968; 8:47 a.m.]

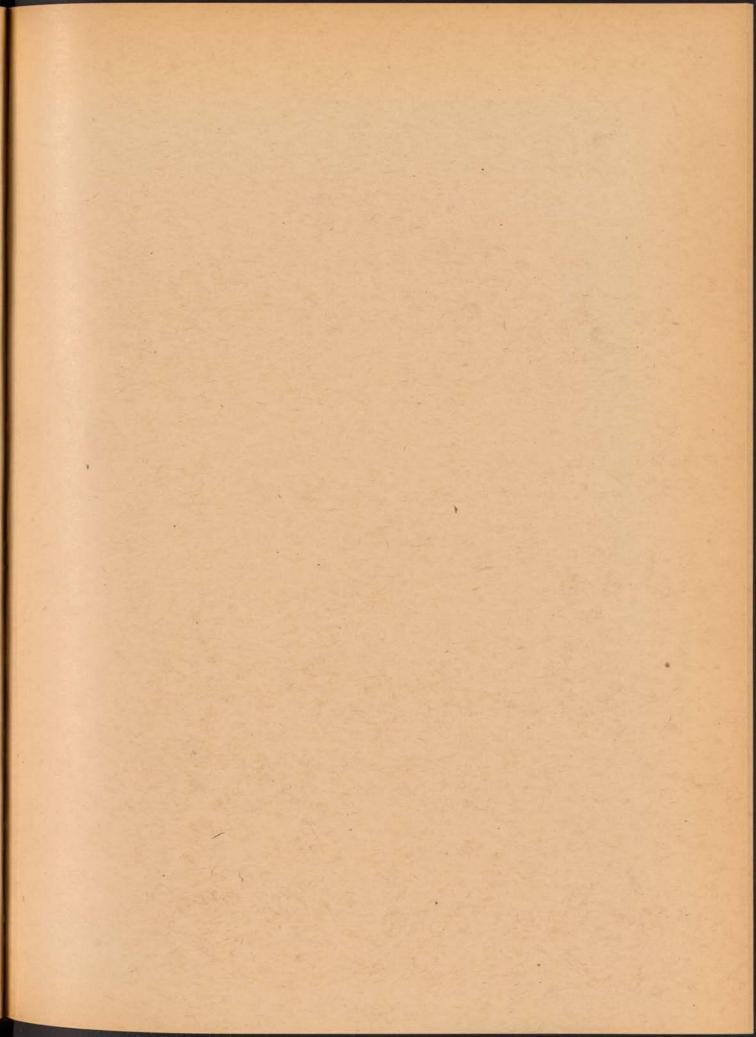
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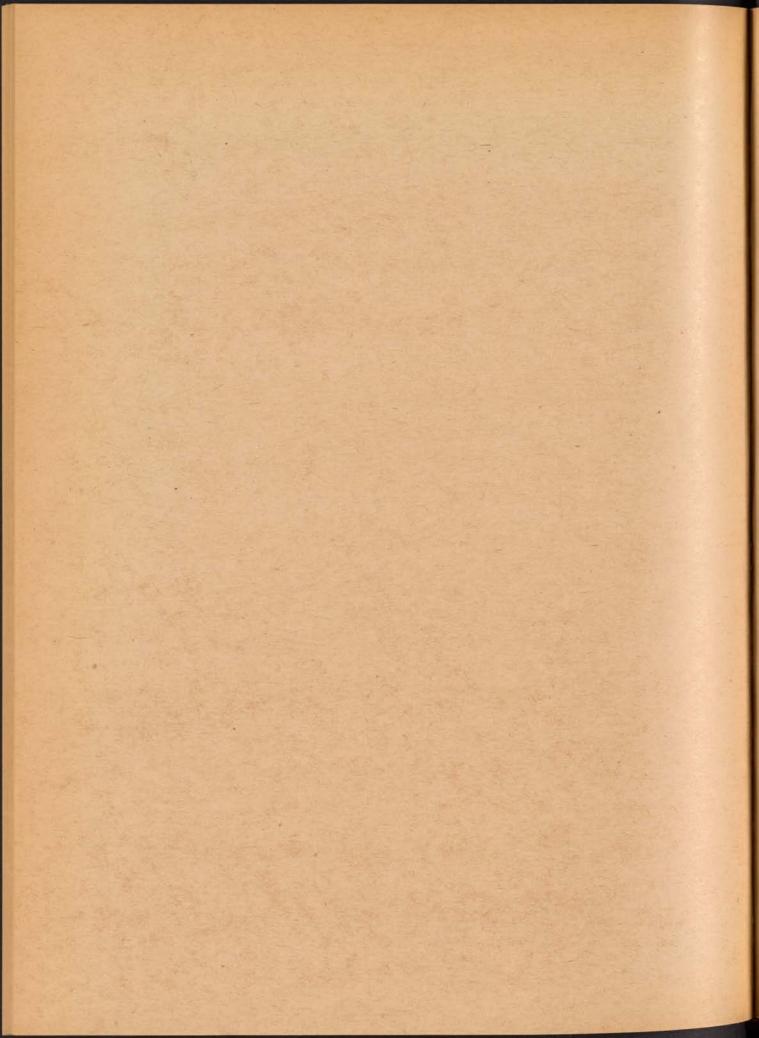
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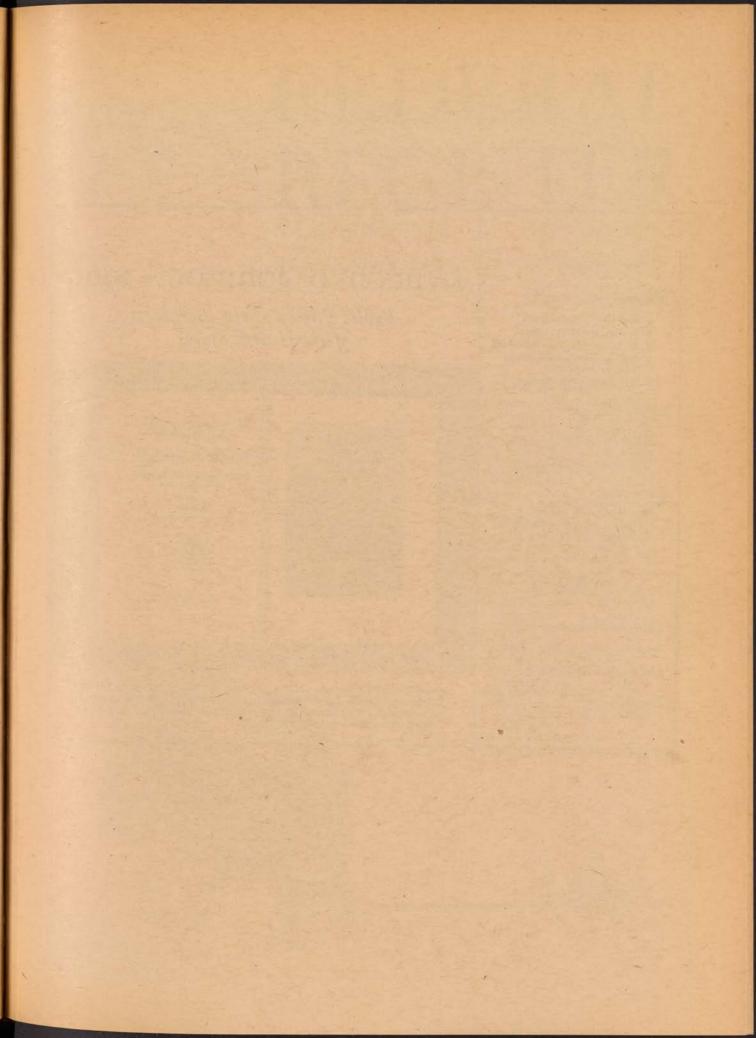
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