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Washington, Wednesday, March 6, 1940

The President

EXECUTIVE ORDER

RULES OF PRECEDENCE RELATING TO FOREIGN SERVICE OFFICERS AND OTHER OFFICERS OF THE UNITED STATES GOVERNMENT

By virtue of the authority vested in me by section 1752 of the Revised Statutes of the United States (22 U.S.C., sec. 132), and as President of the United States of America, I hereby prescribe the following rules governing precedence as between officers of the Foreign Service of the United States and officers or accredited representatives of other Executive departments or establishments of the United States Government:

1. In the country to which he is accredited, the chief of the diplomatic mission shall take precedence over all officers or accredited representatives of other Executive departments or establishments.
2. In the absence of the titular head of the mission, the chargé d'affaires *ad interim* shall take precedence over all officers or accredited representatives of other Executive departments or establishments.
3. Counselors shall take place and precedence next in succession after the chief of mission.
4. Military and naval attachés shall take place and precedence next in succession after the counselor of embassy or legation, or at a post where the Department of State has deemed it unnecessary to assign a counselor, after the senior secretary. Military and naval attachés shall take precedence among themselves according to their respective grades and seniority therein.
5. Foreign Service officers designated as attachés shall take precedence among Federal Service officers according to their respective grades and seniority therein, or as the Secretary of State

may direct; but they shall take place and precedence with but after military and naval attachés, except when the provisions of section 12 hereof are applicable and such Foreign Service officers are also assigned as diplomatic secretaries.

6. Treasury attachés shall take place and precedence with but after military, naval, commercial, and agricultural attachés.

7. Assistant military and naval attachés shall take place and precedence next after second secretaries. Assistant military and naval attachés shall take precedence among themselves according to their respective grades and seniority therein.

8. Foreign Service officers designated as assistant attachés shall take precedence among Foreign Service officers according to their respective grades and seniority therein, or as the Secretary of State may direct; but they shall take place and precedence with but after assistant military and naval attachés, except when the provisions of section 12 hereof are applicable and such Foreign Service officers are also assigned as diplomatic secretaries.

9. Assistant treasury attachés shall take place and precedence with but after assistant military, naval, commercial, and agricultural attachés.

10. No extra rank or precedence shall be conferred upon a military, naval, marine, or Foreign Service officer because of his duties as attaché to a diplomatic mission.

11. At ceremonies and receptions where the members of the mission take individual position, and in the lists furnished foreign governments for inclusion in their diplomatic lists, place and precedence shall follow the ranking indicated in the preceding sections.

12. At ceremonies and receptions where the personnel of diplomatic missions are present as a body, the chief of mission, or chargé d'affaires *ad interim*, accompanied by all Foreign Service officers as-

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signed as diplomatic secretaries, shall be followed in the order named by the military, the naval, the commercial (when not also assigned as diplomatic secretaries), the agricultural (when not also assigned as diplomatic secretaries), and the treasury attachés, formed as distinct groups.

13. In international conferences at which the American delegates possess plenipotentiary powers, the senior counselor of embassy or legation attached to the delegation shall take place and precedence immediately after the delegates, unless otherwise instructed by the Secretary of State.

14. In the districts to which they are assigned, consuls general shall take place and precedence with but after Brigadier Generals in the Army or Marine Corps and intermediate between Rear Admirals and Captains in the Navy; consuls shall take place and precedence with but after Colonels in the Army or Marine Corps and Captains in the Navy; Foreign Service officers commissioned as vice consuls shall take place and precedence with but after Captains in the Army or Marine Corps and Lieutenants in the Navy.

15. Medical officers of the Public Health Service assigned to duty in American consular offices shall rank relatively with but after career officers of the consular branch of the Foreign Service of the Department of State in their respective grades as follows: Medical director with consul general; senior surgeon and surgeon with consul; passed assistant and assistant surgeon with Foreign Service officers commissioned as vice consul: *Provided*, That this regulation shall not operate to give seniority to any medical officer above that of the consular officer in charge.

REVOCATION OF EXECUTIVE ORDER

Executive Order No. 4705 of August 10, 1927, prescribing rules of precedence relating to officers of the Foreign Service and other officers of the United States Government, is hereby revoked.

FRANKLIN D ROOSEVELT

THE WHITE HOUSE,
March 2, 1940.

[No. 8356]

[F. R. Doc. 40-913; Filed, March 4, 1940; 2:46 p. m.]

EXECUTIVE ORDER

ADMINISTRATION OF THE FOREIGN SERVICE UNDER REORGANIZATION PLAN NO. II

Under the authority vested in me by section 1 (b) of Part I of Reorganization Plan No. II¹ (effective July 1, 1939, by Public Resolution approved June 7, 1939, 53 Stat. 1431), and in effectuation of the provisions of subdivisions (2), (3), and (4) of that section, I hereby prescribe

¹ 4 F. R. 2731.

the following regulations pertaining to officers designated by the Secretary of Commerce and the Secretary of Agriculture under the said subdivisions:

1. Officers designated by the Secretary of Commerce and the Secretary of Agriculture under subdivisions (2) and (3), respectively, of the said section 1 (b) of Part I of Reorganization Plan No. II may, when acceptable to the Secretary of State, be sent abroad as specialists or technicians for temporary service under the provisions of, and subject to the conditions named in, section 5 of the act of March 3, 1927, 44 Stat. 1396, and section 2 of the act of June 5, 1930, 46 Stat. 498, as authorized by the said subdivisions (2) and (3), respectively.

2. The Secretary of State shall give suitable commissions to the officers described in paragraph 1 hereof and shall assign them to such offices as may be deemed necessary by him and the Secretary of the department concerned. Such officers, during the active period of their assignment, shall be considered a part of the organization of the Foreign Service, shall assume the status directed by the Secretary of State, and shall, in this respect, be subject to the jurisdiction of the Secretary of State. With the approval of the chief of the office to which they are attached, such officers may request reports from Foreign Service officers upon matters falling within the jurisdiction of their respective departments. The duties of such officers shall be restricted to the accomplishment of the special missions within the scope of their assignments.

3. The officers designated by the Secretary of Commerce and the Secretary of Agriculture under subdivision (4) of the said section 1 (b) of Part I of Reorganization Plan No. II to serve in the Department of State as liaison officers shall, when acceptable to the Secretary of State, serve in matters of interest to their respective departments.

FRANKLIN D ROOSEVELT

THE WHITE HOUSE,
Mar. 2, 1940.

[No. 8357]

[F. R. Doc. 40-915; Filed, March 4, 1940; 2:46 p. m.]

EXECUTIVE ORDER

REVOCATION OF EXECUTIVE ORDER NO. 4308 OF SEPTEMBER 23, 1925, WITHDRAWING PUBLIC LANDS FOR CLASSIFICATION

ARIZONA

By virtue of the authority vested in me by the act of June 25, 1910, c. 421, 36 Stat. 847, Executive Order No. 4308 of September 23, 1925, temporarily withdrawing public lands in Arizona for classification, pending examination by the Smithsonian Institution of certain

Indian ruins located thereon, is hereby revoked.

FRANKLIN D ROOSEVELT

THE WHITE HOUSE,
Mar. 2, 1940.

[No. 8358]

[F. R. Doc. 40-914; Filed, March 4, 1940;
2:46 p. m.]

EXECUTIVE ORDER

PARTIAL REVOCATION OF EXECUTIVE ORDER
No. 3406 OF FEBRUARY 13, 1921, WITH-
DRAWING LANDS FOR LIGHTHOUSE PUR-
POSES

ALASKA

By virtue of the authority vested in me as President of the United States, Executive Order No. 3406 of February 13, 1921, withdrawing lands in Alaska for lighthouse purposes, is hereby revoked so far as it affects the parcel of land designated in that order as Parcel 26 "Mitkof Island, Wrangell Strait, Shown on U. S. Coast and Geodetic Survey Chart No. 8170—Sheet No. 15", and now designated as U. S. Survey No. 1626.

FRANKLIN D ROOSEVELT

THE WHITE HOUSE,
Mar. 2, 1940.

[No. 8359]

[F. R. Doc. 40-916; Filed, March 4, 1940;
2:46 p. m.]

EXECUTIVE ORDER

AMENDMENT OF PARAGRAPH 1, SUBDIVISION
VI, SCHEDULE B OF THE CIVIL SERVICE
RULES

By virtue of and pursuant to the authority vested in me by paragraph Eighth, subdivision SECOND, section 2 of the Civil Service Act (22 Stat. 403, 404), it is ordered that paragraph 1, Subdivision VI, Schedule B of the Civil Service Rules be, and it is hereby, amended to read as follows:

"1. Classified positions in the Custodian Service and at the Coast Guard Depot, Curtis Bay, Maryland, when filled by the promotion of unclassified laborers appointed under the Labor Regulations, subject to the approval of the Commission."

This order is recommended by the Civil Service Commission in view of the agreement by the Treasury Department that hereafter unclassified laborer positions in these services where Labor Regulations are in effect will be filled through appointment from appropriate classified registers as provided in section 3 of Civil Service Rule II. The procedure will permit unclassified laborers having a status under the Labor Regulations to advance upon noncompetitive examination to classified positions, but will not accord to such promoted employees a classified

status nor render them eligible for transfer to classified positions in other branches of the Federal service.

FRANKLIN D ROOSEVELT

THE WHITE HOUSE,
March 2, 1940.

[No. 8360]

[F. R. Doc. 40-917; Filed, March 4, 1940;
2:46 p. m.]

EXECUTIVE ORDER

AMENDMENT OF EXECUTIVE ORDER No.
6909 OF NOVEMBER 21, 1934, WITH-
DRAWING PUBLIC LANDS FOR USE IN
CONNECTION WITH A GRAZING PROJECT

SOUTH DAKOTA

Whereas by Executive Order No. 6909 of November 21, 1934, all of the unreserved and unappropriated public lands of the United States in Custer, Fall River, Jackson, and Pennington Counties, South Dakota, were temporarily withdrawn from settlement, location, sale, or entry, for classification and use as a grazing project pursuant to the submarginal land program of the Federal Emergency Relief Administration, such project being known as the Badlands-Fall River Land Utilization Project; and

WHEREAS by Executive Order No. 6910 of November 26, 1934, all of the vacant, unreserved, and unappropriated public land in the State of South Dakota was temporarily withdrawn from settlement, location, sale, or entry, and reserved for classification, and pending determination of the most useful purpose to which such land might be put in consideration of the provisions of the act of June 28, 1934, 48 Stat. 1269, and for conservation and development of natural resources; and

WHEREAS by reason of the transfer effected by Executive Order No. 7908 of June 9, 1938, the said Badlands-Fall River Land Utilization Project is now being administered pursuant to Title III of the Bankhead-Jones Farm Tenant Act of July 22, 1937 (50 Stat. 525); and

WHEREAS a portion of the land withdrawn by the said Executive Order No. 6909 is no longer needed for the use of which it was withdrawn:

NOW, THEREFORE, by virtue of the authority vested in me by the act of June 25, 1910, c. 421, 36 Stat. 847, it is ordered that the said Executive Order No. 6909 of November 21, 1934, be, and it is hereby, amended as follows:

1. The words "pursuant to Title III of the Bankhead-Jones Farm Tenant Act of July 22, 1937 (50 Stat. 522)" are substituted for the words "pursuant to the submarginal land program of the Federal Emergency Relief Administration."

2. The withdrawal made by the order shall include only the following-described lands, and the rest of the lands hereto-

fore constituting part of such withdrawal are excluded therefrom:

Black Hills Meridian

- T. 7 S., R. 1 E.,
sec. 27, S $\frac{1}{2}$ SE $\frac{1}{4}$, NW $\frac{1}{4}$ SE $\frac{1}{4}$, SW $\frac{1}{4}$ NE $\frac{1}{4}$,
and W $\frac{1}{2}$,
sec. 28, S $\frac{1}{2}$ N $\frac{1}{2}$, and S $\frac{1}{2}$,
sec. 29, S $\frac{1}{2}$ N $\frac{1}{2}$, and S $\frac{1}{2}$,
sec. 30, S $\frac{1}{2}$ N $\frac{1}{2}$, and S $\frac{1}{2}$,
secs. 31 to 35, inclusive,
sec. 36, SW $\frac{1}{4}$ SW $\frac{1}{4}$;
- T. 8 S., R. 1 E.,
sec. 1, S $\frac{1}{2}$, NW $\frac{1}{4}$, and SW $\frac{1}{4}$ NE $\frac{1}{4}$,
secs. 2 to 36, inclusive;
- T. 9 S., R. 1 E., all;
- T. 10 S., R. 1 E., all;
- T. 11 S., R. 1 E., all;
- T. 12 S., R. 1 E., all;
- T. 8 S., R. 2 E.,
sec. 6, SW $\frac{1}{4}$ SW $\frac{1}{4}$,
sec. 7, W $\frac{1}{2}$, and SW $\frac{1}{4}$ SE $\frac{1}{4}$,
sec. 17, SW $\frac{1}{4}$ SW $\frac{1}{4}$,
sec. 18, W $\frac{1}{2}$, SE $\frac{1}{4}$, W $\frac{1}{2}$ NE $\frac{1}{4}$, and
SE $\frac{1}{4}$ NE $\frac{1}{4}$,
sec. 19, all,
sec. 20, W $\frac{1}{2}$, W $\frac{1}{2}$ SE $\frac{1}{4}$, and SE $\frac{1}{4}$ SE $\frac{1}{4}$,
secs. 28 to 34, inclusive;
- T. 9 S., R. 2 E., all;
- T. 10 S., R. 2 E., all;
- T. 11 S., R. 2 E., all;
- T. 12 S., R. 2 E., all;
- T. 11 S., R. 3 E., all;
- T. 12 S., R. 3 E., all;
- T. 11 S., R. 4 E., all;
- T. 12 S., R. 4 E., all;
- T. 10 S., R. 5 E., all;
- T. 11 S., R. 5 E., all;
- T. 12 S., R. 5 E., all;
- T. 10 S., R. 6 E., all;
- T. 11 S., R. 6 E., all;
- T. 12 S., R. 6 E., all;
- T. 11 S., R. 7 E.,
secs. 19 to 36, inclusive;
- T. 12 S., R. 7 E., all;
- T. 5 S., R. 8 E.,
secs. 1, 2, 11, 12, 13, 14, 23, 24, 25, 26, 35,
and 36, all;
- T. 6 S., R. 8 E.,
secs. 1 and 2, all,
sec. 10, NE $\frac{1}{4}$, and N $\frac{1}{2}$ SE $\frac{1}{4}$,
secs. 11, 12, 13, 14, 23, 24, 25, 26, 35, and
36, all;
- T. 7 S., R. 8 E.,
secs. 1, 2, 11, 12, 13, 14, 23, 24, 25, 26, 35,
and 36, all;
- T. 8 S., R. 8 E.,
secs. 1 to 4, inclusive,
sec. 8, NE $\frac{1}{4}$,
secs. 9 to 16, inclusive,
sec. 17, S $\frac{1}{2}$ NE $\frac{1}{4}$, S $\frac{1}{2}$ SW $\frac{1}{4}$, and SE $\frac{1}{4}$,
secs. 21 to 29, inclusive,
secs. 33 to 36, inclusive;
- T. 9 S., R. 8 E.,
secs. 1 to 4, inclusive,
sec. 5, E $\frac{1}{2}$,
sec. 8, E $\frac{1}{2}$,
secs. 9 to 16, inclusive,
sec. 17, E $\frac{1}{2}$,
secs. 19 to 36, inclusive;
- T. 10 S., R. 8 E.,
secs. 1 to 5, inclusive,
sec. 6, E $\frac{1}{2}$,
secs. 8 to 17, inclusive,
secs. 20 to 29, inclusive,
secs. 32 to 36, inclusive;
- T. 11 S., R. 8 E., all;
- T. 12 S., R. 8 E., all;
- T. 4 S., R. 9 E., all;
- T. 5 S., R. 9 E., all;
- T. 6 S., R. 9 E., all;
- T. 7 S., R. 9 E., all;
- T. 8 S., R. 9 E., all;
- T. 9 S., R. 9 E., all;
- T. 10 S., R. 9 E., all;
- T. 11 S., R. 9 E., all;
- T. 12 S., R. 9 E., all;
- T. 1 S., R. 10 E.,
secs. 19 to 22, inclusive,
sec. 23, SW $\frac{1}{4}$,
sec. 25, W $\frac{1}{2}$,
secs. 26 to 36, inclusive;
- T. 2 S., R. 10 E.,
secs. 1 to 24, inclusive,
sec. 25, E $\frac{1}{2}$;

T. 3 S., R. 10 E.,
 sec. 17, SW $\frac{1}{4}$ SW $\frac{1}{4}$,
 secs. 19 to 36, inclusive;
 T. 4 S., R. 10 E., all;
 T. 5 S., R. 10 E., all;
 T. 1 S., R. 11 E.,
 sec. 26, S $\frac{1}{2}$ SE $\frac{1}{4}$, and SE $\frac{1}{4}$ SW $\frac{1}{4}$,
 sec. 32, SE $\frac{1}{4}$, S $\frac{1}{2}$ NE $\frac{1}{4}$, and NE $\frac{1}{4}$ NE $\frac{1}{4}$,
 sec. 33, SW $\frac{1}{4}$, S $\frac{1}{2}$ NW $\frac{1}{4}$, SW $\frac{1}{4}$ NE $\frac{1}{4}$, and
 W $\frac{1}{2}$ SE $\frac{1}{4}$,
 sec. 35, E $\frac{1}{2}$ and E $\frac{1}{2}$ W $\frac{1}{2}$,
 sec. 36, all;
 T. 2 S., R. 11 E., all;
 T. 3 S., R. 11 E., all;
 T. 4 S., R. 11 E., all;
 T. 2 S., R. 12 E.,
 sec. 4, lots 1, 2, 3, 4, S $\frac{1}{2}$ N $\frac{1}{2}$, S $\frac{1}{2}$,
 secs. 5 to 8, inclusive,
 sec. 9, that area lying west of the Chey-
 enne River,
 sec. 16, that area lying west of the Chey-
 enne River,
 secs. 17 to 20, inclusive,
 sec. 21, that area lying west of the Chey-
 enne River,
 sec. 28, that area lying west of the Chey-
 enne River,
 secs. 29 to 32, inclusive,
 sec. 33, that area lying west of the Chey-
 enne River;
 T. 3 S., R. 12 E.,
 sec. 4, S $\frac{1}{2}$ SE $\frac{1}{4}$ and W $\frac{1}{2}$ SW $\frac{1}{4}$,
 secs. 5 to 9, inclusive,
 secs. 16 to 21, inclusive,
 sec. 22, S $\frac{1}{2}$, S $\frac{1}{2}$ N $\frac{1}{2}$, and N $\frac{1}{2}$ NW $\frac{1}{4}$,
 sec. 23, S $\frac{1}{2}$ and S $\frac{1}{2}$ NW $\frac{1}{4}$,
 sec. 24, S $\frac{1}{2}$,
 secs. 25 to 36, inclusive;
 T. 4 S., R. 12 E., all;
 T. 3 S., R. 13 E.,
 secs. 1 to 11, inclusive,
 sec. 12, N $\frac{1}{2}$,
 secs. 14 to 22, inclusive,
 sec. 23, N $\frac{1}{2}$,
 secs. 27 to 30, inclusive;
 T. 4 S., R. 13 E.,
 secs. 1, 2, 11, 12, 13, 14, 23, and 24, all;
 T. 1 S., R. 14 E.,
 sec. 4, all,
 sec. 5, that area lying east of the Cheyenne
 River,
 sec. 7, that area lying south of the
 Cheyenne River,
 sec. 8, that area lying east of the Chey-
 enne River,
 sec. 9, all;
 secs. 13 to 17, inclusive,
 sec. 18, that area lying south of the Chey-
 enne River,
 sec. 19, N $\frac{1}{2}$, N $\frac{1}{2}$ S $\frac{1}{2}$, SE $\frac{1}{4}$ SW $\frac{1}{4}$, and
 SW $\frac{1}{4}$ SE $\frac{1}{4}$,
 sec. 20, N $\frac{1}{2}$, N $\frac{1}{2}$ S $\frac{1}{2}$, and S $\frac{1}{2}$ SE $\frac{1}{4}$,
 secs. 21 to 28, inclusive,
 sec. 29, E $\frac{1}{2}$ NE $\frac{1}{4}$, and NE $\frac{1}{4}$ SE $\frac{1}{4}$,
 sec. 30, NW $\frac{1}{4}$ NE $\frac{1}{4}$ and NE $\frac{1}{4}$ NW $\frac{1}{4}$,
 sec. 33, NE $\frac{1}{4}$ NE $\frac{1}{4}$,
 sec. 34, N $\frac{1}{2}$ N $\frac{1}{2}$,
 sec. 35, N $\frac{1}{2}$ N $\frac{1}{2}$,
 sec. 36, N $\frac{1}{2}$ N $\frac{1}{2}$;
 T. 2 S., R. 14 E.,
 sec. 31, SE $\frac{1}{4}$ SE $\frac{1}{4}$;
 T. 3 S., R. 14 E.,
 secs. 5 and 6, all,
 sec. 7, N $\frac{1}{2}$,
 sec. 8, N $\frac{1}{2}$,
 secs. 20 and 21, all,
 secs. 28 to 34, inclusive;
 T. 4 S., R. 14 E., all;
 T. 1 S., R. 15 E.,
 secs. 13 to 30, inclusive,
 sec. 31, N $\frac{1}{2}$ N $\frac{1}{2}$,
 sec. 33, N $\frac{1}{2}$,
 secs. 34 to 36, inclusive;
 T. 2 S., R. 15 E.,
 sec. 1, N $\frac{1}{2}$ and SE $\frac{1}{4}$;
 T. 3 S., R. 15 E.,
 sec. 11, E $\frac{1}{2}$ E $\frac{1}{2}$,
 secs. 12 and 13, all,
 sec. 14, E $\frac{1}{2}$ E $\frac{1}{2}$,
 sec. 22, E $\frac{1}{2}$,

secs. 23 to 26, inclusive,
 sec. 27, E $\frac{1}{2}$,
 sec. 34, E $\frac{1}{2}$,
 secs. 35 and 36, all;
 T. 4 S., R. 15 E., all;
 T. 1 S., R. 16 E.,
 secs. 1 to 5, inclusive,
 secs. 7 to 36, inclusive;
 T. 2 S., R. 16 E.,
 secs. 1 to 6, inclusive,
 sec. 7, N $\frac{1}{2}$,
 sec. 8, N $\frac{1}{2}$,
 secs. 9 to 13, inclusive,
 secs. 24, 25, and 36, all;
 T. 3 S., R. 16 E.,
 sec. 1, N $\frac{1}{2}$,
 sec. 3, SW $\frac{1}{4}$,
 secs. 4 to 10, inclusive,
 sec. 11, SW $\frac{1}{4}$,
 secs. 14 to 23, inclusive,
 secs. 25 to 36, inclusive;
 T. 4 S., R. 16 E., all;
 T. 1 S., R. 17 E.,
 secs. 7, and 13 to 36, inclusive;
 T. 2 S., R. 17 E., all;
 T. 3 S., R. 17 E.,
 secs. 1 to 5, inclusive,
 sec. 6, N $\frac{1}{2}$, SE $\frac{1}{4}$, and E $\frac{1}{2}$ SW $\frac{1}{4}$,
 secs. 30 and 31, all;
 T. 4 S., R. 17 E.,
 secs. 6, 7, 18, all;
 T. 1 S., R. 18 E.,
 secs. 13 to 36, inclusive;
 T. 2 S., R. 18 E., all;
 T. 3 S., R. 18 E.,
 secs. 1 to 12, inclusive,
 sec. 31, all,
 sec. 32, S $\frac{1}{2}$,
 sec. 33, S $\frac{1}{2}$,
 sec. 34, S $\frac{1}{2}$,
 sec. 35, S $\frac{1}{2}$,
 sec. 36, S $\frac{1}{2}$;
 T. 4 S., R. 18 E., all;
 T. 1 S., R. 19 E.,
 secs. 13 to 36, inclusive;
 T. 2 S., R. 19 E., all;
 T. 3 S., R. 19 E.,
 secs. 1 to 15, inclusive,
 secs. 22 to 27, inclusive,
 sec. 31, S $\frac{1}{2}$,
 sec. 32, S $\frac{1}{2}$,
 sec. 33, S $\frac{1}{2}$,
 secs. 34 to 36, inclusive;
 T. 4 S., R. 19 E., all;
 T. 1 S., R. 20 E.,
 secs. 13 to 36, inclusive;
 T. 2 S., R. 20 E., all;
 T. 3 S., R. 20 E., all;
 T. 4 S., R. 20 E., all;
 T. 2 S., R. 21 E.,
 secs. 31 to 36, inclusive;
 T. 3 S., R. 21 E., all;
 T. 4 S., R. 21 E., all;
 T. 2 S., R. 22 E.,
 sec. 31, all;
 T. 3 S., R. 22 E.,
 secs. 6, 7, 18, and 19, all.

FRANKLIN D ROOSEVELT

THE WHITE HOUSE,
 March 2, 1940.

[No. 8361]

[F. R. Doc. 40-918; Filed, March 4, 1940;
 2:47 p. m.]

EXECUTIVE ORDER

AMENDMENT OF EXECUTIVE ORDER NO. 8283
 OF NOVEMBER 9, 1939, AMENDING SECTION
 6 OF CIVIL SERVICE RULE II

By virtue of the authority vested in me
 by the Civil Service Act (22 Stat. 403), it
 is ordered that the penultimate para-
 graph of Executive Order No. 8283 of

November 9, 1939, be, and it is hereby,
 amended to read as follows:

"The second *proviso* of the said section
 6 of Civil Service Rule II as herein
 amended shall also apply to the incum-
 bents of positions heretofore or here-
 after covered into the classified (competi-
 tive) service by section 1 of Executive
 Order No. 7916 of June 24, 1938, and sec-
 tion 3 of that order is modified accord-
 ingly, effective as of November 9, 1939."

This order is recommended by the Civil
 Service Commission.

FRANKLIN D ROOSEVELT

THE WHITE HOUSE,
 March 4, 1940.

[No. 8363]

[F. R. Doc. 40-920; Filed, March 5, 1940;
 11:13 a. m.]

EXECUTIVE ORDER

REVOCATION OF EXECUTIVE ORDER NO. 5346
 OF MAY 9, 1930, WITHDRAWING PUBLIC
 LANDS

MINNESOTA

By virtue of the authority vested in me
 by the act of June 25, 1910, c. 421, 36
 Stat. 847, Executive Order No. 5346 of
 May 9, 1930, withdrawing public lands in
 Minnesota pending a resurvey, is hereby
 revoked.

This order shall become effective upon
 the date of the official filing of the plat
 of the resurvey of the lands involved.

FRANKLIN D ROOSEVELT

THE WHITE HOUSE,
 March 4, 1940.

[No. 8364]

[F. R. Doc. 40-921; Filed, March 5, 1940;
 11:13 a. m.]

Rules, Regulations, Orders

TITLE 7—AGRICULTURE

CHAPTER VIII—SUGAR DIVISION

PART 802—SUGAR DETERMINATIONS

DETERMINATION OF FARMING PRACTICES TO
 BE CARRIED OUT ON FARMS IN STATES
 OTHER THAN CALIFORNIA IN CONNECTION
 WITH THE PRODUCTION OF SUGAR BEETS
 DURING THE CROP YEAR 1940

Whereas, Section 301 of the Sugar Act
 of 1937 authorizes the Secretary of Agri-
 culture to make payments under specifi-
 ed conditions with respect to sugar or
 liquid sugar commercially recoverable
 from the sugar beets or sugarcane grown
 on a farm for the extraction of sugar
 or liquid sugar; and

Whereas, the condition with respect to farming practices, as stated in subsection (e) of section 301 of the said act, is as follows:

That there shall have been carried out on the farm such farming practices in connection with the production of sugar beets and sugarcane during the year in which the crop was harvested with respect to which a payment is applied for, as the Secretary may determine, pursuant to this subsection, for preserving and improving fertility of the soil and for preventing soil erosion, such practices to be consistent with the reasonable standards of the farming community in which the farm is situated.

Now, therefore, I, H. A. Wallace, Secretary of Agriculture, do hereby determine that:

§ 802.13d *Farming practices in connection with the production of sugar beets during the crop year 1940 in States other than California.* The condition prescribed in subsection (e) of section 301 of the Sugar Act of 1937 shall be deemed to have been fulfilled with respect to the production of the 1940 crop of sugar beets on any farm, if there is carried out on land on the farm which is adapted to the production of sugar beets not less than one acre of soil-conserving practices for each acre of sugar beets planted on the farm for harvest in 1940: *Provided, however,* That not in excess of 75 percent of the foregoing requirements in connection with rented acreage which would otherwise be part of another farm may consist of practices carried out on such farm in excess of any practices required thereon.

For the purposes of this determination:

(a) Each of the following shall be deemed to be one acre of soil-conserving practices:

- (1) Maintaining until after July 1, 1940, one acre of a protective covering of adapted perennial or biennial legumes, adapted perennial grasses, or mixtures of such legumes and grasses; or
- (2) Seeding in 1940 one acre of adapted perennial legumes (except alfalfa) or biennial legumes, adapted perennial grasses or mixtures of such legumes and grasses; or
- (3) Seeding in 1940 one-half acre of adapted alfalfa; or
- (4) Plowing under during 1940 one acre of a good stand and a good growth of an adapted green manure crop; or
- (5) Applying during 1940 eight short tons of animal manure or the amount of manure normally produced in one year by any of the following: two head of cattle (of more than one year of age), two horses, two mules, four calves, four colts, ten sheep, or ten goats; or
- (6) Applying during 1940 to land on which sugar beets are planted for harvest in 1940, 75 pounds of net available nitro-

gen, potash and/or phosphoric acid in the form of commercial chemical fertilizer.

(b) Adapted perennial or biennial legumes, or adapted perennial grasses, or mixtures thereof, or adapted green manure crops, shall be deemed to be those perennial or biennial legumes, or perennial grasses, or mixtures thereof, or green manure crops which are approved under the 1940 State Agricultural Conservation Program as being adaptable for the State in which the farm is located.

All of the foregoing soil-conserving practices shall be carried out in accordance with farming methods commonly used in the community in which the farm is located. (Sec. 301, 50 Stat. 909, 7 U.S.C., Sup. IV, 1131)

Done at Washington, D. C., this 5th day of March 1940. Witness my hand and the seal of the Department of Agriculture.

[SEAL]

H. A. WALLACE,
Secretary of Agriculture.

[F. R. Doc. 40-930; Filed, March 5, 1940; 11:51 a. m.]

TITLE 16—COMMERCIAL PRACTICES

FEDERAL TRADE COMMISSION

[Docket No. 3624]

IN THE MATTER OF I. SEKINE COMPANY, INC.

§ 3.66 (k) (4) *Misbranding or mislabeling—Source or origin—Place—Imported product or parts as domestic:* § 3.69 (b) (16) *Misrepresenting oneself and goods—Goods—Source or origin—Place—Imported product or parts as domestic.* Using the words, in connection with offer, etc., in commerce, of toothbrushes, "This brush is made in U. S. A.", or any words of similar import or meaning, on toothbrushes made from imported handles, or on the containers in which they are packaged, or in any other manner in connection with such brushes, or representing, directly or by implication, through the use of the words "This brush is made in U. S. A.", or any other words of similar import or meaning, or by the unnecessary obliteration or concealment of the word or words indicating the foreign origin of the handles of such brushes in processing said handles, or in any other manner, that toothbrushes made from imported handles are of domestic manufacture, prohibited. (Sec. 5, 38 Stat. 719, as amended by sec. 3, 52 Stat. 112; 15 U.S.C., Supp. IV, sec. 45b) [Cease and desist order, I. Sekine Company, Inc., Docket 3624, February 24, 1940]

United States of America—Before
Federal Trade Commission

At a regular session of the Federal Trade Commission held at its office in the City of Washington, D. C., on the 24th day of February, A. D. 1940.

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

ORDER TO CEASE AND DESIST

This proceeding having been heard¹ by the Federal Trade Commission upon the complaint of the Commission, the answer of respondent, testimony and other evidence in support of the allegations of said complaint, and in opposition thereto taken before Robert S. Hall, an examiner of the Commission theretofore duly designated by it, and briefs filed herein, oral argument not having been requested, and the Commission having made its findings as to the facts and its conclusion that said respondent has violated the provisions of the Federal Trade Commission Act;

It is ordered, That the respondent, I. Sekine Company, Inc., a corporation, its officers, agents, employees and representatives, directly or through any corporate device, in connection with the offering for sale, sale and distribution of toothbrushes in commerce as commerce is defined in the Federal Trade Commission Act, do forthwith cease and desist from:

1. Using the words "This brush is made in U. S. A." or any words of similar import or meaning on toothbrushes made from imported handles, or on the containers in which they are packaged, or in any other manner in connection with such brushes.

2. Representing, directly or by implication, through the use of the words "This brush is made in U. S. A." or any other words of similar import or meaning or by the unnecessary obliteration or concealment of the word or words indicating the foreign origin of the handles of such brushes in processing said handles, or in any other manner, that toothbrushes made from imported handles are of domestic manufacture.

It is further ordered, That the respondent shall, within sixty (60) days after service upon it of this order file with the Commission a report in writing, setting forth in detail the manner and form in which it has complied with this order.

By the Commission.

[SEAL]

OTIS B. JOHNSON,
Secretary.

[F. R. Doc. 40-919; Filed, March 5, 1940; 10:33 a. m.]

TITLE 17—COMMODITY AND SECURITIES EXCHANGE

CHAPTER II—SECURITIES AND EXCHANGE COMMISSION

SECURITIES ACT OF 1933 AND SECURITIES EXCHANGE ACT OF 1934

I. ADOPTION OF REGULATION S-X

The Securities and Exchange Commission, acting pursuant to authority conferred upon it by the Securities Act of 1933, particularly Sections 7 and 19 (a) thereof [Sec. 7, 48 Stat. 78; 15 U.S.C., 77g; Sec. 19, 48 Stat. 85; Sec. 209, 48 Stat. 908; 15 U.S.C., 77s], and the Securities Exchange Act of 1934, particularly Sections 12 and 23 (a) thereof [Sec. 12, 48 Stat. 892; Sec. 1, 49 Stat. 1375; 15 U.S.C., 781 and Sup. III: Sec. 23, 48 Stat. 901; Sec. 8, 49 Stat. 1379; 15 U.S.C. 78w and Sup. III], and finding such action necessary and appropriate in the public interest and for the protection of investors, and necessary for the execution of the functions vested in it by the said Acts, hereby adopts Regulation S-X [Part 210], governing the form and content of all financial statements specified in Rule 1-01 [§ 210.1-01] of the Regulation.

The foregoing action shall be effective February 21, 1940, except that financial statements filed as a part of any registration statement, application for registration, or report filed with the Commission prior to June 1, 1940, may be prepared in accordance with the applicable requirements as in effect immediately prior to the adoption of Regulation S-X [Part 210].

II. AMENDMENT NO. 3 TO FORM 15 AMENDMENT NO. 2 TO FORM 17

The Securities and Exchange Commission, acting pursuant to authority conferred upon it by the Securities Exchange Act of 1934, particularly Sections 12 and 23 (a) thereof [Sec. 12, 48 Stat. 892; Sec. 1, 49 Stat. 1375; 15 U.S.C., 781 and Sup. III: Sec. 23, 48 Stat. 901; Sec. 8, 49 Stat. 1379; 15 U.S.C., 78w and Sup. III], and finding such action necessary and appropriate in the public interest and for the execution of the functions vested in it by the said Act, hereby takes the following action:

A. Forms 15 and 17 are amended by adding after Item 38 of each of such forms a new Item 39, reading as follows:

39. Furnish the information required below with respect to capital shares as shown on each balance sheet required to be filed;

(a) If, since January 1, 1925, there have been restatements of capital shares which have resulted in transfers from capital share liability to surplus or reserves, state the amounts of such restatements and all related entries. No statement need be made as to restatements resulting from the declaration of share dividends.

(b) If, since January 1, 1925, there has been an original issue of capital shares, any part of the proceeds from which was credited to accounts other than capital share accounts, state the accounts and the respective amounts credited thereto.

B. The Instruction Books for Forms 15 and 17 are amended by adding immediately after the instruction to, Item 38 of Form 15 and Item 37 of Form 17 a new instruction reading as follows:

Item 39. 1. In applications filed with the Commission prior to June 1, 1940, this item need not be answered unless the financial statements required are prepared in accordance with the requirements of Regulation S-X [Part 210].

2. This item does not call for an audit, but only for a survey or review of the accounts named. The answer shall, as such, be separately certified by either (a) the board of directors through its authorized agent, or (b) the chief accounting officer of the registrant, or (c) independent public or independent certified public accountants.

The foregoing action shall be effective February 21, 1940.

By the Commission.

[SEAL] FRANCIS P. BRASSOR,
Secretary.

[Regulation S-X]

PART 210—FORM AND CONTENT OF FINANCIAL STATEMENTS UNDER THE SECURITIES ACT OF 1933 AND THE SECURITIES EXCHANGE ACT OF 1934

Preface

Part 210 relates generally to the *form and content* of financial statements. The instructions as to what financial statements are required to be filed are contained in the form prescribed for the respective registration statement, application for registration, or report.

Attention is directed to the General Rules and Regulations, under each of the two Acts, which contain certain rules of a general nature applicable to Part 210, particularly, rules defining terms and rules prescribing the mode of printing and physical presentation of matter to be filed with the Commission.

In addition the Commission from time to time publishes opinions of its Chief Accountant relating to major accounting questions and to administrative policy with respect to financial statements. Copies of these opinions, which are published as the Accounting Series, may be procured from the Commission upon request.

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§ 210.1-01 *Application of Part 210.* Part 210 shall govern the form and content of all financial statements required to be filed as part of—

(a) Registration statements under the Securities Act of 1933¹, filed on Form A-2;

(b) Applications for registration of securities under the Securities Exchange Act of 1934², filed on Form 8-A, 8-B, 10, 11, 13, 14, 15, 17, 22, 23, or 24;

(c) Supplemental or periodic reports under Section 13 of the Securities Exchange Act of 1934 [Sec. 13, 48 Stat. 894; 15 U.S.C., 78m], filed on Form 10-K, 11-K, 13-K, 14-K, 15-K, 17-K, or 24-K; and,

(d) Supplemental or periodic reports under Section 15 (d) of the Securities Exchange Act of 1934 [Sec. 15, 48 Stat. 895; Sec. 3, 49 Stat. 1377; Sec. 1, 52 Stat. 1070; 15 U.S.C., 78o, Sup. III and 15 U.S.C., 78o-3], filed on Form 1-MD or 4-MD.* [Regulation S-X, Rule 1-01, effective Feb. 21, 1940]

§ 210.1-02 *Definitions of terms used in part 210.* Unless the context otherwise requires, terms defined in the General Rules and Regulations or in the instructions to the applicable form, when used in Part 210, shall have the respective meanings given in such instructions or rules. In addition the following terms shall have the meanings indicated in this section unless the context otherwise requires:

Equity security. The term "equity security" means any stock or similar security; or any security convertible, with or without consideration, into such a security, or carrying any warrant or right to subscribe to or purchase such a security; or any such warrant or right.

Investment company. The term "investment company" means a person engaged or intending to engage, directly or through subsidiaries, primarily in the business of investing and reinvesting or trading in securities for revenue and profit, and not for the purpose or with the effect of exercising control.

Majority-owned subsidiary. The term "majority-owned subsidiary" means a subsidiary of which securities representing in the aggregate more than 50 percent of the voting power are owned directly by its parent and/or one or

¹ 48 Stat. 74 et seq., 15 U.S.C., 77a et seq.

² 48 Stat. 881 et seq., 15 U.S.C., 78a et seq.

*Sec. 7, 48 Stat. 78; 15 U.S.C., 77g; Sec. 19, 48 Stat. 85; Sec. 209, 48 Stat. 908; 15 U.S.C., 77s; Sec. 12, 48 Stat. 892; Sec. 1, 49 Stat. 1375; 15 U.S.C., 781 and Sup. III; Sec. 23, 48 Stat. 901; Sec. 8, 49 Stat. 1379; 15 U.S.C., 78w and Sup. III.

more of the parent's majority-owned subsidiaries.

Principal holders of equity securities. The term "principal holders of equity securities", used in respect of a particular registration statement or report, means the persons named in the item of such statement or report calling for holders of record or beneficial owners of more than 10 percent of any class of equity securities. If the particular statement or report contains no such item, the term means the persons named in the most recent related registration statement, application or report of the registrant which contains such an item.

Significant subsidiary. The term "significant subsidiary" means a subsidiary meeting any one of the following conditions:

(a) The investments in and advances to the subsidiary on the part of its parent and the parent's other subsidiaries exceed 5 percent of the assets of the parent as shown by its most recent individual balance sheet being filed.

(b) The assets of the subsidiary exceed 5 percent of (1) the assets of its parent and the parent's subsidiaries as shown by the most recent consolidated balance sheet being filed, or (2) if a consolidated balance sheet is not being filed, the assets of the parent as shown by its most recent balance sheet being filed.

(c) The sales and operating revenues of the subsidiary exceed 5 percent of (1) the sales and operating revenues of its parent and the parent's subsidiaries as shown by the consolidated profit and loss statement being filed for the most recent fiscal year, or (2) if a consolidated profit and loss statement is not being filed, the sales and operating revenues of the parent as shown by its profit and loss statement being filed for the most recent fiscal year.

(d) The subsidiary is the parent of one or more subsidiaries and together with such subsidiaries would, if considered in the aggregate, constitute a significant subsidiary.

Totally-held subsidiary.—The term "totally-held subsidiary" means a subsidiary (a) substantially all of the outstanding securities of which are owned by its parent and/or the parent's other totally-held subsidiaries, and (b) which does not owe to any person other than its parent and/or the parent's other totally-held subsidiaries any debt of an amount which is material in relation to the particular subsidiary: *Provided, however,* That the existence of any indebtedness incurred in the ordinary course of business which is not overdue and which matures within one year from the date of its creation, whether evidenced by securities or not, shall not prevent a subsidiary from being deemed a totally-held subsidiary.* [Regulation S-X, Rule 1-02, effective Feb. 21, 1940]

CERTIFICATION

§ 210.2-01 *Qualifications of accountants.* (a) The Commission will not recognize any person as a certified public accountant who is not duly registered and in good standing as such under the laws of the place of his residence or principal office. The Commission will not recognize any person as a public accountant who is not in good standing and entitled to practice as such under the laws of the place of his residence or principal office.

(b) The Commission will not recognize any certified public accountant or public accountant as independent who is not in fact independent. An accountant will not be considered independent with respect to any person in whom he has any substantial interest, direct or indirect, or with whom he is, or was during the period of report, connected as a promoter, underwriter, voting trustee, director, officer, or employee.* [Regulation S-X, Rule 2-01, effective Feb. 21, 1940]

§ 210.2-02 *Certification by accountants.* (a) The accountants' certificate (1) shall be dated; (2) shall be signed manually; (3) shall identify without detailed enumeration the financial statements certified; (4) shall contain a reasonably comprehensive statement as to the scope of the audit made; (5) shall state whether there have been any changes in accounting principles or practices required to be set forth by § 210.3-07 and shall state clearly the accountants' opinion as to any such changes; and (6) shall state clearly the opinion of the accountants in respect of the financial statements of, and the accounting principles and procedures followed by, the registrant and its subsidiaries.

(b) In certifying the financial statements, the accountants may give due weight to an internal system of audit regularly maintained by means of auditors employed on the registrant's own staff. The accountants shall review the accounting procedures followed by the person or persons whose statements are certified and by appropriate measures shall satisfy themselves that such accounting procedures are in fact being followed. Nothing in these instructions shall be construed to imply authority for the omission of any procedure which independent accountants would ordinarily employ in the course of an audit made for the purpose of presenting comprehensive and dependable financial statements.

(c) Any matters to which the accountants take exception shall be clearly identified and the exception thereto specifically and clearly stated.

(d) If certification is made by an individual accountant, the above provisions as to accountants shall be read in the singular.* [Regulation S-X, Rule 2-02, effective Feb. 21, 1940]

§ 210.2-03 *Certification by foreign government auditors.* Notwithstanding

any requirements as to certification by independent accountants, the financial statements of any foreign governmental agency may be certified by the regular and customary auditing staff of the respective government, if public financial statements of such governmental agency are customarily certified by such auditing staff.* [Regulation S-X, Rule 2-03, effective Feb. 21, 1940]

§ 210.2-04 *Certification of financial statements of persons other than the registrant.* If a registrant is required to file financial statements of any other person, such statements need not be certified if certification of such statements would not be required if such person were itself a registrant.* [Regulation S-X, Rule 2-04, effective Feb. 21, 1940]

RULES OF GENERAL APPLICATION

§ 210.3-01 *Form, order, and terminology.* Financial statements may be filed in such form and order, and may use such generally accepted terminology, as will best indicate their significance and character in the light of the provisions applicable thereto.* [Regulation S-X, Rule 3-01, effective Feb. 21, 1940]

§ 210.3-02 *Inapplicable captions.* No entry need be made as to captions in any financial statement as to which the items and conditions are not present. If the amount to be shown under any caption is not significant, the caption need not be separately set forth. This section, however, shall not be applicable with respect to the captions or column headings of any supporting schedule required to be filed.* [Regulation S-X, Rule 3-02, effective Feb. 21, 1940]

§ 210.3-03 *Omission of inapplicable schedules.* (a) If any schedule is not applicable because the required matter is not present, such schedule need not be filed.

(b) A list of the omitted schedules shall immediately precede the schedules which are filed. The reason for the omission of any schedule shall be stated.* [Regulation S-X, Rule 3-03, effective Feb. 21, 1940]

§ 210.3-04 *Omission of substantially identical notes.* If notes covering substantially the same subject matter are required with respect to two or more financial statements, it will suffice to include the required information in a note to one of such statements, provided that a clear and specific reference thereto is made in each of the other statements with respect to which the note is required.* [Regulation S-X, Rule 3-04, effective Feb. 21, 1940]

§ 210.3-05 *Omission of names of certain subsidiaries.* Notwithstanding the requirements as to particular statements, subsidiaries, the names of which are permitted to be omitted from the list of affiliates required by the applicable form, need not be named in any financial statement. Reasonable grouping of such subsidiaries may be made with an explanatory group caption which shall state the

number of subsidiaries included in the group.* [Regulation S-X, Rule 3-05, effective Feb. 21, 1940]

§ 210.3-06 *Additional information.* The information required with respect to any statement shall be furnished as a minimum requirement to which shall be added such further material information as is necessary to make the required statements, in the light of the circumstances under which they are made, not misleading. This section shall be applicable to all statements required to be filed, including copies of statements required to be filed in the first instance with other governmental agencies.* [Regulation S-X, Rule 3-06, effective Feb. 21, 1940]

§ 210.3-07 *Changes in accounting principles and practices.* If any significant change in accounting principle or practice has been made at the beginning of or during any period covered by the profit and loss statements filed, a statement as to the change shall be given in a note to the appropriate statement, and if the change substantially affects proper comparison with the preceding fiscal period, the necessary explanation.* [Regulation S-X, Rule 3-07, effective Feb. 21, 1940]

§ 210.3-08 *Summary of accounting principles and practices.* Information required in notes as to accounting principles and practices reflected in the financial statements may be presented in the form of a single statement. In such case specific references shall be made in the appropriate financial statements to the applicable portion of such single statement.* [Regulation S-X, Rule 3-08, effective Feb. 21, 1940]

§ 210.3-09 *Conversion of items in foreign currencies.* The basis of conversion of all items in foreign currencies shall be stated, and the amount and disposition of the resulting unrealized profit or loss shown, if significant.* [Regulation S-X, Rule 3-09, effective Feb. 21, 1940]

§ 210.3-10 *Opening balances.* Instructions which permit the balance of an account at the beginning of the period for which financial statements are being filed to be "as per the accounts" shall not be applicable with respect to companies which have previously filed financial statements under the Securities Act of 1933¹ or the Securities Exchange Act of 1934.² As to such companies, however, balances as per accounts may be taken as of the close of the most recent period for which certified financial statements are on file.* [Regulation S-X, Rule 3-10, effective Feb. 21, 1940]

§ 210.3-11 *Valuation and qualifying reserves.* Except as otherwise specifically provided, valuation and qualifying reserves (other than those created essentially for contingencies) shall be shown separately in the statements as deductions from the specific assets to which they apply: *Provided, however,* That this section need not be applied to the reserves for depreciation, depletion, amor-

tization, or retirements provided by a public utility company in respect of its assets other than current assets.* [Regulation S-X, Rule 3-11, effective Feb. 21, 1940]

§ 210.3-12 *Basis of determining amounts—book value.* If an instruction requires a statement as to "the basis of determining the amount", the basis shall be stated specifically. The term "book value" will not be sufficiently explanatory unless, in a particular instruction, it is stated to be acceptable with respect to a particular item.* [Regulation S-X, Rule 3-12, effective Feb. 21, 1940]

§ 210.3-13 *Current assets.* Items classed as current assets shall be generally realizable within one year. However, generally recognized trade practices may be followed with respect to items such as instalment receivables or inventories long in process, provided an appropriate explanation of the circumstances is made and, if practicable, an estimate is given of the amount not realizable within one year.* [Regulation S-X, Rule 3-13, effective Feb. 21, 1940]

§ 210.3-14 *Current liabilities.* All amounts due and payable within one year shall in general be classed as current liabilities. However, generally recognized trade practices may be followed with respect to items such as customers' deposits and deferred income, provided an appropriate explanation of the circumstances is made.* [Regulation S-X, Rule 3-14, effective Feb. 21, 1940]

§ 210.3-15 *Reacquired evidences of indebtedness.* Reacquired evidences of indebtedness, if significant in amount, shall be shown separately as a deduction, under the appropriate liability caption. However, reacquired evidences of indebtedness held for pension and other special funds not related to the particular issue may be carried as assets of such funds, provided that there be stated parenthetically the amount of such evidences of indebtedness, the cost thereof, and the amount at which carried.* [Regulation S-X, Rule 3-15, effective Feb. 21, 1940]

§ 210.3-16 *Reacquired shares.* Reacquired shares, if significant in amount, shall be shown separately as a deduction from capital shares, or from the total of capital shares and surplus, or from surplus, at either par or stated value, or cost, as circumstances require.* [Regulation S-X, Rule 3-16, effective Feb. 21, 1940]

§ 210.3-17 *Discount on capital shares.* Discount on capital shares, if significant in amount, shall be shown separately as a deduction from capital shares or from surplus, as circumstances require, with an indication of what provisions have been made for writing off this item.* [Regulation S-X, Rule 3-17, effective Feb. 21, 1940]

§ 210.3-18 *General notes to balance sheets.* If present in regard to the person for which the statement is filed, the following shall be set forth in the balance sheet or in notes thereto:

(a) *Assets subject to a lien.* The amounts of assets mortgaged, pledged, or otherwise subject to a lien shall be designated and the obligations secured shall be briefly identified. However, in the case of commercial, industrial, and public utility companies this section need not be followed with respect to assets (other than current assets and securities) given as security for funded debt.

(b) *Intercompany profits and losses.* If practicable, the amount of any significant intercompany profits or losses (on sales or other charges by persons for which statements are filed) included in inventory, shall be stated. If impracticable of determination without unreasonable effort or expense, give an estimate or explain.

(c) *Defaults.* The facts and amounts with respect to any default in principal, interest, sinking fund, or redemption provisions with respect to any issue of securities shall be stated. Notation of the default shall be made in the balance sheet.

(d) *Preferred shares.* (1) If callable, the date or dates and the amount per share and in total at which such shares are callable shall be stated.

(2) Arrears in cumulative dividends per share and in total for each class of shares shall be stated.

(3) Preferences on involuntary liquidation, if other than the par or stated value, shall be shown. When the excess involved is significant there shall be shown (i) the difference between the aggregate preference on involuntary liquidation and the aggregate par or stated value; (ii) a statement that this difference, plus any arrears in dividends, exceeds the sum of the par or stated value of the junior capital shares and the surplus, if such is the case; and (iii) a statement as to the existence, or absence, of any restrictions upon surplus growing out of the fact that upon involuntary liquidation the preference of the preferred shares exceeds its par or stated value.

(e) *Contingent liabilities.* A brief statement as to significant contingent liabilities not reflected in the balance sheet shall be made. In the case of guarantees of securities of other issuers a reference to the appropriate schedule shall be included.* [Regulation S-X, Rule 3-18, effective Feb. 21, 1940]

§ 210.3-19 *General notes to profit and loss statements.* If present in regard to the person for which the statement is filed, the following shall be set forth in the profit and loss statement or in notes thereto:

(a) *Instalment or deferred sales.* If a significant amount of sales is made on an instalment or other deferred basis, the basis of taking profits into income shall be stated.

(b) *Intercompany profits and losses.* If practicable, the amount of any significant intercompany profits or losses (on

sales or other charges by persons for which statements are filed) included in the profit and loss statement shall be stated. If impracticable of determination without unreasonable effort or expense, give an estimate or explain.

(c) *Depreciation, depletion, obsolescence, and amortization.* State the policy followed during the period for which profit and loss statements are filed with respect to:

(1) The provision for depreciation, depletion, and obsolescence of physical properties, or reserves created in lieu thereof, including the methods and, if practicable, the rates used in computing the annual amounts;

(2) The provision for depreciation and amortization of intangibles, or reserves created in lieu thereof, including the methods and, if practicable, the rates used in computing the annual amounts;

(3) The accounting treatment for maintenance, repairs, renewals, and betterments; and

(4) The adjustment of the accumulated reserves for depreciation, depletion, obsolescence, amortization, or reserves in lieu thereof, at the time properties are retired or otherwise disposed of.* [Regulation S-X, Rule 3-19, effective Feb. 21, 1940]

CONSOLIDATED AND COMBINED STATEMENTS

§ 210.4-01 *Application of §§ 210.4-01 to 210.4-12.* These sections shall govern the preparation of consolidated and combined statements.* [Regulation S-X, Rule 4-01, effective Feb. 21, 1940]

§ 210.4-02 *Consolidated statements of the registrant and its subsidiaries.* The registrant shall follow in the consolidated statements principles of inclusion or exclusion which will clearly exhibit the financial condition and results of operations of the registrant and its subsidiaries: *Provided, however, That—*

(a) The registrant shall not consolidate any subsidiary which is not a majority-owned subsidiary;

(b) If the statements of a subsidiary are as of a date or for periods different from those of the registrant, such subsidiary may be consolidated only if all the following conditions exist: (1) Such difference is not more than 93 days; (2) the closing date of the subsidiary is expressly indicated; (3) the necessity for the use of different closing dates is briefly explained; and (4) any changes in the respective fiscal periods of the registrant and the subsidiary made during the period of report are clearly indicated, together with the manner of treatment.* [Regulation S-X, Rule 4-02, effective Feb. 21, 1940]

§ 210.4-03 *Group statements of subsidiaries not consolidated.* For majority-owned subsidiaries not consolidated with the registrant there may be filed statements in which such subsidiaries are consolidated or combined in one or more groups pursuant to principles of

inclusion or exclusion which will clearly exhibit the financial condition and results of operations of the group or groups. If it is essential to a properly summarized presentation of the facts, such consolidated or combined statement shall be filed.* [Regulation S-X, Rule 4-03, effective Feb. 21, 1940]

§ 210.4-04 *Statement as to principle of consolidation or combination followed.* (a) The principle adopted in determining the inclusion and exclusion of subsidiaries in each consolidated balance sheet and in each group balance sheet of unconsolidated subsidiaries shall be stated in a note to the respective balance sheet.

(b) As to each consolidated statement and as to each group statement of unconsolidated subsidiaries, a statement shall be made as to whether there have been included or excluded any persons not similarly treated in the corresponding statement for the preceding fiscal period, as filed with the Commission. If the answer to the foregoing is in the affirmative, the names of such persons shall be given.* [Regulation S-X, Rule 4-04, effective Feb. 21, 1940]

§ 210.4-05 *Reconciliation of investment of parent in subsidiaries and equity of parent in net assets of subsidiaries—(a) Consolidated subsidiaries.* There shall be set forth in a note to each consolidated balance sheet filed a statement of any difference between the investment in subsidiaries consolidated, as shown by the parent's books, and the parent's equity in the net assets of such subsidiaries, as shown by the books of the latter. If any such difference exists, there shall be set forth the disposition made thereof in preparing the consolidated statements, naming the balance sheet captions and stating the amounts included in each.

(b) *Subsidiaries not consolidated.* A statement shall be made of the amount of any difference between the investment of the parent and its consolidated subsidiaries, as shown by their books, in the unconsolidated subsidiaries for which statements are filed and the equity of such persons in the net assets of such unconsolidated subsidiaries, as shown by the books of the latter.* [Regulation S-X, Rule 4-05, effective Feb. 21, 1940]

§ 210.4-06 *Reconciliation of dividends received from, and earnings of, unconsolidated subsidiaries.* The proportion of the sum of, or difference between, current earnings or losses and the dividends declared or paid by unconsolidated subsidiaries that is applicable to the parent and its consolidated subsidiaries shall be set forth in a note to each consolidated profit and loss statement.* [Regulation S-X, Rule 4-06, effective Feb. 21, 1940]

§ 210.4-07 *Minority interests.* (a) Minority interests in the net worth of subsidiaries consolidated, unless nominal in amount, shall be shown in each consolidated balance sheet. In such case

a separation shall be made between the minority interest in the capital and in the surplus.

(b) The aggregate amount of profit or loss accruing to minority interests shall, unless nominal in amount, be stated separately in each consolidated profit and loss statement.* [Regulation S-X, Rule 4-07, effective Feb. 21, 1940]

§ 210.4-08 *Intercompany items and transactions.* In general, intercompany items and transactions, if significant in amount, shall be eliminated. If not eliminated, a statement of the reasons and the method of treatment shall be made.* [Regulation S-X, Rule 4-08, effective Feb. 21, 1940]

§ 210.4-09 *Special requirement as to insurance companies.* The statements of an insurance company shall not be consolidated or combined with the statements of any person.* [Regulation S-X, Rule 4-09, effective Feb. 21, 1940]

§ 210.4-10 *Special requirements as to registrants which are investment companies.* If the registrant is an investment company—

(a) Statements of the registrant may be consolidated only with the statements of subsidiaries which are investment companies.

(b) A consolidated statement of the registrant and any of its investment company subsidiaries shall not be filed unless accompanied by a consolidating statement which sets forth the individual statements of each significant subsidiary included in the consolidated statement.

(c) Consolidated or combined statements filed for subsidiaries not consolidated with the registrant shall not include any investment companies unless accompanied by consolidating or combining statements which set forth the individual statements of each included investment company which is a significant subsidiary.* [Regulation S-X, Rule 4-10, effective Feb. 21, 1940]

§ 210.4-11 *Special requirements as to registrants which are bank holding companies.* If the registrant is a bank holding company—

(a) Statements of the registrant may be consolidated only with the statements of subsidiaries which are bank holding companies.

(b) A consolidated statement of the registrant and any of its bank holding company subsidiaries shall not be filed unless accompanied by a consolidating statement which sets forth the individual statements of each subsidiary included in the consolidated statement.

(c) Consolidated or combined statements filed for subsidiaries not consolidated with the registrant shall not include any bank holding companies unless accompanied by consolidating or combining statements which set forth the individual statements of each included bank holding company subsidiary.* [Regulations S-X, Rule 4-11, effective Feb. 21, 1940]

§ 210.4-12 *Special requirements as to banks.* If two or more majority-owned subsidiaries of a person are banks and are directly owned by a single parent, there shall be filed, in lieu of individual statements for such subsidiaries, combined statements showing the minority interest separately and eliminating any significant inter-bank items; except that the statements of any such subsidiary which on the date of filing is a closed or liquidating bank shall not be included in any combined statement. Except as provided in the preceding sentence, statements of banks shall not be included in any consolidated or combined statements.* [Regulation S-X, Rule 4-12, effective Feb. 21, 1940]

COMMERCIAL AND INDUSTRIAL COMPANIES

§ 210.5-01 *Application of §§ 210.5-01 to 210.5-04.* (a) These sections shall be applicable to financial statements filed for all persons except—

(1) Investment companies (see §§ 210.6-01 to 210.6-04).

(2) Insurance companies other than life and title insurance companies (see §§ 210.7-01 to 210.7-06).

(3) Committees issuing certificates of deposit (see §§ 210.8-01 to 210.8-03).

(4) Banks (see § 210.9-05).

(b) *Bank holding companies.* Financial statements and schedules filed for bank holding companies shall be prepared in accordance with these sections except that §§ 210.9-01 to 210.9-04, inclusive, shall be applicable thereto.* [Regulation S-X, Rule 5-01, effective Feb. 21, 1940]

§ 210.5-02 *Balance sheets.* The balance sheets filed for persons to whom this article is applicable shall comply with the following provisions:

Assets and Other Debits

Current Assets

1. *Cash and cash items.* State separately (a) cash on hand, demand deposits and time deposits; (b) call loans; and (c) funds subject to withdrawal restrictions. Funds subject to such restrictions and deposits in closed banks shall not be classed as current assets unless they will become available within one year.

2. *Marketable securities.* Include only securities having a ready market. Securities of affiliates shall not be included here. State in the balance sheet the basis of determining the amount at which carried. The aggregate cost and aggregate amount on the basis of current market quotations shall be stated parenthetically or otherwise.

3. *Notes receivable (trade).* Notes receivable known to be uncollectible shall be excluded from the asset as well as from the reserve account.

4. *Accounts receivable (trade).* Accounts receivable known to be uncollectible shall be excluded from the asset as well as from the reserve account.

5. *Reserves for doubtful notes and accounts receivable (trade).*

6. *Inventories.* (a) State separately in the balance sheet, or in a note therein referred to, major classes of inventory such as (1) finished goods; (2) work in process; (3) raw materials; and (4) supplies. Any other classification that is reasonably informative may be used.

(b) The basis of determining the amounts shown in the balance sheet shall be stated. If a basis such as "cost", "market", or "cost or market whichever is lower" is given, there shall also be given, to the extent practicable, a general indication of the method of determining the "cost" or "market"; e.g., "average cost" or "first-in, first-out".

7. *Other current assets.* (a) State separately (1) total of current amounts, other than trade accounts subject to the usual trade terms, due from directors, officers, and principal holders of equity securities other than affiliates; (2) total of current amounts due from parents and subsidiaries; and (3) any other amounts in excess of five percent of total current assets, indicating when any such amount is due from affiliates other than parents and subsidiaries.

(b) Indebtedness of a parent or subsidiary, or an affiliate designated under (a) (3) shall not be considered as current unless the net current asset position of such person justifies such treatment. In the registrant's balance sheet show separately that indebtedness which in the related consolidated balance sheet is (1) eliminated and (2) not eliminated.

8. *Total current assets.*

Investments

9. *Securities of affiliates.* State separately in the registrant's balance sheet the amounts which in the related consolidated balance sheet are (a) eliminated and (b) not eliminated.

10. *Indebtedness of affiliates—Not current.* State separately in the registrant's balance sheet that indebtedness which in the related consolidated balance sheet is (a) eliminated and (b) not eliminated.

11. *Other security investments.* State in the balance sheet, or in a note therein referred to, the basis of determining the amount. If available, state parenthetically or otherwise, the aggregate amount on the basis of market quotations.

12. *Other investments.* State separately, by class of investments, any items in excess of five percent of the amount of all assets other than fixed and intangible ones.

Fixed Assets

13. *Property, plant, and equipment.*

14. *Reserves for depreciation, depletion, and amortization of property, plant, and equipment (or reserves in lieu thereof).*

Intangible Assets

15. *Patents, trade marks, franchises, goodwill, and other intangible assets.*

16. *Reserves for depreciation and amortization of intangible assets.*

Deferred Charges

17. *Prepaid expenses and other deferred items.* State separately any significant items. Prepayments of services to be received within one year may, however, be included under caption 7.

18. *Organization expense.*

19. *Debt discount and expense.* State in a note referred to in the balance sheet the method used in amortizing such debt discount and expense.

20. *Commissions and expense on capital shares.* Explain in a note referred to in the balance sheet what provisions have been made for writing off these items. These items may be shown as deductions from surplus.

Other Assets

21. *Other assets.* State separately (a) total of amounts due from directors, officers, and principal holders of equity securities other than affiliates; (b) each pension or other special fund of a significant amount; and (c) any other item in excess of five percent of the amount of all assets other than fixed and intangible ones.

Liabilities, Capital Shares, and Surplus

Current Liabilities

22. *Notes payable.* State separately amounts payable (a) to banks; (b) to trade; and (c) to others.

23. *Accounts payable (trade).*

24. *Accrued liabilities.* State separately (a) accrued pay rolls; (b) tax liability; (c) interest; and (d) any other significant items. If the total under this caption is not significant, it may be stated as one amount.

25. *Other current liabilities.* State separately (a) dividends declared; (b) serial bonds, notes and mortgage instalments and mortgages due within one year, and funded debt if treated as a current liability; (c) total of current amounts due to parents and subsidiaries, showing separately in the registrant's balance sheet the amounts which in the related consolidated balance sheet are (1) eliminated and (2) not eliminated; (d) total of current amounts, other than items arising in the ordinary course of business, due directors, officers, and principal holders of equity securities other than affiliates; and (e) any other item in excess of five percent of total current liabilities, indicating any such liability due to affiliates other than parents and subsidiaries. Remaining items may be shown in one amount.

26. *Total current liabilities.*

Deferred Income

27. *Deferred income.*

Long-Term Debt

28. *Funded debt.* If any amount of funded debt, other than that stated in caption 25 (b) above, falls due within one year, state separately.

29. *Indebtedness to affiliates—Not current.* State separately in the registrant's balance sheet that indebtedness which in

the related consolidated balance sheet is (a) eliminated and (b) not eliminated.

30. *Other long-term debt.* Include under this caption all amounts of long-term debt not provided for under captions 28 and 29 above. Indicate whether secured. State separately (a) total of amounts due directors, officers, and principal holders of equity securities other than affiliates; and (b) other long-term debt, specifying any significant item. State separately by years, in the balance sheet or in a note therein referred to, the total amounts of the respective maturities for the five years following the date of the balance sheet.

Other Liabilities

31. *Other liabilities.* State separately any amount in excess of five percent of the total of liabilities other than funded debt, capital shares, and surplus.

Reserves, Not Shown Elsewhere

32. *Reserves, not shown elsewhere.* State separately in the balance sheet the total of each major class.

Capital Shares and Surplus

33. *Capital shares.* State in the balance sheet for each class of shares the title of issue, the number of shares authorized, and the number of shares outstanding and the capital share liability thereof. Show also the dollar amount, if any, of capital shares subscribed but unissued, and of subscriptions receivable thereon.

34. *Surplus.* (a) Show in the balance sheet the division of this item into (1) paid-in surplus; (2) surplus arising from revaluation of assets; (3) other capital surplus; and (4) earned surplus. However, if, in the accounts, separate balances for these are not shown at the beginning of the period of report, i. e., if the company has not, up to the beginning of the period of report, differentiated in its accounting for surplus as indicated above, then the unsegregated items may be stated in one amount. If the above segregation of surplus is not made, the account titles used shall be such as will indicate the general types of surplus included therein. If undistributed earnings of subsidiaries are included, state the amount thereof parenthetically, or otherwise. However, in a consolidated statement, the preceding sentence shall have reference only to the undistributed earnings of subsidiaries not consolidated in such statement.

(b) An analysis of each surplus account setting forth the information prescribed in § 210.11-02 shall be given for each period for which a profit and loss statement is filed, as a continuation of the related profit and loss statement or in the form of a separate statement of surplus, and shall be referred to in the balance sheet.* [Regulation S-X, Rule 5-02, effective Feb. 21, 1940]

§ 210.5-03 *Profit and loss or income statements.* (a) The profit and loss or income statements filed for persons to whom §§ 210.5-01 to 210.5-04 are appli-

cable shall comply with the provisions of this section.

(b) If income is derived from both gross sales (caption 1A below) and operating revenues (caption 1B below), the two classes may be combined in one amount if the lesser amount is not more than ten percent of the sum of the two items. If these items are combined, the cost of goods sold (caption 2A below) and operating expenses (caption 2B below) may be combined in one amount.

1A. *Gross sales less discounts, returns, and allowances.* State separately, if practicable and if significant in amount, (a) sales to parents and subsidiaries and (b) sales to others.

2A. *Cost of goods sold.* (a) State here the amount of cost of goods sold as regularly computed under the system of accounting followed. If opening and closing inventories are used in the computation, state the amounts of such inventories here or in a note herein referred to and state the basis of determining such amounts.

(b) Merchandising organizations, both wholesale and retail, may include occupancy and buying costs under this caption. However, publicity costs shall be included under caption 4 below or shown separately.

1B. *Operating revenues.* State separately, if practicable and if significant in amount, revenues from (a) parents and subsidiaries and (b) others. A public utility company using a uniform system of accounts or a form for annual report prescribed by Federal or State authorities, or a similar system or report, shall follow the general segregation of revenues prescribed by such system or report.

2B. *Operating expenses.* State separately, if practicable and if significant in amount, purchases from and services rendered by (a) parents and subsidiaries and (b) others. A public utility company using a uniform system of accounts or a form for annual report prescribed by Federal or State authorities, or a similar system or report, may follow the general segregation of operating expenses prescribed by such system or report.

3. *Other operating expenses.* State separately any significant amounts not included in caption 2A or 2B above.

4. *Selling, general and administrative expenses.*

5. *Provision for doubtful accounts.*

6. *Other general expenses.* Include items not normally included in caption 4 above. State separately any significant amount.

Other Income

7. *Dividends.* State separately, if practicable and significant, the amount of dividends from (a) securities of affiliates, (b) marketable securities, and (c) other security investments.

8. *Interest on securities.* State separately, if practicable and significant, the

amount of interest from (a) securities of affiliates, (b) marketable securities, and (c) other security investments.

9. *Profits on securities.* Profits arising from transactions in securities shall be stated net of losses. No profits on the person's own securities, or on those of its affiliates, shall be included under this caption. State here or in a note herein referred to the principle followed in determining the cost of securities sold, e.g., "average cost" or "first-in, first-out".

10. *Miscellaneous other income.* State separately, with explanation, any significant amounts, designating clearly the nature of the transactions out of which the items arose.

Income Deductions

11. *Losses on securities.* Losses arising from transactions in securities shall be stated net of profits. No losses on the person's own securities, or on those of its affiliates, shall be included under this caption. State here or in a note herein referred to the principle followed in determining cost of securities sold, e.g., "average cost" or "first-in, first-out".

12. *Miscellaneous income deductions.* State separately, with explanations, any significant amounts, designating clearly the nature of the transactions out of which the items arose.

13. *Interest and debt discount and expense.* State separately (a) interest on funded debt, (b) amortization of debt discount and expense or premiums, and (c) other interest.

14. *Net income before provision for income and excess profits taxes.*

15. *Provision for income and excess profits taxes.* State separately (a) Federal normal income and excess profits taxes; (b) other Federal income taxes; and (c) other income taxes.

16. *Net income or loss.* (a) See caption 34 of § 210.5-02.

(b) Gain from transactions in the capital shares of the person for which the statement is filed shall be carried direct to the appropriate surplus account.

(c) Dividends applicable to an issuer's own capital shares held in its treasury or in sinking or other special funds shall not be treated as income.* [Regulation S-X, Rule 5-03, effective Feb. 21, 1940]

§ 210.5-04 *What schedules are to be filed.* (a) Except as expressly provided otherwise in the applicable form—

(1) The schedules specified below in this section as Schedules I, IX, XI, XIII, XIV and XV shall be filed as of the date of the most recent balance sheet filed for each person or group. Such schedules shall be certified if the related balance sheet is certified.

(2) All other schedules specified below in this section shall be filed for each period for which a profit and loss statement is filed. Such schedules shall be certified if the related profit and loss statement is certified. However, any such

schedule in support of a balance sheet caption—

(A) need contain information only as to the balances as of the related balance sheet date if both the additions and the deductions during the period for which profit and loss statements are filed were not significant; or

(B) may be omitted if the balances as of the related balance sheet date and both the additions and the deductions during the period for which profit and loss statements are filed were not significant.

(b) The information required in schedules for the registrant and for the registrant and its subsidiaries consolidated may be presented in the form of a single schedule, provided that items pertaining to the registrant are separately shown and that such single schedule affords a properly summarized presentation of the facts.

(c) Reference to the schedules shall be made against the appropriate captions of the balance sheet and the profit and loss statement.

Schedule I—Marketable securities—other security investments. The schedule prescribed by § 210.12-02 shall be filed—

(1) In support of caption 2 of a balance sheet, if the greater of the aggregate amount of marketable securities on the basis of current market quotations or the amount at which carried in such balance sheet constitutes fifteen percent or more of total assets.

(2) In support of caption 11 of a balance sheet if the amount at which other security investments is carried in such balance sheet constitutes fifteen percent or more of total assets.

(3) In support of captions 2 and 11 of a balance sheet if the amount at which other security investments is carried in such balance sheet plus the greater of the aggregate amount of marketable securities on the basis of current market quotations or the amount at which carried on such balance sheet constitutes twenty percent or more of total assets.

Schedule II—Amounts due from directors, officers, and principal holders of equity securities other than affiliates. The schedule prescribed by § 210.12-03 shall be filed with respect to each person among the directors, officers and principal holders of equity securities other than affiliates, from whom an aggregate indebtedness of more than \$20,000 or 1 percent of total assets, whichever is less, is owed, or at any time during the period for which related profit and loss statements are filed, was owed. For the purposes of this schedule, exclude in the determination of the amount of indebtedness all amounts due from such persons for purchases subject to usual trade terms, for ordinary travel and expense

advances and for other such items arising in the ordinary course of business.

Schedule III—Investments in securities of affiliates.—The schedule prescribed by § 210.12-04 shall be filed in support of caption 9 of each balance sheet.

Schedule IV—Indebtedness of affiliates—Not current. The schedule prescribed by § 210.12-05 shall be filed in support of caption 10 of each balance sheet. This schedule and Schedule X may be combined if desired.

Schedule V—Property, plant, and equipment. The schedule prescribed by § 210.12-06 shall be filed in support of caption 13 of each balance sheet.

Schedule VI—Reserves for depreciation, depletion, and amortization of property, plant, and equipment. The schedule prescribed by § 210.12-07 shall be filed in support of caption 14 of each balance sheet.

Schedule VII—Intangible assets. The schedule prescribed by § 210.12-08 shall be filed in support of caption 15 of each balance sheet.

Schedule VIII—Reserves for depreciation and amortization of intangible assets. The schedule prescribed by § 210.12-09 shall be filed in support of caption 16 of each balance sheet.

Schedule IX—Funded debt. The schedule prescribed by § 210.12-10 shall be filed in support of caption 28 of each balance sheet.

Schedule X—Indebtedness to affiliates—Not current. The schedule prescribed by § 210.12-11 shall be filed in support of caption 29 of each balance sheet. This schedule and Schedule IV may be combined if desired.

Schedule XI—Guarantees of securities of other issuers. The schedule prescribed by § 210.12-12 shall be filed with respect to any guarantees of securities of other issuers by the person for which the statement is filed.

Schedule XII—Reserves. The schedule prescribed by § 210.12-13 shall be filed in support of reserves included in the balance sheet but not included in Schedules VI and VIII.

Schedule XIII—Capital shares. The schedule prescribed by § 210.12-14 shall be filed in support of caption 33 of each balance sheet.

Schedule XIV—Warrants or rights. The schedule prescribed by § 210.12-15 shall be filed with respect to warrants or rights granted by the person for which the statement is filed to subscribe for or purchase securities to be issued by such person.

Schedule XV—Other securities. If there are any classes of securities not included in Schedule IX, XI, XIII, or XIV, set forth in this schedule information concerning such securities corresponding to that required for the securities included in such schedules. Information need not be set forth, however, as to notes, drafts, bills of exchange, or bankers' acceptances, having a maturity

at the time of issuance of not exceeding one year.

Schedule XVI—Supplementary profit and loss information. The schedule prescribed by § 210.12-16 shall be filed in support of each profit and loss statement in which sales or operating revenues were of significant amount.

Schedule XVII—Income from dividends. The schedule prescribed by § 210.12-17 shall be filed in support of caption 7 of each profit and loss statement.* [Regulation S-X, Rule 5-04, effective Feb. 21, 1940]

INVESTMENT COMPANIES

§ 210.6-01 Application of §§ 210.6-01 to 210.6-04. These sections shall be applicable to financial statements filed for investment companies.* [Regulation S-X, Rule 6-01, effective Feb. 21, 1940]

§ 210.6-02 Balance sheets. Balance sheets filed for investment companies shall comply with the following provisions:

Assets and Other Debits

1. **Cash and cash items.** State separately (a) cash on hand, demand deposits, and time deposits; (b) call loans; and (c) funds subject to withdrawal restrictions. Funds subject to such restrictions and deposits in closed banks shall not be included under this caption unless they will become available within one year.

2. **Dividends and interest receivable.**

3. **Notes receivable.** Notes receivable known to be uncollectible shall be excluded from the asset as well as from the reserve account.

4. **Accounts receivable.** Accounts receivable known to be uncollectible shall be excluded from the asset as well as from the reserve account.

5. **Reserves for doubtful receivables.**

6. **Sundry assets of a current nature.** State separately (a) total of current amounts due from directors, officers, and principal holders of equity securities other than affiliates; (b) participations in syndicates; and (c) any other significant amounts.

7. **Investments in securities—(a) Marketable securities.** Show separately securities of other investment persons, exclusive of those to be included under caption 9 below. State in the balance sheet the basis of determining the amount at which marketable securities are carried. The aggregate cost and aggregate amount on the basis of current market quotations shall be stated parenthetically or otherwise.

(b) **Other securities.** Include all securities not included under subcaption 7 (a) above, or caption 9 or 15 below. State in the balance sheet, or in a note therein referred to, the basis of determining the amount. Cost shall be shown in the balance sheet parenthetically or otherwise.

(c) **Reserves for unrealized depreciation in value of securities.** Reserves for unrealized depreciation in value of securities, if provided, shall be shown as a deduction under this caption.

8. **Investments—Other than securities.** State separately each major class. Market value, if available, and cost shall be shown in the balance sheet parenthetically or otherwise. Reserves for unrealized depreciation, if provided, shall be shown as a deduction under this caption.

9. **Investments in securities of affiliates.** State separately in the registrant's balance sheet the amounts which in the related consolidated balance sheet are (a) eliminated and (b) not eliminated.

10. **Indebtedness of affiliates.** State separately in the registrant's balance sheet that indebtedness which in the related consolidated balance sheet is (a) eliminated and (b) not eliminated.

11. **Prepaid expenses and other deferred items.** State separately any significant items.

12. **Organization expense.**

13. **Debt discount and expense.** State in a note referred to in the balance sheet the method used in amortizing such debt discount and expense.

14. **Commissions and expense on capital shares.** Explain in a note referred to in the balance sheet what provisions have been made for writing off these items. These items may be shown as deductions from surplus.

15. **Other assets.** State separately (a) total of amounts due from directors, officers, and principal holders of equity securities other than affiliates, not included under caption 6 above; (b) each special fund of a significant amount; (c) real estate and improvements not included under caption 8 above; (d) furniture and fixtures; and (e) any other significant amounts.

Liabilities, Capital Shares, and Surplus

Liabilities

16. **Notes payable.** State separately amounts payable (a) to banks, and (b) to others.

17. **Accounts payable.** State separately (a) the total of amounts payable for purchase of securities, and (b) other accounts payable.

18. **Accrued liabilities.** State separately (a) accrued salaries, (b) tax liability, (c) interest, and (d) any other significant items. If the total under this caption is not significant, it may be stated as one amount.

19. **Sundry liabilities of a current nature.** State separately (a) dividends declared; (b) bonds, notes, mortgage instalments, and mortgages due within one year; (c) total of current amounts due to affiliates, showing separately in the registrant's balance sheet the amounts which in the related consolidated balance sheet are (1) eliminated and (2) not eliminated; (d) total of cur-

rent amounts (other than as required under caption 18) due directors, officers, and principal holders of equity securities other than affiliates; and (e) any other item of significant amount. Remaining items may be shown in one amount.

20. Long-term debt.

(a) *Funded debt.* Indicate any amount falling due within one year.

(b) *Indebtedness to affiliates—Not current.* State separately in the registrant's balance sheet that indebtedness which in the related consolidated balance sheet is (1) eliminated and (2) not eliminated.

(c) *Other long-term debt.* Indicate whether secured. State separately (1) total of amounts due directors, officers, and principal holders of equity securities other than affiliates; and (2) other long-term debt, specifying any significant item. State separately by years, in the balance sheet or in a note therein referred to, the total amounts of the respective maturities for the five years following the date of the balance sheet.

21. Other liabilities. State separately any significant amounts.

22. Reserves, not shown elsewhere. State separately in the balance sheet the total of each major class. If assets are carried in excess of cost the amount of such excess shall be shown here as reserve for unrealized appreciation arising from revaluation of assets.

Capital Shares and Surplus

23. Capital shares. State in the balance sheet for each class of shares the title of issue, the number of shares authorized, and the number of shares outstanding and the capital share liability thereof. Show also the dollar amount, if any, of capital shares subscribed but unissued, and of subscriptions receivable thereon.

24. Surplus. (a) Show in the balance sheet the division of this item into: (1) Paid-in surplus; (2) other capital surplus; and (3) earned surplus. If separate amounts for (1) and (2) are not reasonably determinable, these amounts may be combined. If undistributed earnings of subsidiaries are included, state the amount thereof parenthetically, or otherwise. However, in a consolidated statement, the preceding sentence shall have reference only to the undistributed earnings of subsidiaries not consolidated in such statement.

(b) If reserves have not been provided to take care of the difference between the amounts at which captions 7 and 8 are carried in the balance sheet in excess of the market or estimated value of such assets, show, in a note referred to in the balance sheet, the adjustment necessary to reflect such excess in the surplus account.

(c) An analysis of each surplus account setting forth the information prescribed in § 210.11-02 shall be given for each period for which a profit and loss statement is filed in the form of a separate statement of surplus, and shall be

referred to in the balance sheet. Indicate clearly in this analysis gains or losses from transactions in securities of the person for which the statement is filed and show in a note (1) the number of shares and principal amount of bonds purchased during the period and the cost thereof, and (2) the number of reacquired shares and principal amount of bonds sold during the period, the cost, the amount received from sale, and the gain or loss realized.* [Regulation S-X, Rule 6-02, effective Feb. 21, 1940]

§ 210.6-03 *Profit and loss or income statements.* Profit and loss or income statements filed for investment companies shall comply with the following provisions:

1. Income. (a) State separately the total of income from (1) cash dividends, (2) interest, and (3) other income.

(b) As to dividends, state separately, if significant, the amount from (1) investments in securities of affiliates, (2) marketable securities, and (3) other securities.

(c) State as to any dividends other than cash, the basis on which they have been taken up as income and the justification, if any, for such action. If any such dividends received from affiliates have been credited to income in an amount different from that charged to income or earned surplus by the disbursing company, state the amount of such difference and explain.

(d) As to interest, state separately, if significant, the amount from (1) investments in securities of affiliates and indebtedness of affiliates, (2) marketable securities, and (3) other securities.

(e) Persons whose policy is to engage primarily in trading and who use, in determining their income for Federal income and excess profits tax purposes, opening and closing inventories on a basis prescribed by the United States Treasury Department regulations relating to the income tax may report under this caption, using a specially designated sub-caption, gains or losses called for under captions 10 and 11 below. In such case a note to the profit and loss statement shall indicate that the policy of the person is to engage primarily in trading.

2. Expenses for supervision and management of investments. State separately (a) the total of management and other service fees to unaffiliated organizations or persons; (b) the total of management and other service fees to affiliated organizations or persons, indicating in a note or otherwise the name of and amount applicable to each such organization or person accounting for 10 percent or more of the total included under this sub-caption; and (c) other expenses within the person's own organization in connection with research, selection, and supervision of investments. If paid in other than cash, state the details in a note referred to in the profit and loss statement.

3. Taxes, other than income and excess profits taxes.

4. Other expenses. State separately by class of expense any significant amounts.

5. Balance before interest, and debt discount, and expense.

6. Interest and debt discount and expense. State separately (a) interest on funded debt, (b) amortization of debt discount and expense or premium, and (c) other interest.

7. Balance of income before provision for income and excess profits taxes.

8. Provision for income and excess profits taxes. State separately (a) Federal normal income and excess profits taxes, (b) other Federal income taxes, and (c) other income taxes. See caption 15 (a) below.

9. Balance of income after provision for income and excess profits taxes. See caption 15 below.

10. Gain or loss realized from security transactions, before provision for income and excess profits taxes. State separately the net of gains and losses arising from transactions in (a) investments in securities of affiliates, and (b) other investments in securities. State here or in a note herein referred to the principle followed in determining the cost of securities sold, e.g., "average cost" or "first-in, first-out". State in consolidated and combined statements the principle followed by each subsidiary consolidated or combined, if different principles are followed. See caption 1 (e) above.

11. Gain or loss realized from transactions in other investments, before provision for income and excess profits taxes. State here the net of gains and losses arising from transactions in other investments. See caption 1 (e) above.

12. Total of gain or loss realized from transactions in securities and other investments, before provision for income and excess profits taxes.

13. Provision for income and excess profits taxes. See captions 8 and 15 (a).

14. Gain or loss realized from transactions in securities and other investments after provision for income and excess profits taxes. See caption 15.

15. Net income and profit for period. (a) This caption may be omitted provided caption 9 is changed to *Net income after provision for income and excess profits taxes but before profit or loss from transactions in securities and other investments.* In such case caption 9 and caption 14 may be carried to the surplus account in separate amounts. If, however, caption 15 is shown in the statement, income and excess profits taxes may be shown as a deduction from either or both captions 7 or 12 or from caption 15.

(b) Proceeds from the sale of new capital shares which represent payment for participation in accrued undivided earnings shall not be included in the profit and loss statement.

(c) Gain or loss from transactions in securities of the person for which the statement is filed shall be carried direct to the appropriate surplus account.

(d) Dividends applicable to an issuer's own capital shares held in its treasury or in sinking or other special funds shall not be treated as income.* [Regulation S-X, Rule 6-03, effective Feb. 21, 1940]

§ 210.6-04 *What schedules are to be filed.* (a) Except as expressly provided otherwise in the applicable form—

(1) The schedules specified below in this section as Schedules VII, IX, XI, XII and XIII shall be filed as of the date of the most recent balance sheet filed for each person and for each group for which separate statements are filed. Such schedules shall be certified if the related balance sheet is certified.

(2) All other schedules specified below in this section shall be filed for each period for which a profit and loss statement is filed. Such schedules shall be certified if the related profit and loss statement is certified. However, any such schedule in support of a balance sheet caption may be omitted if the balances as of the related balance sheet date and both the additions and the deductions during the period for which profit and loss statements are filed were not significant.

(b) The information required in schedules for the registrant, for the consolidated subsidiaries and for the registrant and its subsidiaries consolidated may be presented in the form of a single schedule, provided that items pertaining to the registrant and to each consolidated subsidiary or group for which separate statements are required are separately shown and that such single schedule affords a properly summarized presentation of the facts.

(c) Reference to the schedules shall be made against the appropriate captions of the balance sheet and the profit and loss statement.

Schedule I—Amounts due from directors, officers, and principal holders of equity securities other than affiliates. The schedule prescribed by § 210.12-03 shall be filed with respect to each person among the directors, officers, and principal holders of equity securities other than affiliates, from whom an aggregate indebtedness of more than \$20,000 or 1% of total assets, whichever is less, is owed, or at any time during the period for which related profit and loss statements are filed was owed. For the purposes of this schedule, include in the determination of the amount of indebtedness all amounts due from such persons.

Schedule II—Investments in securities—Marketable. The schedule prescribed by § 210.12-19 shall be filed in support of caption 7 (a) of each balance sheet.

Schedule III—Investments in securities—Other than marketable securities. The schedule prescribed by § 210.12-20 shall be filed in support of caption 7 (b) of each balance sheet.

Schedule IV—Investments—Other than securities. The schedule prescribed by § 210.12-21 shall be filed in support of caption 8 of each balance sheet.

Schedule V—Investments in securities securities. The schedule prescribed by § 210.12-22 shall be filed in support of caption 9 of each balance sheet.

Schedule VI—Indebtedness of affiliates. The schedule prescribed by § 210.12-05 shall be filed in support of caption 10 of each balance sheet. This schedule and Schedule VIII may be combined if desired.

Schedule VII—Funded debt. The schedule prescribed by § 210.12-10 shall be filed in support of caption 20 (a) of each balance sheet.

Schedule VIII—Indebtedness to affiliates—Not current. The schedule prescribed by § 210.12-11 shall be filed in support of captions 20 (b) and 21 (a) of each balance sheet. This schedule and Schedule VI may be combined if desired.

Schedule IX—Guarantees of securities of other issuers. The schedule prescribed by § 210.12-12 shall be filed with respect to any guarantees of securities of other issuers by the person for which the statement is filed.

Schedule X—Reserves. The schedule prescribed by § 210.12-13 shall be filed in support of all reserves included in the balance sheet.

Schedule XI—Capital shares. The schedule prescribed by § 210.12-14 shall be filed in support of caption 23 of each balance sheet.

Schedule XII—Warrants or rights. The schedule prescribed by § 210.12-15 shall be filed with respect to warrants or rights granted by the person for which the statement is filed to subscribe for or purchase securities to be issued by such person.

Schedule XIII—Other securities. If there are any classes of securities not included in Schedule VII, IX, XI, or XII, set forth in this schedule information concerning such securities corresponding to that required for the securities included in such schedules. Information need not be set forth, however, as to notes, drafts, bills of exchange, or bankers' acceptances, having a maturity at the time of issuance of not exceeding one year.

Schedule XIV—Income from dividends. The schedule prescribed by § 210.12-17 shall be filed as to all income received from dividends included in each profit and loss statement filed.* [Regulation S-X, Rule 6-04, effective Feb. 21, 1940]

INSURANCE COMPANIES OTHER THAN LIFE AND TITLE INSURANCE COMPANIES

§ 210.7-01 *Application of §§ 210.7-01 to 210.7-06.* These sections shall be applicable to financial statements filed for insurance companies other than life and title insurance companies.* [Regulation S-X, Rule 7-01, effective Feb. 21, 1940]

§ 210.7-02 *General requirement.* Except as otherwise provided in these sections, persons subject to these sections shall follow the rules and instructions governing the definition and computation of items in annual statements to their State regulatory authority. If the registrant deviates from such rules and instructions of its State regulatory authority, except in accordance with the provisions of these sections, the reason for and effect of such deviation shall be stated.* [Regulation S-X, Rule 7-02, effective Feb. 21, 1940]

§ 210.7-03 *Balance sheets.* Balance sheets filed for insurance companies shall comply with the following provisions.

Assets and Other Debits

1. *Real estate owned.*
2. *Mortgage loans on real estate.* State separately (a) first liens and (b) other than first liens.
3. *Bonds.*
4. *Investments in stocks other than stocks of affiliates.*
5. *Investments in stocks of affiliates.*
 - (a) *In insurance companies.* Include only stocks of insurance companies under this subcaption.
 - (b) *In other affiliates.* Include under this subcaption stocks of other affiliates. If any such "other affiliate" controls insurance companies the stock of such "other affiliate" shall be included under this subcaption, and the fact of such control shall be stated in a note to the balance sheet.
6. *Cash and cash items.* State separately (a) cash on hand, demand deposits, and time deposits; (b) call loans; and (c) deposits in closed banks or deposits under withdrawal restrictions. Amounts shall be included under (c) at not more than the estimated amount recoverable.
7. *Agents' balances and/or gross premiums in course of collection.*
8. *Due from other insurance companies.* Include reinsurances recoverable on losses paid, etc.; do not include premium balances.
9. *Interest, rent, etc., due and accrued.*
10. *Other assets.* State separately any significant amounts.

Total admitted assets

Liabilities, Capital Stock, and Surplus

11. *Net reserve for unpaid losses and claims.*
12. *Estimated expenses of investigation and adjustment of unpaid claims.*
13. *Unearned premiums.*
14. *Contingent commissions and other commissions and brokerage due or accrued.*
15. *Salaries, rent, taxes, interest, etc., due or accrued.*
16. *Due and to become due for borrowed money.*
17. *Dividends declared and unpaid.* (a) To stockholders and (b) to policyholders.

18. *Other liabilities.* State separately any significant items.

19. *Capital stock.* State in the balance sheet for each class of stock the title of issue, the number of shares authorized, and the number of shares outstanding and the capital stock liability thereof. Show also the dollar amount, if any, of capital stock subscribed but unissued, and of subscriptions receivable thereon.

20. *Surplus.* (a) Show in the balance sheet the division of this item into (1) paid-in surplus, (2) earned surplus, and (3) unrealized surplus arising from revaluation of assets. However, if, in the accounts, separate balances for these are not shown at the beginning of the period of report, *i.e.*, if the company has not, up to the opening of the period of report, differentiated in its accounting for surplus as indicated above, then the unsegregated items may be stated in one amount.

(b) An analysis of each surplus account setting forth the information prescribed in § 210.11-02 shall be given for each period for which a profit and loss statement is filed, as a continuation of the related profit and loss statement or in the form of a separate statement of surplus, and shall be referred to in the balance sheet. In this statement caption 3, *Other additions to surplus*, shall be subdivided to show (1) unrealized profit on bonds and stocks from change in market values, (2) unrealized profit on other investments from change in market values, and (3) all others, designating clearly the nature thereof. Likewise, caption 4, *Deductions from surplus other than dividends*, shall be subdivided to show (A) unrealized loss on bonds and stocks from changes in market values, (B) unrealized loss on other investments from changes in market values, and (C) all others, designating clearly the nature thereof.

Total

Special Balance Sheet Notes

1. State in a note whether or not the company during the period of report wrote mortgage guarantee surety bonds. If so, state the amount of liability in force on mortgage guarantee surety bonds as of the date of the balance sheet.

2. Assets shall be set forth in the balance sheet at admitted asset values. Book values of assets included under captions 1, 2, 3, 4, 5 (a), and 5 (b) shall be shown parenthetically or in a note. There shall also be added as a note to the balance sheet the following:

"The term 'admitted asset value' means the 'asset value' at which the respective assets are permitted to be reported to the respective domiciliary State regulatory authority for balance sheet purposes in the annual report in accordance with the rules and regulations of such regulatory authority.

"The term 'non-admitted assets' means 'assets' other than assets which are so permitted to be reported."

* [Regulation S-X, Rule 7-03, effective Feb. 21, 1940]

§ 210.7-04 *Statement of non-admitted assets.* (a) In a separate statement accompanying the balance sheet, show all non-admitted assets, segregated according to the captions used in the annual statement filed with the respective domiciliary State regulatory authority. Designate by appropriate symbol all non-admitted assets which have been deducted in arriving at the admitted asset value of any item shown in the balance sheet.

(b) File schedules giving the information specified for the non-admitted assets of the categories enumerated below:

(1) *Bills receivable.* File a list of bills and notes receivable exceeding \$25,000, giving explanation of how acquired, and present status of transactions.

(2) *Advances on contracts.* File an itemized list with a brief explanation of advances on each contract.

(3) *Accounts of agents and others.* File a list of (A) all agents' or brokers' accounts over \$10,000; (B) individual assured accounts over \$5,000; and (C) indicate any person so listed which is controlled by any director or officer of the registrant, any principal underwriter of any securities of the registrant sold by the registrant within the past three fiscal years, or any principal holder of equity securities; and give the original date on which the obligation was incurred.* [Regulation S-X, Rule 7-04, effective Feb. 21, 1940]

§ 210.7-05 *Profit and loss or income statements.* Profit and loss or income statements filed for insurance companies shall comply with the following provisions:

Underwriting Profit or Loss

1. *Premiums earned.*

2. *Losses incurred.* State the total losses incurred during the year, computed on the following basis: For the first year of a company's existence, add losses paid and losses outstanding (reported but not paid). For subsequent years, deduct losses outstanding at the end of the previous period from the loss reserves at the end of the present year, and add losses paid during the year.

3. *Loss expense incurred.* Add loss expenses paid during the current year to the estimate of expenses and adjustments of unpaid claims, deducting estimate of expenses and adjustments of unpaid claims at the end of the previous year.

4. *Balance.*

5. *Commissions and brokerage—Incurred.* State commissions and brokerage less amount received on return premiums and reinsurance.

6. *Salaries and all other compensation of directors and officers—Incurred.*

7. *All other salaries of employees and agents not paid by commission—Incurred.*

8. *Taxes, licenses, and fees—Incurred.* State the total amount incurred, excluding income taxes.

9. *All other underwriting expenses—Incurred.* State the total amount of all other underwriting expenses incurred not included above. Do not include investment expense under this caption.

10. *Profit or loss from underwriting during the period.*

11. *Other underwriting profit or loss.* Include income or loss from unusual or nonrecurring contingent profits or reinsurance agreements, pools, and other miscellaneous contracts, licenses, and agreements, etc. Give in a note a brief explanation of any items included in this account.

12. *Total profit or loss from underwriting.*

Investment Income or Loss

13. *Rents earned.*

14. *Interest earned on mortgages.*

15. *Interest earned on bonds.*

16. *Dividends* (a) From stocks other than stocks of affiliates and (b) from stocks of affiliates.

17. *Interest earned on deposits.*

18. *Other investment income.* State separately any significant items.

19. *Profit on sale or maturity of investments.*

20. *Total investment income.*

21. *Investment expense.* Include interest on incumbrances, real estate expense, supervisory service, and other fees, etc. State separately any significant items.

22. *Loss on sale or maturity of investments.*

23. *Other investment loss.* State separately any significant items.

24. *Net investment income or loss.* Unrealized profit or loss on bonds, stocks, or other investments resulting from change in market values shall be carried direct to the appropriate surplus account.

25. *Net profit or loss before provision for income taxes.*

26. *Provision for income taxes.* State separately (a) Federal normal income taxes, (b) other Federal income taxes, and (c) other income taxes.

27. *Net income or loss after provision for income taxes.** [Regulation S-X, Rule 7-05, effective Feb. 21, 1940]

§ 210.7-06 *What schedules are to be filed.* (a) Except as provided otherwise in the applicable form—

(1) The schedule specified below in this section as Schedules VIII, IX, and X and Part I of Schedules I, II, III, IV, and VI shall be filed as of the date of the most recent balance sheet filed for each person or group. Such schedules shall be certified if the related balance sheet is certified.

(2) All other schedules specified below in this section shall be filed for each period for which a profit and loss statement is filed. Such schedules shall be

certified if the related profit and loss statement is certified.

(b) Reference to the schedules shall be made against the appropriate captions of the balance sheet and the profit and loss statement.

Schedule I—Real estate owned and rents earned. The schedule prescribed by § 210.12-23 shall be filed in support of caption 1 of each balance sheet and caption 13 of each profit and loss statement.

Schedule II—Mortgage loans on real estate and interest earned on mortgages. The schedule prescribed by § 210.12-24 shall be filed in support of caption 2 of each balance sheet and caption 14 of each profit and loss statement.

Schedule III—Bonds and interest earned on bonds. The schedule prescribed by § 210.12-25 shall be filed in support of caption 3 of each balance sheet and caption 15 of each profit and loss statement.

Schedule IV—Stocks—Other than stocks of affiliates and income from dividends thereon. The schedule prescribed by § 210.12-26 shall be filed in support of caption 4 of each balance sheet and caption 16 (a) of each profit and loss statement.

Schedule V—Summary of investments in securities—Other than securities of affiliates. The summary schedule prescribed by § 210.12-27 shall be filed in conjunction with Schedules III and IV.

Schedule VI—Investments in stocks of affiliates and income from dividends thereon. The schedule prescribed by § 210.12-28 shall be filed in support of caption 5 of each balance sheet and caption 16 (b) of each profit and loss statement.

Schedule VII—Premiums, losses, and commissions. The schedule prescribed by § 210.12-29 shall be filed in support of caption 13 of each balance sheet and captions 1, 2, 3, 5, 6, 7, 8, and 9 of each profit and loss statement.

Schedule VIII—Due and to become due for borrowed money. The schedule prescribed by § 210.12-30 shall be filed in support of caption 16 of each balance sheet.

Schedule IX—Capital shares. The schedule prescribed by § 210.12-14 shall be filed in support of caption 19 of each balance sheet.

Schedule X—Other securities. If there are any classes of securities not included in Schedule IX, set forth in this schedule information concerning such securities corresponding to that required for the securities included in such schedule. Information need not be set forth, however, as to notes, drafts, bills of exchange, or bankers' acceptances, having a maturity at the time of issuance of not exceeding one year.

Schedule XI—Profit and loss on sale or maturity of investments. The schedule prescribed by § 210.12-31 shall be filed in

support of captions 19 and 22 of each profit and loss statement.* [Regulation S-X, Rule 7-06, effective Feb. 21, 1940]

COMMITTEES ISSUING CERTIFICATES OF DEPOSIT

§ 210.8-01 *Application of §§ 210.8-01 to 210.8-03.* These sections shall be applicable to financial statements filed for committees issuing certificates of deposit.* [Regulation S-X, Rule 8-01, effective Feb. 21, 1940]

§ 210.8-02 *Statements of assets and liabilities.* Statements of assets and liabilities shall be in the following form:

Statement of Assets and Liabilities

As of -----

| | |
|--|-------|
| ASSETS | |
| Cash | ----- |
| Receivables (specify) | ----- |
| Advances to committee members or secretary | ----- |
| Investments in securities (specify) ¹ | ----- |
| Miscellaneous other assets (specify) ² | ----- |
| Subtotal | ----- |
| Expenses of committee chargeable against deposited securities ³ | ----- |
| Total | ===== |

| | |
|---|-------|
| LIABILITIES | |
| Notes payable: | |
| To banks (detail security) | ----- |
| To others (specify and detail security) | ----- |
| Accounts payable | ----- |
| Other liabilities ⁴ | ----- |
| Total | ===== |

¹ Each issue of securities shall be shown either here or in a schedule herein referred to. State the basis of determining the amount at which carried and, if available, the aggregate amount at current market quotations.

² Each class of "Miscellaneous Other Assets", if significant, shall be specified either here or in a schedule herein referred to. State the basis for determining the amount at which carried.

³ State in a note to this item any limits fixed by the deposit agreement or otherwise upon the compensation and expenses of the Committee, and also the nature and extent of any lien of the Committee on the deposited securities for such compensation and expenses.

⁴ (a) Each class of "Other Liabilities" shall be specified either here or in a schedule herein referred to.

(b) In a note describe briefly the nature of any commitment for compensation or other expenditures not included in "Other Liabilities", and state the amount or any basis agreed upon for determining the amount thereof. Describe briefly the general nature of any services rendered to the Committee, the cost of which is not included in "Other Liabilities" and as to which no commitment for compensation has been made. Separate descriptions of the services of the Committee, the secretary thereof, counsel, accountants, appraisers, depository, and persons performing similar functions shall be given.

* [Regulation S-X, Rule 8-02, effective Feb. 21, 1940]

§ 210.8-03 *Statements of cash receipts and disbursements.* Statements of cash receipts and disbursements shall be in the following form:

Statement of Cash Receipts and Disbursements ¹

| | |
|--|-------|
| RECEIPTS | |
| Proceeds from loans and advances: ² | |
| Against deposited securities | ----- |
| Other | ----- |
| Assessments: | |
| On withdrawn securities | ----- |
| Others (specify) | ----- |
| Total | ===== |
| Other receipts: | |
| Dividends | ----- |
| Interest | ----- |
| All other (specify) | ----- |
| Total | ===== |
| Total receipts | ===== |

| | |
|---|-------|
| DISBURSEMENTS | |
| For committee expenses: | |
| Compensation and fees to: | |
| Committee members | ----- |
| Secretary | ----- |
| Attorneys | ----- |
| Solicitors for deposits | ----- |
| Depository | ----- |
| Others ³ | ----- |
| Total | ===== |
| Interest | ----- |
| Other committee expenses ³ | ----- |
| Total committee expenses | ===== |

| | |
|---|-------|
| Other disbursements: | |
| Purchase of securities called for deposit | ----- |
| Purchase of other securities | ----- |
| All other (specify) | ----- |
| Total other disbursements | ===== |
| Total disbursements | ===== |

| | |
|--|-------|
| SUMMARY | |
| Cash balance at beginning of period | ----- |
| Add: Total receipts | ----- |
| Total | ----- |
| Deduct: Total disbursements | ----- |
| Cash balance at close of period ⁴ | ===== |

¹ If statements are required for different periods the statements shall be presented in columnar form, if practicable.

² Include under this caption only advances to be reimbursed by the Committee. Under each of the two subcaptions state separately amounts received from (a) banks, (b) original underwriters of issues called for deposit, (c) individuals, (d) committee members, and (e) others (specify).

³ Such expenses shall be specified in reasonable detail either here or in a schedule herein referred to, indicating amounts for clerical, statistical, and other expenses paid to (a) original underwriters of issues called for deposit and any affiliates of such underwriters and (b) affiliates of committee members.

⁴ The cash balance at the close of the most recent period shall agree with the cash shown in the statement of assets and liabilities as of the same date.

* [Regulation S-X, Rule 8-03, effective Feb. 21, 1940]

BANK HOLDING COMPANIES AND BANKS

§ 210.9-01 *Application of §§ 210.9-01 to 210.9-05—(a) Bank holding companies.* Financial statements filed for bank holding companies shall be prepared in accordance with §§ 210.5-01 to

210.5-04 and §§ 210.9-02, 210.9-03 and 210.9-04.

(b) *Banks.* Financial statements filed for banks shall be prepared in accordance with § 210.9-05.* [Regulation S-X, Rule 9-01, effective Feb. 21, 1940]

§ 210.9-02 *Balance sheets of bank holding companies.* (a) Notwithstanding the provisions of § 210.5-02, current assets and current liabilities need not be separately classified as such.

(b) Any amounts with respect to affiliated banks includible under the following captions prescribed by § 210.5-02 shall be set forth separately under the respective captions:

- (1) Caption 1—*Cash and cash items.*
- (2) Caption 9—*Securities of affiliates.*
- (3) Caption 10—*Indebtedness of affiliates—Not current.*
- (4) Subdivision (a) of caption 22—*Notes payable.*
- (5) Subdivisions (c) and (e) of caption 25—*Other current liabilities.*
- (6) Caption 29—*Indebtedness to affiliates—Not current.*

(c) The segregated amounts shown under caption 9, *Securities of affiliates*, applicable to securities of affiliated banks shall preferably be stated at net tangible asset value.* [Regulation S-X, Rule 9-02, effective Feb. 21, 1940]

§ 210.9-03 *Profit and loss or income statements of bank holding companies.* The following captions shall be in complete substitution for captions 1A to 8, inclusive, of § 210.5-03.

1. *Income.* (a) State separately the total of income from (1) cash dividends, (2) interest, (3) management and service fees, and (4) other income (specifying any significant items), exclusive of profits and income under caption 9, *Profits on securities*, and caption 10, *Miscellaneous other income.*

(b) As to dividends, state separately, if significant, the amount from (1) securities of affiliates, (2) marketable securities, and (3) other security investments.

(c) State as to any dividends other than cash, the basis on which they have been taken up as income and the justification, if any, for such action. If any such dividends received from affiliates have been credited to income in an amount different from that charged to income or earned surplus by the disbursing company, state the amount of such difference and explain.

(d) As to interest, state separately, if significant, the amount from (1) securities of affiliates and indebtedness of affiliates, (2) marketable securities, and (3) other security investments.

2. *Expenses for salaries.* State separately the total of salaries (a) to directors and officers, and (b) to others. If paid in other than cash, state the details in a note referred to in the profit and loss statement.

3. *Taxes.* Other than income and excess profits taxes.

4. *Other expenses.* State separately by class of expense any significant amounts.

5. *Balance.** [Regulation S-X, Rule 9-03, effective Feb. 21, 1940]

§ 210.9-04 *What schedules are to be filed for bank holding companies.* The following special provisions shall be applicable to the schedules specified in § 210.5-04:

Schedule I. The schedule prescribed by § 210.12-02 shall be filed in support of captions 2 and 11 of each balance sheet.

Schedule III. The caption of the schedule prescribed by § 210.12-04 shall be changed to read as follows: *Schedule III. Investments in securities of affiliates other than banks.*

Schedule III-A—Investments in securities of affiliates—Banks. The schedule proscribed by § 210.12-32 shall be filed for each balance sheet in support of the special subdivision of caption 9 prescribed by § 210.9-02 (b).* [Regulation S-X, Rule 9-04, effective Feb. 21, 1940]

§ 210.9-05. *Statements of banks.* (a) Statements of banks need not be certified.

(b) Statements of banks shall be prepared from, and in substantially the same form as, the "Reports of Condition" and the "Reports of Earnings and Dividends" prescribed by the Comptroller of the Currency or the Board of Governors of the Federal Reserve System or the Federal Deposit Insurance Corporation. Such statements shall be accompanied by the schedules called for in such "Reports of Condition" except the schedules relating to (1) the names of officers and directors, liabilities, if any, and par value of capital owned; (2) loans or balances exceeding the limit prescribed by State law; (3) contingent liabilities; and (4) branches and branch offices. In case any bank did not report to one of such Federal authorities, the financial data concerning such bank shall be drawn from the reports required by its respective State authority, and shall be commensurate with that required concerning a bank that does report to one of such Federal authorities.

(c) Each statement of a bank and each combined statement of bank subsidiaries required to be filed shall be supplemented by an attached schedule showing the following:

(1) Book value, and market, or, if there is no market, appraised value, separately stated, of (A) direct obligations of, and obligations fully guaranteed by, the United States Government; (B) investments in affiliated companies principally engaged in holding banking premises or other real estate; and (C) other bonds, stocks, and securities.

(2) Estimated losses not elsewhere provided for on the following bank assets, separately stated: (A) Loans and discounts; (B) bank premises; (C) other real estate; and (D) other assets.

(3) The total of loans and other advances to officers and directors of the registrant and principal holders of equity securities of the registrant.* [Regulation S-X, Rule 9-05, effective Feb. 21, 1940]

NATURAL PERSONS

§ 210.10-01 *Financial statements of natural persons.* A natural person may file the following financial statements in place of any balance sheets and profit and loss statements otherwise required in the applicable form or instructions thereto:

(a) A statement of his assets and liabilities as of a date within 93 days and statements of his income (1) for the calendar year ended prior to such statement of assets and liabilities, and (2) for the two preceding calendar years if the applicable form requires profit and loss statements for three fiscal years. These statements shall be set forth in reasonable detail and need not be certified.

(b) Balance sheets and profit and loss or income statements of—

(1) Every business of which he is sole proprietor;

(2) Every partnership in which he has a controlling interest;

(3) Every business trust, unincorporated association, or similar business organization in which he has a controlling interest; and

(4) Every corporation in which he owns directly or indirectly securities representing more than fifty percent of the voting power.

(c) Financial statements need not be filed, however, with respect to any corporation or other business organization designated in (3) or (4) of paragraph (b) above if both of the following conditions exist:

(1) His total investment in such corporation or business organization does not exceed five percent of his total assets; and,

(2) His total income from such corporation or business organization does not exceed five percent of his gross income;

Provided, That his aggregate investment in all such corporations and business organizations whose statements are omitted pursuant to this paragraph (c) shall not exceed fifteen percent of his total assets, and that his aggregate income from all such corporations and business organizations shall not exceed fifteen percent of his gross income.

(d) Financial statements required by paragraph (b) above shall be for the dates and periods prescribed for the financial statements of an unconsolidated subsidiary in the applicable form. Such statements shall also conform, so far as practicable, to all other requirements as to financial statements, including requirements as to certification, as set forth in such form.* [Regulation S-X, Rule 10-01, effective Feb. 21, 1940]

CONTENT OF STATEMENTS OF SURPLUS

§ 210.11-01 *Application of §§ 210.11-01 and 210.11-02.* These sections prescribe the content of the statements of surplus specified in caption 34 of § 210.5-02, caption 24 of § 210.6-02 and caption 20 of § 210.7-03.* [Regulation S-X, Rule 11-01, effective Feb. 21, 1940]

§ 210.11-02 *Statement of surplus.* The analysis shall be given as to each class of surplus set forth in the related balance sheet.

1. *Balance at beginning of period.* (a) The balance at the beginning of the period of report may be as per the accounts except in the case of investment companies. Such companies may accept the balance at January 1, 1925, as per the accounts.

(b) If the schedule is filed as part of an annual or other periodic report and the balances at the beginning of the period differ from the closing balances, as filed for the previous fiscal period, state the difference and explain.

2. *Net income or loss from profit and loss statement.*

3. *Other additions to surplus.* Specify. If two or more of the classes of surplus specified in the section as to the form and content of the particular balance sheet are stated in one amount, the nature of other additions to surplus (caption 3) and of other deductions from surplus (caption 4) shall nevertheless be so designated as to indicate clearly their classification in accordance with such applicable section.

4. *Deductions from surplus other than dividends.* Specify. See caption 3.

5. *Dividends.* For each class of shares state the amount per share and in the aggregate.

(a) *Cash.*

(b) *Other.* Specify.

6. *Balance at close of period.* The balance at the close of the most recent period shall agree with the related balance sheet caption.* [Regulation S-X, Rule 11-02, effective Feb. 21, 1940]

FORM AND CONTENT OF SCHEDULES

§ 210.12-01 *Application of §§ 210.12-01 to 210.12-32.* These sections prescribe the form and content of the schedules required by §§ 210.5-04, 210.6-04, 210.7-06, and 210.9-04.* [Regulation S-X, Rule 12-01, effective Feb. 21, 1940]

§ 210.12-02 *Marketable securities—other security investments.*

Column A. Name of issuer and title of issue.¹

Column B. Number of shares or units—principal amount of bonds and notes.

Column C. Amount at which carried in balance sheet.²

Column D. Value based on current market quotations at balance sheet date.

¹ (a) Each issue shall be stated separately, except that reasonable groupings, without enumeration, may be made with respect to (1) securities issued or guaranteed by the United States Government and (2) investments as to which the aggregate amount

carried in Column C is not more than two percent of total assets.

(b) In the case of bank holding companies group separately (1) securities of banks and (2) other securities, and in Column C show totals for each group.

² State the basis of determining the amounts in Column C. Column C shall be totaled to agree with the respective balance sheet captions.

* [Regulation S-X, Rule 12-02, effective Feb. 21, 1940]

§ 210.12-03 *Amounts due from directors, officers, and principal holders of equity securities other than affiliates.*

Column A. Name of debtor.

Column B. Balance receivable at beginning of period.¹

Column C. Additions.

Column D. Deductions: (1) Amounts written off; (2) collections.²

Column E. Balance receivable at close of period: (1) current; (2) not current.

¹ The balance at the beginning of the period of report may be as per the accounts.

² If collection was other than in cash, explain.

* [Regulation S-X, Rule 12-03, effective Feb. 21, 1940]

§ 210.12-04 *Investments in securities of affiliates.*

Column A. Name of issuer and title of issue.¹

Column B. Balance at beginning of period²: (1) Number of shares or units. Principal amount of bonds and notes; (2) amount in dollars.

Column C. Additions: (1) Number of shares or units. Principal amount of bonds and notes; (2) amount in dollars.³

Column D. Deductions: (1) Number of shares or units. Principal amount of bonds and notes; (2) amount in dollars.⁴

Column E. Balance at close of period: (1) Number of shares or units. Principal amount of bonds and notes; (2) amount in dollars.

¹ (a) Group separately securities of (1) subsidiaries consolidated; (2) subsidiaries not consolidated; and (3) other affiliates, showing shares and bonds separately in each case. Within each group major investments shall be stated separately. Reasonable grouping without enumeration may be made of other investments.

(b) Those foreign investments, the enumeration of which would be detrimental to the registrant, may be grouped.

² The balance at the beginning of the period of report may be as per the accounts.

³ If the cost of additions in Column C represents other than cash expenditure, explain. If acquired from an affiliate (and not an original issue of that affiliate) at other than cost to the affiliate, show such cost, provided the acquisition by the affiliate was within two years prior to the acquisition by the person for which the statement is filed.

⁴ State: (a) Cost of items sold and how determined; (b) amount received (if other than cash, explain); and (c) disposition of resulting profit or loss.

* [Regulation S-X, Rule 12-04, effective Feb. 21, 1940]

§ 210.12-05 *Indebtedness of affiliates.*

Column A. Name of affiliate.¹

Column B. Balance receivable at beginning of period.²

Column C. Balance receivable at close of period.

¹ Affiliates shall be grouped as in the related schedules required for investments in securities of affiliates. The information called for may be shown, however, in total for each column for any two or more totally-

held subsidiaries, provided the number of subsidiaries so grouped is stated.

² The balance at the beginning of the period of report may be as per the accounts.

* [Regulation S-X, Rule 12-05, effective Feb. 21, 1940]

§ 210.12-06 *Property, plant, and equipment.*¹

Column A. Classification.²

Column B. Balance at beginning of period.³

Column C. Additions at cost.⁴

Column D. Retirements or sales.⁵

Column E. Other changes—debit and/or credit—describe.⁶

Column F. Balance at close of period.

¹ If the financial statements are being filed as part of an annual or other periodic report, comment briefly on any significant and unusual additions, abandonments, or retirements, or any significant and unusual changes in the general character and location, of principal plants and other important units, which may have occurred within the period.

² (a) Show by major classifications such as land, buildings, equipment, or leaseholds. If such classification is not present or practicable, this may be stated in one amount. The additions included in Column C shall, however, be segregated in accordance with an appropriate classification. If property, plant, and equipment abandoned is carried at other than a nominal amount indicate, if practicable, the amount thereof and state the reasons for such treatment. Items of minor importance may be included under a miscellaneous caption.

(b) *Public utility companies.* A public utility company shall, to the extent practicable, classify utility plant by the type of service rendered (such as electric, gas, transportation, and water) and shall state separately under each of such service classifications the major subclassifications of utility plant accounts.

³ The balance at the beginning of the period of report may be as per the accounts.

⁴ If the changes in property accounts in Column C represent anything other than additions from acquisitions, state clearly the nature of the changes and the other accounts affected. If cost of property additions represents other than cash expenditures, explain. If acquired from an affiliate at other than cost to the affiliate, show such cost, provided the acquisition by the affiliate was within two years prior to the acquisition by the person for which the statement is filed.

⁵ If changes in Column D are stated at other than cost, explain if practicable.

⁶ State clearly the nature of the changes and the other accounts affected. If provision for depreciation, depletion, and amortization of property, plant, and equipment is credited in the books directly to the asset accounts, the amounts shall be stated in Column E with explanations, including the accounts to which charged.

* [Regulation S-X, Rule 12-06, effective Feb. 21, 1940]

§ 210.12-07 *Reserves for depreciation, depletion, and amortization of property, plant and equipment.*¹

Column A. Description.²

Column B. Balance at beginning of period.³

Column C. Additions: (1) Charged to profit and loss or income; (2) charged to other accounts—Describe.

Column D. Deductions from reserves: (1) Retirements, renewals, and replacements; (2) other—describe.

Column E. Balance at close of period.

¹ (a) If other reserves are created in lieu of depreciation reserves, the same information shall be given with respect to them.

(b) Insofar as amounts for depreciation, depletion, and amortization are credited to

the property accounts, such amounts shall be shown in the schedule of property, plant, and equipment, as there required.

²If practicable, reserves shall be shown to correspond with the classifications of property set forth in the related schedule of property, plant, and equipment, separating especially depreciation, depletion, amortization, and provision for retirement.

³The balance at the beginning of the period of report may be as per the accounts.

* [Regulation S-X, Rule 12-07, effective Feb. 21, 1940]

§ 210.12-08 Intangible assets.¹

Column A. Description.²

Column B. Balance at beginning of period.³

Column C. Additions at cost—describe.⁴

Column D. Deductions:⁵ (1) Charged to profit and loss or income; (2) charged to other accounts—describe.

Column E. Other changes—debit and/or credit—describe.

Column F. Balance at close of period.

¹If in the accounts it is not practicable to separate intangible assets from property, plant, and equipment, the information here required may be included in the schedule for property, plant, and equipment. In such event state in the balance sheet any known amount of intangibles so included with an indication that a further unknown amount of intangibles is also so included.

²Show by major classifications, such as patents, or goodwill. If such classification is not present or practicable, this may be stated in one amount. The additions included in Column C shall, however, be segregated in accordance with an appropriate classification. Items of minor importance may be included under a miscellaneous caption.

³The balance at the beginning of the period of report may be as per the accounts.

⁴If the changes in accounts in Column C represents anything other than additions from acquisitions, state clearly the nature of the changes and the other accounts affected. If cost of additions represents other than cash expenditures, explain. If acquired from an affiliate at other than cost to the affiliate, show such cost, provided the acquisition by the affiliate was within two years prior to the acquisition by the person for which the statement is filed.

⁵If provision for depreciation and amortization of intangible assets is credited in the books directly to the intangible asset accounts, the amounts shall be stated in Column D with explanations, including the accounts to which charged.

* [Regulation S-X, Rule 12-08, effective Feb. 21, 1940]

§ 210.12-09 Reserves for depreciation and amortization of intangible assets.¹

Column A. Description.²

Column B. Balance at beginning of period.³

Column C. Additions: Charged to profit and loss or income; Charged to other accounts—describe.

Column D. Deductions from reserves—describe.

Column E. Balance at close of period.

¹Insofar as amounts for depreciation and amortization are credited to the intangible asset accounts, such amounts shall be shown in the schedule of intangible assets, as there required.

²If practicable, reserves shall be shown to correspond with the classification in the related schedule of intangible assets.

³The balance at the beginning of the period of report may be as per the accounts.

* [Regulation S-X, Rule 12-09, effective Feb. 21, 1940]

§ 210.12-10 Funded debt.¹

Column A. Name of issuer and title of each issue.²

Column B. Amount authorized by indenture.

Column C. Amount issued and not retired or canceled.³

Column D. Amount included in column C which is: (1) Held by or for account of issuer thereof; (2) not held by or for account of issuer thereof.

Column E. Amount included in sum extended under caption "Funded Debt" in related balance sheet.⁴

Column F. Amount in sinking and other special funds of issuer thereof.⁵

Column G. Amount pledged by issuer thereof.⁶

Column H. Amount held by affiliates for which statements are filed herewith:⁷ (1) Persons included in consolidated statement; (2) others.

¹Indicate in a note to the most recent schedule filed for a particular person or group any significant changes since the date of the related balance sheet. This information need not be given, however, if the schedule is filed as part of an annual or other periodic report.

²Include in this column each issue authorized, whether issued or not and whether eliminated in consolidation or not. For each issue listed give the information called for by Columns B to H, inclusive.

³Indicate by means of an appropriate symbol any issues of which additional amounts may be issued.

⁴This column is to be totaled to correspond to the related balance sheet caption.

⁵Indicate by means of an appropriate symbol any amounts not included in Sub-column D (1).

⁶Affiliates for which statements are filed herewith shall include affiliates for which separate financial statements are filed and those included in consolidated or combined statements, other than the issuer of the particular security.

⁷Include in this subcolumn only amounts held by persons included in the consolidated statement in support of which this schedule is being filed. If not eliminated in the consolidation, explain in a note.

* [Regulation S-X, Rule 12-10, effective Feb. 21, 1940]

§ 210.12-11 Indebtedness to affiliates—not current.

Column A. Name of affiliate.¹

Column B. Balance payable at beginning of period.²

Column C. Balance payable at close of period.

¹Affiliates shall be grouped as in the related schedules required for investments in securities of affiliates. The information called for may be shown, however, in total for each column for any two or more totally-held subsidiaries, provided the number of subsidiaries so grouped is stated.

²The balance at the beginning of the period of report may be as per the accounts.

* [Regulation S-X, Rule 12-11, effective Feb. 21, 1940]

§ 210.12-12 Guarantees of securities of other issuers.¹

Column A. Name of issuer of securities guaranteed by person for which statement is filed.

Column B. Title of issue of each class of securities guaranteed.

Column C. Total amount guaranteed and outstanding.²

Column D. Amount owned by person or persons for which statement is filed.

Column E. Amount in treasury of issuer of securities guaranteed.

Column F. Nature of guarantee.³

Column G. Nature of any default by issuer of securities guaranteed in principal, interest, sinking fund or redemption provisions, or payment of dividends.⁴

¹Indicate in a note to the most recent balance sheet filed for a particular person or group any significant changes since the date of the related balance sheet. This information need not be given, however, if

the schedule is filed as part of an annual or other periodic report. If this schedule is filed in support of consolidated statements or group statements, there shall be set forth guarantees by any person included in the consolidation or group.

²Indicate any amounts included in Column C which are included also in Column D or E.

³There need be made only a brief statement of the nature of the guarantee, such as "Guarantee of principal and interest", "Guarantee of interest" or "Guarantee of dividends". If the guarantee is of interest or dividends, state the annual aggregate amount of interest or dividends so guaranteed.

⁴Only a brief statement as to any such defaults need be made.

* [Regulation S-X, Rule 12-12, effective Feb. 21, 1940]

§ 210.12-13 Reserves.

Column A. Description.¹

Column B. Balance at beginning of period.²

Column C. Additions: (1) Charged to profit and loss or income; (2) charged to other accounts—Describe.

Column D. Deductions from reserves—Describe.

Column E. Balance at close of period.

¹List, by major classes, all reserves not included in specific schedules. Identify each such class of reserves by descriptive title. Group (a) those reserves which are deducted in the balance sheet from the assets to which they apply and (b) those reserves which support the balance sheet caption *Reserves, not shown elsewhere*. Special contingency reserves may be grouped in one total. Reserves as to which the additions, deductions, and balances were not significant may be grouped in one total and in such case the information called for under Columns C and D need not be given.

²Except in the case of a bank holding or investment company, the balance at the beginning of the period of report may be as per the accounts.

* [Regulation S-X, Rule 12-13, effective Feb. 21, 1940]

§ 210.12-14 Capital shares.¹

Column A. Name of issuer and title of issue.²

Column B. Number of shares authorized by charter.

Column C. Number of shares issued and not retired or cancelled.

Column D. Number of shares included in column C which are: (1) Held by or for account of issuer thereof; (2) Not held by or for account of issuer thereof.

Column E. Shares outstanding as shown on or included in related balance sheet under caption "Capital Shares:" (1) Number; (2) Amount at which carried.³

Column F. Number of shares held by affiliates for which statements are filed herewith: (1) Persons included in consolidated statements; (2) Others.

Column G. Number of shares reserved for officers and employees.

Column H. Number of shares reserved for options, warrants, conversions, and other rights.

¹Indicate in a note to the most recent schedule filed for a particular person or group any significant changes since the date of the related balance sheet. This information need not be given, however, if the schedule is filed as part of an annual or other periodic report.

²Include in this column each issue authorized, whether issued or not, and whether eliminated in consolidation or not. For each issue listed give the information called for by Columns B to H, inclusive.

³This column is to be totaled to correspond to the related balance sheet caption. In the

case of consolidated subsidiaries only the minority interest need be set forth.

⁴Affiliates for which statements are filed herewith shall include affiliates for which separate financial statements are filed and those included in consolidated or combined statements, other than the issuer of the particular security.

⁵Include in this subcolumn only amounts held by persons included in the consolidated statement in support of which this schedule is being filed. If not eliminated in the consolidation, explain in a footnote.

* [Regulation S-X, Rule 12-14, effective Feb. 21, 1940]

§ 210.12-15 Warrants or rights.¹

Column A. Title of issue of securities called for by warrants or rights.

Column B. Amount of securities called for by each warrant or right.

Column C. Number of warrants or rights outstanding.²

Column D. Aggregate amount of securities called for by warrants or rights outstanding.

Column E. Date from which warrants or rights are exercisable.

Column F. Expiration date of warrants or rights.

Column G. Price at which warrant or right exercisable.

¹Indicate in a note to the most recent schedule filed for a particular person or group any significant changes since the date of the related balance sheet. This information need not be given, however, if the schedule is filed as part of an annual or other periodic report.

²State separately amounts held by persons for which separate statements are filed or which are included in consolidated or combined statements, other than the issuer of the particular security.

* [Regulation S-X, Rule 12-15, effective Feb. 21, 1940]

§ 210.12-16 Supplementary profit and loss information.¹

Column A. Items:

1. Maintenance and repairs.
2. Depreciation, depletion, and amortization of fixed and intangible assets (or charges in lieu thereof).
3. Taxes, other than income and excess profits taxes.⁴
4. Management and service contract fees.
5. Rents and royalties.⁵

*Column B.*² Charged directly to profit and loss: (1) To costs or operating expenses;³ (2) other.

*Column C.*² Charged to other accounts: (1) Account; (2) amount.

Column D. Total.

¹State for each of the items noted in Column A the total called for in Column D and, if practicable, set forth the details called for in Columns B and C.

²Totals may be stated in the respective columns under Column B without further designation of the accounts to which charged. If practicable, designate in Column C the accounts to which charged.

³Do not include in this column amounts deducted in the profit and loss statement under the caption *Other operating expenses*.

⁴State separately each significant item.

⁵State rents and royalties separately if either amount is significant. If significant in amount, state the aggregate amount of the rentals upon all real property now leased to the person and its subsidiaries for terms expiring more than three years after the date of filing, and the number of such leases. If the rentals are conditional, state the minimum annual amount.

* [Regulations S-X, Rule 12-16, effective Feb. 21, 1940]

§ 210.12-17 Income from dividends.

Column A. Name of issuer and title of issue.¹

Column B. Amount of dividends:² (1) Cash; (2) other³; (3) total of related captions of profit and loss or income statement.

Column C. Amount of equity in net profit and loss for the period.⁴

¹The shares of affiliates shall be listed as in the related schedules required for investments in securities of affiliates. Dividends from (1) marketable securities and (2) other security investments shall also be included, and may be shown in separate aggregate amounts: *Provided, however,* That securities held in issuers as to which securities representing exactly fifty percent of the voting power are held directly or indirectly by the person for which the statement is filed and those representing the other fifty percent are held by another single interest, shall be separately stated and are, within the group, to be listed separately as to each major investment, the balance to be stated in a single aggregate.

²The information called for in Columns B and C may be shown in total for each column for any two or more totally-held subsidiaries included in a consolidated statement.

³State as to any dividends other than cash, the basis on which they have been taken up as income, and the justification, if any, for such action. If any such dividends received from affiliates have been credited to income in an amount differing from that charged to income or earned surplus by the disbursing company, state the amount of such difference and explain.

⁴(a) The information required by Column C need be furnished only (1) as to affiliates and (2) as to issuers securities of which representing exactly fifty percent of the voting power are held directly or indirectly by the person for which the statement is filed and those representing the other fifty percent are held by another single interest. If the answer required in Column B is in the negative as to any particular person, the information called for in Column C shall nevertheless be furnished.

(b) The equity in the net profit and loss of each person required to be listed separately shall be computed on an individual basis. In addition, there may be submitted the information required as computed on the basis of the statements of each such person and its subsidiaries consolidated.

* [Regulation S-X, Rule 12-17, effective Feb. 21, 1940]

§ 210.12-19 Investment in securities—*Marketable.*¹ For investment companies only.

Column A. Name of issuer and title of issue.²

Column B. Balance held at beginning of period. Number of shares—Principal amount of bonds and notes.

Column C. Gross purchases and additions as to each issue during period. Number of shares—Principal amount of bonds and notes.

Column D. Gross sales and reductions as to each issue during period. Number of shares—Principal amount of bonds and notes.

Column E. Balance held at close of period. Number of shares—Principal amount of bonds and notes.³

Column F. Cost of items included in column E.⁴

Column G. Amount at which each issue was carried at close of period.⁵

Column H. Market value of each issue at close of period.⁶

¹The required information is to be given as to all securities which were held at any time within the period. As to any class of such securities, none of which were held at the end of the most recent period, the clas-

sification required by Note 2 need not be made.

²(a) Group separately with appropriate captions (1) income-producing securities and (2) non-income-producing securities. Evidences of indebtedness and preferred shares may be deemed to be income-producing if, on the respective last interest payment date or date for the declaration of dividends prior to the date of the related balance sheet, there was only a partial payment of interest or a declaration of only a partial amount of the dividends payable; in such case, however, each such issue set forth in division (1) shall be designated by a symbol referring to a note to the effect that, on the last interest or dividend date, only partial interest was paid or partial dividends declared. If, on such respective last interest or dividend date, no interest was paid or no dividend declared, the issue shall not be deemed to be income-producing and shall be set forth under division (2). Common shares shall not be deemed to be income-producing unless, during the last year preceding the date of the related balance sheet, there was at least one dividend paid upon such common shares. List separately (A) bonds; (B) preferred shares; (C) common shares. Within each of these subdivisions classify according to type of business, insofar as practicable, e. g., investment companies, railroads, utilities, banks, insurance companies, or industrials. Give totals for each group, subdivision, and class.

(b) Each issue shall be listed separately: *Provided, however,* That an amount not exceeding five percent of the total of Column F, or five percent of the total of the aggregate capital and surplus, whichever may be the less, may be listed in one amount as "Miscellaneous securities", provided the securities so listed have been held for not more than one year prior to the date of the related balance sheet, and have not previously been reported by name to the shareholders of the person for which the statement is filed or to any exchange, or set forth in any registration statement, application, or annual report or otherwise made available to the public.

³Indicate any securities subject to option at the end of the most recent period and state in a note the amount subject to option, the option prices, and the dates within which such options may be exercised.

⁴Columns F, G, and H shall be totaled. The total of Column G at the close of the most recent period shall agree with the related balance sheet caption.

⁵If the amount shown in Column G differs from the amount shown in either Column F or H, state the basis of determining the amount in Column G.

⁶If market value is determined on any other basis than closing prices reported on any national securities exchange, explain such other basis in a note.

* [Regulation S-X, Rule 12-19, effective Feb. 21, 1940]

§ 210.12-20 Investments in securities—*Other than marketable securities.*¹ For investment companies only.

Column A. Name of issuer and title of issue.²

Column B. Balance held at beginning of period. Number of shares—principal amount of bonds and notes.

Column C. Gross purchases and additions as to each issue during period. Number of shares—principal amount of bonds and notes.

Column D. Gross sales and reductions as to each issue during period. Number of shares—principal amount of bonds and notes.

Column E. Balance held at close of period. Number of shares—principal amount of bonds and notes.³

Column F. Cost of items included in column E.

Column G. Amount at which each issue was carried at close of period.⁴

Column H. Value of each issue at close of period.⁵

¹The required information is to be given as to all securities which were held at any time within the period. As to any class of such securities, none of which were held at the end of the most recent period, the classification required by Note 2 need not be made.

²(a) Group separately with appropriate captions (1) income-producing securities; and (2) non-income-producing securities and give totals for each group. Evidences of indebtedness and preferred shares may be deemed to be income-producing if, on the respective last interest payment date or date for the declaration of dividends prior to the date of the related balance sheet, there was only a partial payment of interest or a declaration of only a partial amount of the dividends payable; in such case, however, each such issue so set forth in division (1) shall be designated by a symbol referring to a note to the effect that, on the last interest or dividend date, only partial interest was paid or partial dividends declared. If, on such respective last interest or dividend date, no interest was paid or no dividend declared, the issue shall not be deemed to be income-producing and shall be set forth under division (2). Common shares shall not be deemed to be income-producing unless, during the last year preceding the date of the related balance sheet, there was at least one dividend paid upon such common shares. (b) Each issue shall be separately listed.

³Indicate any securities subject to option at the end of the most recent period and state in a note the amount subject to option, the option prices, and the dates within which such options may be exercised.

Columns F, G, and H shall be totaled. The total of Column G at the close of the most recent period shall agree with the related balance sheet caption.

⁴If the amount shown in Column G differs from the amount shown in Column F, state the basis of determining the amount in Column G.

⁵Determine, as of the balance sheet date, by an appropriate method, the estimated value of each item listed. If the amount in Column H differs from the amount in Column F or G, state the basis of determining the amount in Column H.

* [Regulation S-X, Rule 12-20, effective Feb. 21, 1940]

§ 210.12-21 *Investments—Other than securities.*¹ For investment companies only.

Column A. Description.²
Column B. Balance held at beginning of period—quantity.³

Column C. Gross purchases and additions during period—quantity.³

Column D. Gross sales and reductions during period—quantity.³

Column E. Balance held at close of period—quantity.³

Column F. Cost of items included in column E.⁴

Column G. Amount at which each item is carried at close of period.⁵

Column H. Value of each item at close of period.⁵

¹The required information is to be given as to all investments which were held at any time within the period.

²List each major class of investments by descriptive title.

³If practicable, indicate the quantity or measure in appropriate units.

⁴Indicate any investments subject to option at the end of the most recent period and state in a note the amount subject to option, the option prices, and the dates within which such options may be exercised.

⁵All money columns shall be totaled. The total of Column G at the close of the most recent period shall agree with the related balance sheet caption.

⁶If the amount shown in Column G differs from the amount shown in Column F, state the basis of determining the amount in Column G.

⁷For items having market or quoted values, state such amounts. For others, determine by an appropriate method the estimated value of each item listed. If the amount in Column H differs from the amount in Column F or G, state the basis of determining the amount in Column H.

* [Regulation S-X, Rule 12-21, effective Feb. 21, 1940]

§ 210.12-22 *Investments in securities of affiliates.*¹ For investment companies only.

Column A. Name of issuer and title of issue.²

Column B. Balance held at beginning of period—number of shares—principal amount of bonds and notes.

Column C. Gross purchases and additions as to each issue during period—number of shares—principal amount of bonds and notes.

Column D. Gross sales and reductions as to each issue during period—number of shares—principal amount of bonds and notes.

Column E. Balance held at close of period—number of shares—principal amount of bonds and notes.³

Column F. Cost of items included in column E.⁴

Column G. Amount at which each issue is carried at close of period.⁵

Column H. Value of each issue at close of period.⁵

¹The required information is to be given as to all securities which were held at any time within the period.

²Group separately (a) shares and bonds of subsidiaries consolidated and (b) shares and bonds of affiliates not consolidated. Give totals for each group. If operations of any affiliates not consolidated are different in character from those of the registrant, group such affiliates within division (b) by type of activity.

³Indicate any securities subject to option at the balance sheet date and state in a note the amount subject to option, the option prices, and the dates within which such options may be exercised.

⁴If the cost in Column F represents other than cash expenditure, explain. If acquired from an affiliate (and not an original issue of that affiliate) at other than cost to the affiliate, show such cost, provided the acquisition by the affiliate was within two years prior to the acquisition by the person for which the statement is filed.

⁵Columns F, G, and H shall be totaled. The total of Column G at the close of the most recent period shall agree with the related balance sheet caption.

⁶If the amount shown in Column G differs from the amount in Column F, state the basis of determining the amount in Column G.

⁷For each issue having a market or quoted value, state such amount. For others, determine as of the balance sheet date by an appropriate method, the estimated value of each item listed. If the amount in Column H differs from the amount in Columns F or G, state the basis of determining the amount in Column H.

* [Regulation S-X, Rule 12-22, effective Feb. 21, 1940]

§ 210.12-23 *Real estate owned and rents earned.*¹ For insurance companies other than life and title insurance companies.

PART 1—REAL ESTATE OWNED AT END OF PERIOD

Column A. List by State and classification of property as indicated below:

Name of State.
Farms (total).
Residential (total).
Apartments and business (total).
Unimproved (total).
Total.
Total, all States.
Rent from properties sold during period.
Grand total.

Column B. Amount of incumbrances.

Column C. Actual cost.

Column D. Book value less incumbrances.

Column E. Market or fair value less incumbrances.

Column F. Admitted asset value.²

PART 2—RENTS EARNED

Column G. Rents received applicable to period.

Column H. Rents due and accrued at end of period.

Column I. Total rents applicable to period.

Column J. Expended for interest, taxes, repairs, and expenses.

Column K. Net income applicable to period.

¹All money columns shall be totaled.

²If admitted asset value is different from the amount shown in either Column C, D, or E, state the basis of determining such value.

* [Regulation S-X, Rule 12-23, effective Feb. 21, 1940]

§ 210.12-24 *Mortgage loans on real estate and interest earned on mortgages.*¹ For insurance companies other than life and title insurance companies.

PART 1—MORTGAGE LOANS ON REAL ESTATE AT CLOSE OF PERIOD

Column A. List by State and classification indicated below.²

Name of State.
First liens on: Farms (total).
Residential (total).
Apartments and business (total).
Unimproved (total).
Total.

Column B. Appraised value of property.

Column C. Prior liens.

Column D. Book value of mortgages.

Column E. Amount unpaid at close of period: (1) Total; (2) subject to delinquent interest.³

Column F. Amount of mortgages being foreclosed.

Column G. Admitted asset value.⁴

PART 2—INTEREST EARNED ON MORTGAGES

Column H. Interest received applicable to period.

Column I. Interest due and accrued at end of period.

Column J. Total interest received, due and accrued applicable to period.⁵

¹All money columns shall be totaled.

²If mortgages represent other than first liens, list separately in a like manner, indicating briefly the nature of the lien.

³Interest in arrears for less than 3 months may be disregarded in computing the total amount of principal subject to delinquent interest.

⁴If admitted asset value is different from the amount shown in either Column D or E, state the basis of determining such value.

⁵In order to reconcile the total of Column J with the amount shown in the profit and loss statement, interest applicable to period from mortgages sold or canceled during period should be added to the total of this column.

* [Regulation S-X, Rule 12-24, effective Feb. 21, 1940]

§ 210.12-25 *Bonds and interest earned on bonds.*¹ For insurance companies

other than life and title insurance companies.

PART 1—BONDS AT CLOSE OF PERIOD

- Column A. Name of issuer and title of issue.²
- Column B. Principal amount of bonds and notes.
- Column C. Actual cost (excluding accrued interest).
- Column D. Book value.³
- Column E. Market value.⁴
- Column F. Amortized or estimated value.⁵
- Column G. Admitted asset value.³
- Column H. Year acquired.
- Column I. Bonds in default: (1) Interest amount; (2) principal amount.

PART 2—INTEREST EARNED ON BONDS

- Column J. Interest received applicable to period.
- Column K. Interest due and accrued on bonds not in default.
- Column L. Total interest received, due and accrued applicable to period.⁷

¹ (a) In lieu of this schedule there may be filed Schedule D, Part 1, of the annual statement filed with the respective domiciliary State regulatory authority. In such case the method of determining market value shown in Column 7 of that schedule shall be stated in a note.

(b) All money columns shall be totaled.
² Give the title of each issue of bonds owned. Group separately those in default and those not in default. Within these two groups segregate according to class of bonds, e. g., Government, State, railroads, utilities, industrials, etc., and give totals for each group and class.

³ State the basis of determining the amount.
⁴ State the method of determining market value.

⁵ Indicate by a symbol whether amortized or estimated value. State the basis of determining estimated value.

⁶ If admitted asset value is different from the amount shown in either Column C, D, E, or F, state the basis of determining such value.

⁷ In order to reconcile the total of Column L, with the amount shown in the profit and loss statement, interest applicable to period from bonds sold or matured during period should be added to the total of this column.

* [Regulations S-X, Rule 12-25, effective Feb. 21, 1940]

§ 210.12-26 *Stocks—other than stocks of affiliates and income from dividends thereon.*¹ For insurance companies other than life and title insurance companies.

PART 1—STOCKS—OTHER THAN AFFILIATES AT CLOSE OF PERIOD

- Column A. Name of issuer and title of issue.²
- Column B. Number of shares.
- Column C. Actual cost.
- Column D. Book value.³
- Column E. Market or estimated value.⁴
- Column F. Admitted asset value.⁵
- Column G. Year acquired.

PART 2—INCOME FROM DIVIDENDS

Column H. Amount of dividends applicable to period: (1) Cash; (2) other; (3) total.⁷

¹ (a) In lieu of this schedule there may be filed Schedule D, Part 2, of the annual statement filed with the respective domiciliary State regulatory authority: *Provided*, (1) That from the totals of the proper columns there be deducted the amounts represented by the investment in stocks of affiliates called for in the schedule prescribed by § 210.12-28; (2) the method of determining market value shown in Column 6 of Schedule D, Part 2, be stated; and (3) a supplemental schedule listing all stock dividends received, other than from affiliates, the name of issuer, the num-

ber of shares and the amount at which taken up as income, and the information specified in Note 6, is furnished.

(b) All money columns shall be totaled.
² Give the name of each issue of stock owned. Group separately, according to type of business, e. g., railroads, utilities, bank, trust and insurance companies, industrials, etc. Give totals for each group.

³ State the basis of determining the amount.

⁴ Indicate by a symbol whether market or estimated value. State the basis of determining such value.

⁵ If admitted asset value is different from the amount shown in either Column C, D, or E, state the basis of determining such value.

⁶ State as to any dividends other than cash, the basis on which they have been taken up as income and the justification, if any, for such action.

⁷ In order to reconcile the total of Sub-column H (3) with the amount shown in the profit and loss statement, dividends applicable to period from stocks sold during period shall be added to the total of this subcolumn.

* [Regulation S-X, Rule 12-26, effective Feb. 21, 1940]

§ 210.12-27 *Summary of investments in securities—other than securities of affiliates.*¹ For Insurance Companies Other than Life and Title Insurance Companies.

Column A. Type of security:

1. Bonds and Notes:²
 - (a) Government.
 - (b) States, Territories, and possessions.
 - (c) Political subdivisions of States, Territories, and possessions.
 - (d) Railroads.
 - (e) Public utilities.
 - (f) Industrial and miscellaneous.
- Total bonds and notes.
2. Stocks:²
 - (g) Railroads.
 - (h) Public utilities.
 - (i) Banks, trust, and insurance companies.
 - (j) Industrial and miscellaneous.
- Total stocks.
- Total investment in securities other than securities of affiliates.

Column B. Book value.

Column C. Principal amount of bonds and notes.

Column D. Market value (excluding accrued interest).

Column E. Actual cost (excluding accrued interest).

Column F. Amortized or investment value of bonds and notes.³

¹ In lieu of this schedule there may be filed Schedule D—Summary of the correlative annual statement filed with the domiciliary State regulatory authority: *Provided*, That from the totals of the proper columns there be deducted the amounts represented by the investment in stocks of affiliates called for in the schedule prescribed by § 210.12-28.

² Under each subdivision of captions 1 and 2, make a further classification into (a) United States, (b) Canada, and (c) other countries.

³ Companies which do not amortize their bonds and notes shall insert a note to that effect in lieu of the information required.

* [Regulation S-X, Rule 12-27, effective Feb. 21, 1940]

§ 210.12-28 *Investments in stocks of affiliates and income from dividends thereon.*¹ For insurance companies other than life and title insurance companies.

PART 1—INVESTMENTS IN STOCKS OF AFFILIATES AT CLOSE OF PERIOD

- Column A. Name of issuer and title of issue.²
- Column B. Number of shares.

- Column C. Actual cost.
- Column D. Book value.³
- Column E. Market or estimated value.⁴
- Column F. Admitted asset value.⁵
- Column G. Year acquired.

PART 2—INCOME FROM DIVIDENDS

Column H. Amount of dividends applicable to period: (1) Cash; (2) other; (3) total.⁷

¹ All money columns shall be totaled.

² Give the name of each issue of stock owned. Group separately—(a) stocks of insurance companies and (b) stocks of other affiliates. Within group (b) classify according to type of business. Give totals for each group and class.

³ State the basis of determining the amount.

⁴ Indicate by a symbol whether market or estimated value. State the basis of determining such value.

⁵ If admitted asset value is different from the amount shown in either Column C, D, or E, state the basis of determining such value.

⁶ State as to any dividends other than cash, the basis on which they have been taken up as income and the justification, if any, for such action. If any such dividends received from affiliates have been credited to income in an amount differing from that charged to income or earned surplus by the disbursing company, state the amount of such difference and explain.

⁷ In order to reconcile the total of Sub-column H (3) with the amount shown in the profit and loss statement, dividends applicable to the period from stocks sold during period shall be added to the total of this subcolumn.

* [Regulations S-X, Rule 12-28, effective Feb. 21, 1940]

§ 210.12-29 *Premiums, losses, and commissions.*¹ For insurance companies other than life and title insurance companies.

PART 1

- Column A. Line of insurance.
- Column B. Unearned premiums beginning of period.
- Column C. Net premiums written.
- Column D. Unearned premiums end of period.
- Column E. Premiums earned during period.

PART 2²

- Column F. Losses incurred during period.
- Column G. Loss expense incurred during period.
- Column H. Commissions and brokerage incurred during period.
- Column I. Other underwriting expense incurred during period.³

¹ All money columns shall be totaled.

² Fire insurance companies may furnish information under Columns G, H, and I by totals only, if the information required by such columns is not available by lines of insurance.

³ Include in this column all amounts set forth in the related profit and loss statement under captions 6, 7, 8, and 9.

* [Regulation S-X, Rule 12-29, effective Feb. 21, 1940]

§ 210.12-30 *Due and to become due for borrowed money.*¹ For insurance companies other than life and title insurance companies.

¹ Indicate in a note any significant changes since the date of the balance sheet.

Submit a schedule showing (a) from whom borrowed; (b) date of loan; (c) due date; (d) extensions granted; (e) original amounts; (f) total payments; (g) unpaid balance at balance sheet date; and (h) conditions governing each loan.

* [Regulation S-X, Rule 12-30, effective Feb. 21, 1940]

§ 210.12-31 *Profit and loss on sale or maturity of investments.*¹ For insurance companies other than life and title insurance companies.

Column A. Description of investment.²

Column B. Profit: (1) On sale; (2) On maturity.

Column C. Loss: (1) On sale; (2) On maturity.

¹ Columns B and C shall be totaled. In lieu of this schedule there may be filed Schedule A, Part 3, and Schedule D, Part 4, of the annual statement filed with the respective domiciliary State regulatory authority, provided there is furnished a supplemental schedule showing for other investments the information called for in this schedule.

² Group investments by classes.

* [Regulation S-X, Rule 12-31, effective Feb. 21, 1940]

§ 210.12-32 *Investments in securities of affiliates—Banks.*¹ For bank holding companies only.

Column A. Name of issuer and title of issue.²

Column B. Shares owned by the person for which statement is filed: (1) Number; (2) Percent of total outstanding.

Column C. Total capital, surplus, and undivided profits of affiliated banks³: (1) Preferred shares, capital notes, or debentures; (2) Common shares; (3) Surplus and undivided profits; (4) Total common shares, surplus, and undivided profits; (5) Adjustments, if any, necessary to arrive at net tangible asset value;⁴ (6) Net tangible asset value.

Column D. Amount of net tangible asset value applicable to shares owned by others.

Column E. Amount of net tangible asset value applicable to shares owned by person for which statement is filed.

Column F. Amount at which carried in balance sheet of person for which statement is filed.⁵

Column G. Net additions to profits of each affiliate for period.⁶

¹ Subcolumns C (1), (2), (3), (4), (5), and (6) and Columns D, E, F, and G shall be totaled.

² Each issue shall be separately listed. Group according to combined statements, if any; otherwise group by States. Within each group segregate national banks from state banks. Designate by an appropriate method those banks which are (a) not members of the Federal Reserve System, and (b) not insured with the Federal Deposit Insurance Corporation. If preferred shares, state par value and if the redemption or retirable value is other than par value, state such other value.

³ The information called for in Subcolumns C (1), (2), (3), and (4) and Column G shall be as shown by the "Reports of Condition" and the "Reports of Earnings and Dividends" submitted by the affiliate to a Federal authority, or if it does not report to a Federal authority, to its respective State authority.

⁴ Describe briefly the nature of the adjustments. Deduct here any excess of redemption or retirable value over par value of preferred shares or principal amount of capital notes and debentures.

⁵ If the amount shown in Column F differs from the amount shown in Column E, state the basis of determining the amount in Column F.

⁶ The information required by Column G shall be shown separately for each period for which a profit and loss statement is filed.

* [Regulation S-X, Rule 12-32, effective Feb. 21, 1940]

By the Commission.

[SEAL] FRANCIS P. BRASSOR,
Secretary.

[F. R. Doc. 40-775; Filed, February 20, 1940; 4:45 p. m.]

SECURITIES ACT OF 1933 AND SECURITIES EXCHANGE ACT OF 1934

AMENDMENT OF RULE ADOPTING REGULATION S-X

The Securities and Exchange Commission, acting pursuant to authority conferred upon it by the Securities Act of 1933, particularly Sections 7 and 19 (a) thereof [Sec. 7, 48 Stat. 78; 15 U.S.C., 77g; Sec. 19, 48 Stat. 85; sec. 209, 48 Stat. 908; 15 U.S.C., 77s], and the Securities Exchange Act of 1934, particularly Sections 12, 13, 15 (d), and 23 (a) thereof [Sec. 12, 48 Stat. 892; sec. 1, 49 Stat. 1375; 15 U.S.C., 781 and Sup. III: Sec. 13, 48 Stat. 894; 15 U.S.C., 78m: Sec. 15, 48 Stat. 895; sec. 3, 49 Stat. 1377; 15 U.S.C., 78o and Sup. III: Sec. 23, 48 Stat. 901; sec. 8, 49 Stat. 1379; 15 U.S.C. 78w and Sup. III], and finding such action necessary and appropriate in the public interest and for the protection of investors, and necessary for the execution of the functions vested in it by the said Acts, hereby amends the second paragraph of its rule adopting Regulation S-X [Part 210] to read as follows:

"The foregoing action shall be effective February 21, 1940, except that financial statements filed as a part of any registration statement or application for registration filed with the Commission prior to June 1, 1940, and financial statements filed as a part of any annual report under Section 13 or 15 (d) of the Securities Exchange Act of 1934 [Sec. 13, 48 Stat. 894; 15 U.S.C., 78m: Sec. 15, 48 Stat. 895; Sec. 3, 49 Stat. 1377; 15 U.S.C., 78o and Sup. III], covering a fiscal year ending on or before February 28, 1940, may be prepared in accordance with the applicable requirements as in effect immediately prior to the adoption of Regulation S-X [Part 210]."

Effective March 2, 1940.

By the Commission.

[SEAL] FRANCIS P. BRASSOR,
Secretary.

[F. R. Doc. 40-880; Filed, March 2, 1940; 11:35 a. m.]

TITLE 49—TRANSPORTATION AND RAILROADS

CHAPTER I—INTERSTATE COMMERCE COMMISSION

ORDER IN THE MATTER OF ANNUAL REPORTS FROM CLASS I MOTOR CARRIERS OF PROPERTY AND CLASS I MOTOR CARRIERS OF PASSENGERS

At a session of the Interstate Commerce Commission, Division 1, held at its office in Washington, D. C., on the 15th day of January, A. D. 1940.

The subject of the requirement of annual reports from Class I motor carriers being under consideration:

It is ordered, That each Class I Motor Carrier of Property and each Class I Motor Carrier of Passengers, as defined in the Commission's orders of November 29, 1937,¹ prescribing Uniform Systems of Accounts, be, and is hereby required to file an annual report for the year ended December 31, 1939, in accordance with Motor Carrier Annual Report Form A (Class I Motor Carriers of Property or Passengers) which is hereby approved and made a part of this order.²

It is further ordered, That the annual report shall be prepared in triplicate, two copies filed in the Bureau of Motor Carriers, Interstate Commerce Commission, Washington, D. C., on or before March 31, 1940, and the third copy retained by respondent.

By the Commission, division 1.

[SEAL] W. P. BARTEL,
Secretary.

[F. R. Doc. 40-926; Filed, March 5, 1940; 11:43 a. m.]

[Ex Parte No. MC-27]

CENTRAL TERRITORY CONTRACT CARRIER RATES

At a general session of the Interstate Commerce Commission, held at its office in Washington, D. C., on the 28th day of February, A. D. 1940.

Upon consideration of the record in the above-entitled proceeding and of a petition of Contract Carrier Division, American Trucking Associations, Inc., for modification of the order of November 6, 1939, heretofore entered therein, and good cause therefor appearing:

It is ordered, That the questionnaire referred to in the order of November 6, 1939,³ be, and it is hereby, modified to the extent indicated in the modified questionnaire made a part of this order and marked Appendix.²

It is further ordered, That the date for filing answers to the questionnaire required by the order of November 6, 1939, as modified herein, be, and it is hereby, extended to April 15, 1940.

And it is further ordered, That, except to the extent it is granted by this order, the petition of Contract Carrier Division, American Trucking Associations, Inc., be, and it is hereby, denied.

By the Commission.

[SEAL] W. P. BARTEL,
Secretary.

[F. R. Doc. 40-927; Filed, March 5, 1940; 11:43 a. m.]

¹ 2 F. R. 2689.

² Filed as a part of the original document; requests for copies should be addressed to the Interstate Commerce Commission.

³ 4 F. R. 4702.

Notices

DEPARTMENT OF THE INTERIOR.

Bituminous Coal Division.

[Docket No. 484-FD]

IN THE MATTER OF THE APPLICATION OF BEN CORNS & SONS COAL COMPANY FOR EXEMPTION

ORDER OF DISCONTINUANCE AND DISMISSAL

An application pursuant to the provisions of the second paragraph of Section 4-A of the Bituminous Coal Act of 1937 having been filed by Ben Corns & Sons Coal Company (hereinafter referred to as the applicant) with the Bituminous Coal Division, for an order granting exemption from Section 4 of said Act of certain transactions in coal in intrastate commerce; and

Applicant and counsel for the Bituminous Coal Division having entered into a stipulation dated January 25, 1940, which has been duly filed in the record herein, consenting to the discontinuance and dismissal of said application; and

Applicant and counsel for the Bituminous Coal Division having consented to this Order;

It is ordered, That the above described application be discontinued and dismissed subject to the terms and conditions of said stipulation.

Dated, March 1, 1940.

[SEAL]

H. A. GRAY,
Director.

[F. R. Doc. 40-912; Filed, March 4, 1940; 1:36 p. m.]

DEPARTMENT OF LABOR.

Wage and Hour Division.

NOTICE OF ISSUANCE OF SPECIAL CERTIFICATES FOR THE EMPLOYMENT OF LEARNERS IN THE FURNITURE MANUFACTURING INDUSTRY

Notice is hereby given that a Special Certificate for the employment of learners in the Furniture Manufacturing Industry at hourly wages lower than the minimum wage applicable under Section 6 of the Fair Labor Standards Act of 1938 is issued to the employer listed below effective March 6, 1940 until March 5, 1941 unless otherwise indicated, subject to the following terms and limited to the number of learners indicated opposite the employer's name.

OCCUPATIONS, WAGE RATES AND CONDITIONS

The employment of learners in the Furniture Manufacturing Industry under this Certificate is limited to the following occupations, learning period, and minimum wage rate:

(1) A learner is a person who has not been previously employed for more than eight (8) weeks in the aggregate during the preceding three (3) years in the oc-

cupations of woodworker (cutting and assembling frames for upholstered furniture), upholsterer (cutting, sewing, cushion stuffing, springing and upholstery finishing), and finisher (staining and lacquering operations).

(2) The employment of learners under this certificate is limited to the above occupations and for eight (8) weeks for any one learner. During this period, no learner may be paid at a rate less than 25¢ an hour, provided, however, that if experienced workers are paid on a piecework rate, learners shall be paid at least the same piecework rate and shall receive earnings on such rate if in excess of 25¢ per hour but in no event less than 25¢ per hour.

(3) This Special Certificate is issued on representations by the employer that: (a) experienced operators are not available, and (b) that he is actually in need of learners at subminimum rates in order to prevent curtailment of opportunities for employment.

(4) Under this Special Certificate, no learners shall be employed at a subminimum wage until and unless the Certificate is posted and kept posted in a conspicuous place in the plant in which learners are to be employed.

(5) This Special Certificate is issued ex parte under Section 14 of the said Act and § 522.5 (b) of Regulations Part 522, as amended, and is subject to cancellation sooner by the Administrator or his authorized representative for cause. The Certificate may be canceled as of the date of issuance if it is found, upon objection duly filed within fifteen days following the publication of notice of issuance, that the issuance of this Certificate was not necessary to prevent curtailment of opportunities for employment. The Certificate may be canceled prospectively or as of the date of violation if it is found that any of its terms have been violated or that experienced workers have become available. Altering or attempting to alter this Certificate will render it invalid.

NAME AND ADDRESS OF FIRM, PRODUCT, LEARNERS

Atlantic Furniture Mfg. Co., Inc., 220 E. 19th Street, Norfolk, Va., furniture, four learners.

Signed at Washington, D. C., this 4th day of March, 1940.

GUSTAV PECK,
*Authorized Representative
of the Administrator.*

[F. R. Doc. 40-910; Filed, March 4, 1940; 12:12 p. m.]

NOTICE OF ISSUANCE OF SPECIAL CERTIFICATES FOR THE EMPLOYMENT OF LEARNERS IN THE TEXTILE MACHINERY EQUIPMENT INDUSTRY

Notice is hereby given Special Certificates for the employment of learners in the Textile Machinery Equipment Industry at hourly wages lower than the

minimum wage applicable under Section 6 of the Fair Labor Standards Act of 1938 are issued to the employers listed below effective March 6, 1940, until March 6, 1941, unless otherwise indicated, subject to the following terms and limited to the number of learners indicated opposite the employers' names.

OCCUPATIONS, WAGE RATES AND CONDITIONS

The employment of learners in the Textile Machinery Equipment Industry under these Certificates is limited to the following occupations, learning period, and minimum wage rate:

(1) A learner is a person who has not been previously employed for more than twelve (12) weeks in the aggregate during the preceding three (3) years engaged in the occupations of: polishing wire, making loom-reeds, loom-harness, textile specialties, ball thrust bearings and reed making.

(2) The employment of learners under these Certificates is limited to the occupations listed above and for twelve (12) weeks for any one learner. During this period, no learner may be paid at a rate less than 25¢ an hour provided, however, that if experienced workers are paid on a piecework rate, learners shall be paid at least the same piecework rate and shall receive earnings on such rate if in excess of 25¢ per hour but in no event less than 25¢ per hour.

(3) These Special Certificates are issued on representations by the employers that: (a) experienced operators are not available, and (b) that they are actually in need of learners at subminimum rates in order to prevent curtailment of opportunities for employment.

(4) Under these Special Certificates, no learners shall be employed at a subminimum wage until and unless these Certificates are posted and kept posted in a conspicuous place in the plants in which learners are to be employed.

(5) These Special Certificates are issued ex parte under Section 14 of the said Act and § 522.5 (b) of Regulations Part 522, as amended, and are subject to cancellation sooner by the Administrator or his authorized representative for cause. These Certificates may be cancelled as of the date of issuance if it is found, upon objection duly filed within fifteen days following the publication of notice of issuance that the issuance of these Certificates was not necessary to prevent curtailment of opportunities for employment. These Certificates may be cancelled prospectively or as of the date of violation if it is found that any of their terms have been violated or that experienced workers have become available. Altering or attempting to alter these Certificates will render them invalid.

NAME AND ADDRESS OF FIRM, PRODUCT, LEARNERS

Andrews Company, Charles Street, Spartanburg, S. C., textile machinery equipment industry, 3 learners.

Penn Reed & Harness Company, 703 Webb Avenue, Burlington, N. C., 2 learners.

Signed at Washington, D. C., this 4th day of March, 1940.

GUSTAV PECK,
Authorized Representative
of the Administrator.

[F. R. Doc. 40-911; Filed, March 4, 1940;
12:12 p. m.]

[Administrative Order No. 42]

ACCEPTANCE OF RESIGNATION FROM AND APPOINTMENT TO INDUSTRY COMMITTEE No. 11 FOR THE PULP AND PRIMARY PAPER INDUSTRY

By virtue of and pursuant to the authority vested in me by the Fair Labor Standards Act of 1938, I, Philip B. Fleming, Administrator of the Wage and Hour Division, Department of Labor,

Do hereby accept the resignation of Mr. Sumner H. Slichter from Industry Committee No. 11 for the Pulp and Primary Paper Industry and do appoint in his stead as representative for the public on such Committee, Mr. Arthur D. Hill, Sr., of Boston, Massachusetts.

Signed at Washington, D. C., this 4 day of March, 1940.

PHILIP B. FLEMING,
Colonel, Corps of Engineers.
Administrator.

[F. R. Doc. 40-922; Filed, March 5, 1940;
11:14 a. m.]

INTERSTATE COMMERCE COMMISSION.

[Ex parte Nos. MC-9, MC-27]

ORDER IN THE MATTER OF FILING OF CONTRACTS BY CONTRACT CARRIERS BY MOTOR VEHICLE; CENTRAL TERRITORY CONTRACT CARRIER RATES

At a general session of the Interstate Commerce Commission, held at its office in Washington, D. C., on the 28th day of February, A. D. 1940.

Upon further consideration of the above-entitled proceeding and good cause therefor appearing:

It is ordered, That the text of the Commission's report of November 6, 1939, in said proceeding, 20 M. C. C. 8, be, and it is hereby, modified by substituting the following paragraph for the first two paragraphs on page 17:

One of the most basic rights under our laws is the right to evidence. Every litigant has the right to produce, or have produced, any and all documentary evidence material for the purposes of his case,² unless some exception is shown to the general rule. Since proof of the actual charges of contract carriers is material in an issue respecting the lawfulness of such charges, it must follow

that the right of interested parties to inspect documents filed with us, which contain such charges, is superior to any claim of business privacy.

² *Ex Parte Uppercu*, 239 U. S. 435.

and by substituting the following for the first sentence of the last paragraph on page 17:

Wholly apart from the question of whether or not the statute requires us to find that the actual charges of contract carriers are unlawful as a jurisdictional prerequisite to the exercise of our power to determine reasonable minimum charges of contract carriers, we are convinced that the public interest and attainment of the policy laid down for us under the Motor Carrier Act require that we deal with the actual rates rather than with minimum rates, since the latter may be, and in many cases, admittedly are, mere paper rates.

By the Commission.

[SEAL] W. P. BARTEL,
Secretary.

[F. R. Doc. 40-928; Filed, March 5, 1940;
11:44 a. m.]

[Ex Parte Nos. MC-9, MC-27]

IN THE MATTER OF FILING OF CONTRACTS BY CONTRACT CARRIERS BY MOTOR VEHICLE; CENTRAL TERRITORY CONTRACT CARRIER RATES

FEBRUARY 29, 1940.

Notice to the Parties:

The text of the Commission's report of November 6, 1939, in the above-entitled proceedings, 20 M. C. C. 8, has been changed by substituting the following paragraph for the first two paragraphs on page 17:

One of the most basic rights under our laws is the right to evidence. Every litigant has the right to produce or have produced, any and all documentary evidence material for the purposes of his case,² unless some exception is shown to the general rule. Since proof of the actual charges of contract carriers is material in an issue respecting the lawfulness of such charges, it must follow that the right of interested parties to inspect documents filed with us, which contain such charges, is superior to any claim of business privacy.

² *Ex Parte Uppercu*, 239 U. S. 435.

and by substituting the following for the first sentence of the last paragraph on page 17:

Wholly apart from the question of whether or not the statute requires us to find that the actual charges of contract carriers are unlawful as a jurisdictional prerequisite to the exercise of our power to determine reasonable minimum charges of contract carriers, we are convinced that the public interest

and attainment of the policy laid down for us under the Motor Carrier Act require that we deal with the actual rates rather than with minimum rates, since the latter may be, and in many cases admittedly are, mere paper rates.

The attention of those respondents required to file answers to the questionnaire in Ex Parte No. MC-27 is called to the order of the Commission of February 28, 1940, enclosed herewith,¹ in which the date for filing returns has been postponed to April 15, 1940, and in which certain changes have been made in some of the questions. These changes are intended to insure the reporting of data in a uniform manner and permit carriers whose charges cannot be reduced to cents per 100 pounds to report their actual charges in accordance with the basis provided in their contracts. It is not thought that the changes in the questionnaire will require revision of many of the returns which have been filed, but where this is the case a revised return should be filed.

[SEAL] W. P. BARTEL,
Secretary.

[F. R. Doc. 40-929; Filed, March 5, 1940;
11:44 a. m.]

SECURITIES AND EXCHANGE COMMISSION.

United States of America—Before the Securities and Exchange Commission

At a regular session of the Securities and Exchange Commission held at its office in the City of Washington, D. C., the 28th day of February, A. D. 1940.

[File No. 43-281]

IN THE MATTER OF KENTUCKY UTILITIES COMPANY

ORDER PERMITTING DECLARATION TO BECOME EFFECTIVE

Kentucky Utilities Company, a registered holding company and a subsidiary of The Middle West Corporation, also a registered holding company, having filed a declaration, and amendments thereto, pursuant to section 7 of the Public Utility Holding Company Act of 1935 regarding the issue and sale of the following securities:

(a) \$20,000,000 principal amount of First Mortgage Bonds, Series of 1970, 4%, due January 1, 1970;

(b) \$6,000,000 principal amount of 4½% Sinking Fund Mortgage Bonds due 1955, due February 1, 1955; and

(c) \$6,000,000 principal amount of Serial Notes, 3½%, due serially November 1, 1940 to May 1, 1946;

The Middle West Corporation having joined in said declaration by way of an amendment thereto in the form of a

¹ Title 49, this issue.

declaration pursuant to Rule U-12B-1 whereby it proposes, prior to or concurrently with the issuance of the aforesaid securities, to pay the sum of \$500,000 to declarant as a capital contribution; and The Middle West Corporation having requested that the Commission permit such declaration pursuant to Rule U-12B-1 to become effective on the 28th day of February, 1940; and

A public hearing having been held on said declaration pursuant to section 7 after appropriate notice; the Commission having considered the record in that matter, and having made and filed its findings and opinion herein; and the Commission deeming it appropriate in the public interest and in the interest of investors and consumers to grant said request of The Middle West Corporation for such acceleration of its declaration pursuant to Rule U-12B-1;

It is ordered, That said declaration pursuant to section 7 and that said declaration pursuant to Rule U-12B-1 be, and the same hereby are, permitted to become effective forthwith, subject to the following conditions:

(1) That the transactions set forth in the declarations, as amended, be carried out in all respects in accordance with and for the purposes represented thereby;

(2) That the transactions set forth in the declarations, as amended, be consummated within sixty (60) days after the date of this order; and

(3) That within ten (10) days after the consummation of the transactions set forth in the declarations, as amended, declarants shall file with the Commission certificates of notification showing that such transactions have been effected in accordance with the terms and conditions of and for the purposes represented by said declarations, as amended.

By the Commission.

[SEAL] FRANCIS P. BRASSOR,
Secretary.

[F. R. Doc. 40-923; Filed, March 5, 1940; 11:37 a. m.]

United States of America—Before the Securities and Exchange Commission

At a regular session of the Securities and Exchange Commission held at its office in the City of Washington, D. C., on the 29th day of February, A. D. 1940.

[File No. 31-218]

IN THE MATTER OF WASHINGTON GAS LIGHT COMPANY

ORDER GRANTING EXEMPTION

Washington Gas Light Company having made application for exemption from the provisions of the Public Utility Holding Company Act of 1935 pursuant to Section 3 (a) (2) thereof; a hearing having been held on said application after appropriate notice; the record in this matter having been duly considered and the Commission having made appropriate findings of fact;

It is ordered, That Washington Gas Light Company be and it hereby is exempted from all those provisions of the Public Utility Holding Company Act of 1935 which require it to register under said Act because it owns, controls, or holds with power to vote, 10 per centum or more of the outstanding voting securities of Washington Gas Light Company of Montgomery County, Maryland, Rosslyn Gas Company, Washington Suburban Gas Company and Alexandria Gas Company.

By the Commission.

[SEAL] FRANCIS P. BRASSOR,
Secretary.

[F. R. Doc 40-924; Filed, March 5, 1940; 11:37 a. m.]

United States of America—Before the Securities and Exchange Commission

At a regular session of the Securities and Exchange Commission held at its office in the City of Washington, D. C., on the 2nd day of March, A. D. 1940.

[File No. 44-30]

IN THE MATTER OF CHARLES TRUE ADAMS, TRUSTEE OF THE ESTATE OF UTILITIES POWER & LIGHT CORPORATION, DEBTOR, AND CENTRAL STATES POWER & LIGHT CORPORATION

ORDER MODIFYING ORDER APPROVING ACQUISITION OF BONDS

The Commission having approved, by order entered on October 2, 1939 (Holding Company Act Release No. 1739) pursuant to Rule U-12C-1, the acquisition by Central States Power & Light Corporation, a registered holding company, of not to exceed \$2,576,900 principal amount of its outstanding First Mortgage and First Lien Gold Bonds 5½% series, due

1953, such bonds to be acquired by tenders at a fixed price of 72 plus accrued interest; and

The Commission having reserved in the order of October 2, 1939, jurisdiction for the purpose of passing upon any questions, subject to its jurisdiction, that might arise in connection with the tender offer; and

The Commission having modified and amended said order of October 2, 1939, by order entered on November 9, 1939,¹ (Holding Company Act Release No. 1781), in such manner as to permit Central States Power & Light Corporation to continue to solicit tenders of said bonds without limitation as to time until the then unexpended sum of \$557,013 should be exhausted, on condition, however, that if the Commission should at any time notify said Central States Power & Light Corporation in writing that it considered that the making thereafter of such acquisitions might be detrimental to the public interest or the interest of investors or consumers no tenders should be invited or accepted subsequent to the receipt of such notice; and

It appearing to the Commission that the market price of said bonds is presently in excess of the tender price of 72 plus accrued interest and that the acceptance of tenders by Central States Power & Light Corporation at a price less than the market price may be detrimental to the interest of investors in that uninformed persons may tender below market price;

It is ordered, That the approval heretofore granted shall not hereafter extend to the acceptance of tenders of said bonds at any time or times when the market price of said bonds shall be in excess of the tender price unless such tender shall be accompanied by a written statement by the person making such tender to the effect that such person is aware that the market quotations are above the tender price and that such person elects to tender nevertheless.

It is further ordered, That said orders of October 2, 1939, and November 9, 1939, be, and they hereby are, modified accordingly.

By the Commission.

[SEAL] FRANCIS P. BRASSOR,
Secretary.

[F. R. Doc. 40-925; Filed, March 5, 1940; 11:37 a. m.]

¹ 4 F.R. 4563.