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Rules, Regulations, Orders**TITLE 16—COMMERCIAL PRACTICES****CHAPTER I—FEDERAL TRADE COMMISSION**

[Docket No. 2285]

IN THE MATTER OF ARMY AND NAVY TRADING COMPANY

§ 3.6 (j) (3.5) *Advertising falsely or misleadingly—Government approval, connection or standards—Standards, specifications or source: § 3.6 (cc) (1.5) Advertising falsely or misleadingly—Source or origin—Government: § 3.96 (a) (2) Using misleading name—Goods—Government indorsement or connection: § 3.96 (a) (9) Using misleading name—Goods—Source or origin—Government.* Using, in connection with respondent's corporate name and in connection with conduct of its mercantile establishment within the District of Columbia, the words "Army and Navy" or either of them, or advertising or causing to be advertised by means of radio broadcasts or in any circulars, trade journals, daily newspapers, or other periodicals, the words "Army and Navy", or either of them, as descriptive of, or in connection with, any merchandise offered for sale or sold to the public, unless in fact such merchandise was actually procured, directly or indirectly, from the War or Navy departments of the United States, prohibited; subject to the provision, however, that the words "Army and Navy," or either of them, may be used as descriptive of particular lots of merchandise made for the War or Navy departments, or according to Army and Navy specifications, if the origin and character of the particular lot of merchandise and its exact relationship to the Army or Navy is accurately specified and stated in type equally as conspicuous as the words "Army and Navy" and in immediate conjunction therewith. (Sec. 5, 38 Stat. 719, as amended by sec. 3, 52 Stat. 112; 15 U.S.C., Supp. IV, sec. 45b) [Modified cease and desist order, Army and Navy Trading Company, Docket 2285, March 13, 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 13th day of March, A. D. 1940.

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

MODIFIED ORDER TO CEASE AND DESIST

This proceeding coming on for further hearing before the Federal Trade Commission and it appearing that on November 26, 1935 the Commission made its findings as to the facts herein and concluded therefrom that respondent had violated the provisions of Section 5 of the Federal Trade Commission Act and issued and subsequently served its order to cease and desist; and it further appearing that on January 4, 1937, the United States Court of Appeals for the District of Columbia rendered its opinion and issued its order modifying the aforesaid order of the Commission in certain particulars and affirming said order in other particulars; and it still further appearing that the aforesaid order to cease and desist issued by the Commission contained a proviso that for a period of two years from the date of the service thereof, the respondent was permitted to use in connection with such corporate or trade name as it might assume the words "Formerly Army and Navy Trading Company," and that more than two years have elapsed since the date of the service of the Commission's order to cease and desist;

Now, therefore, pursuant to the provisions of subsection (i) of section 5 of the Federal Trade Commission Act, the Commission issues this its modified order to cease and desist in conformity with the said Court order:

It is now ordered. That the respondent Army and Navy Trading Company, in connection with the conduct of its mercantile establishment within the District of Columbia, cease and desist from:

1. Using in connection with its corporate name the words "Army and Navy" or either of them;

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2. Advertising or causing to be advertised by means of radio broadcasts or in any circulars, trade journals, daily newspapers, or other periodicals the words "Army and Navy", or either of them, as descriptive of, or in connection with, any merchandise offered for sale or sold to the public, unless in fact such merchandise was actually procured, directly or indirectly, from the War or Navy departments of the United States: *Provided,*

however, That the words "Army and Navy," or either of them, may be used as descriptive of particular lots of merchandise made for the War or Navy departments, or according to Army and Navy specifications, if the origin and character of the particular lot of merchandise and its exact relationship to the Army or Navy is accurately specified and stated in type equally as conspicuous as the words "Army and Navy" and in immediate conjunction therewith.

It is further ordered, That the respondent shall, within thirty (30) 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. 40-1244; Filed, March 27, 1940;
11:01 a. m.]

TITLE 20—EMPLOYEES' BENEFITS

CHAPTER II—RAILROAD RETIREMENT BOARD

AMENDMENT TO REGULATIONS UNDER THE RAILROAD RETIREMENT ACT OF 1937

Pursuant to the general authority contained in Section 10 of the Act of June 24, 1937 (sec. 10, 50 Stat. 314; 45 U.S.C. Sup. III, 228j) §§ 265.04 (g), 208.03, 208.05, 208.10, 208.15, 214.02, 214.04 and 214.06 of the Regulations of the Railroad Retirement Board under such Act (4 F.R. 1477 DI) are amended by Board Order 40-133, effective March 19, 1940, as follows:

Section 265.04 (g) is hereby amended by substituting for the second sentence therein the following:

"No annuity shall be due and payable until May 30, 1936."

Sections 208.03, 208.05, 208.10 and 208.15 are hereby amended by substituting for part (2) of the provisos therein the following:

"(2) that no annuity may begin to accrue for him earlier than two months prior to the date upon which such application is filed with the Board nor earlier than July 1, or December 1, respectively, if such application is filed with the Board on August 31 or January 31 nor prior to the date following the last day of his compensated service."

Section 214.02 is hereby amended by substituting for the last sentence therein the following:

"The filing of an application in accordance with the proviso contained in § 210.02 shall be the specification, as an annuity beginning date, of the date following the last day of compensated service, or of the date two months prior to the filing date, or of the date July 1 or December 1, respectively, if the filing

date is August 31 or January 31, whichever date is the later."

Section 214.04 is hereby amended by omitting the period at the end of part (b) and adding the following:

"nor earlier than July 1 or December 1, respectively, if such subsequent designation or authorization is received by the Board on August 31 or January 31."

and by omitting the period at the end of the second sentence of part (c) and adding the following:

"or the date July 1 or December 1, respectively, if such submission is made on August 31 or January 31."

Section 214.06 is hereby amended so as to read as follows:

"*Beginning date following cancellation of application.* In the event an annuity beginning date is designated and, because of a cancellation of the application, such date becomes ineffective, the annuity thereafter cannot begin to accrue earlier than two months prior to the receipt of the request to renew the application nor earlier than July 1 or December 1, respectively, if such request is received on August 31 or January 31 nor until the date following the last day of compensated service, whichever date is later: *Provided however,* That the applicant may, in renewing such application, designate a later date."

By Authority of the Board.

[SEAL]

JOHN C. DAVIDSON,
Secretary.

Dated, March 26, 1940.

[F. R. Doc. 40-1249; Filed, March 27, 1940;
11:29 a. m.]

TITLE 25—INDIANS

CHAPTER I—OFFICE OF INDIAN AFFAIRS

PART 21—LOANS TO INDIAN CHARTERED CORPORATIONS

AMENDMENT OF REGULATIONS GOVERNING LOANS TO INDIAN CHARTERED CORPORATIONS FROM THE FUND "REVOLVING FUND FOR LOANS TO INDIAN CORPORATIONS"

Sections 21.1 to 21.49, inclusive, are amended to read as follows:

§ 21.1 *Eligible borrowers.* Under section 10 of the Indian Reorganization Act approved June 18, 1934 (48 Stat. 986-25 U.S.C. 470), the Secretary of the Interior is authorized to lend revolving credit funds only to Indian corporations to which charters have been granted and ratified in accordance with section 17 of that Act (48 Stat. 988-25 U.S.C. 477). In order to obtain a loan a corporation must agree to follow the rules and regulations in this part, and such conditions as are agreed upon and set forth in the loan agreement between the corporation and the United States. The corporation must also agree, in requesting funds to

be reloaned, to require such provisions, in addition to these regulations, as in the opinion of the Commissioner of Indian Affairs are necessary to insure the fulfillment of the loan agreement between the United States and the corporation; and to require its borrowers to conform to the applicable rules and regulations in this part. The corporation may adopt such additional rules and regulations as it deems advisable, which are not inconsistent with the terms and conditions of the loan agreement with the United States.

§ 21.2 *Purpose.* Funds may be loaned to a corporation to promote the economic development of said corporation and its members. Under the terms of an approved loan agreement with the United States, a corporation may finance the development and operation of corporate enterprises, and may make loans to individual Indians and partnerships, cooperatives, and credit unions.

§ 21.3 *Application.* The corporation's application for loan shall be submitted to the superintendent for transmittal to the Secretary of the Interior through the credit agent, on a form approved by the Secretary of the Interior, with the information required by the same, and such additional information as may be deemed necessary in order to approve or disapprove the loan.

§ 21.4 *Security.* The corporation shall offer the United States all possible security up to an adequate amount. Upon approval of the application the corporation must give the United States the security required by the Secretary of the Interior before any advance of funds shall be made.

§ 21.5 *Annual carrying charge.* The annual carrying charge by the United States shall be one per cent per annum from the date the money is advanced until repaid.

§ 21.6 *Maturity.* Twenty years shall be the maximum time for which a loan may be made to a corporation.

§ 21.7 *Commitment order.* Upon approval of the application for a loan by the Secretary of the Interior, a commitment order covering the terms and conditions for making the loan and advances thereunder shall be submitted to the corporation through the superintendent, and shall be effective when the corporation delivers the required copies to the superintendent with its written unconditional acceptance on the original copy. Such delivery must be made within ninety days of the approval of the Secretary of the Interior.

§ 21.8 *Loan agreement contract.* The approved application, supporting papers, commitment order, and note or notes, constitute the loan agreement contract.

§ 21.9 *Modification of loan agreement.* Modifications of the loan agreement shall be handled through the same channels as the original agreement.

§ 21.10 *Depository.* All advances shall be deposited immediately upon re-

ceipt in depositories approved by the Commissioner of Indian Affairs, and must be evidenced by promissory note or notes, only the original of which shall be signed.

§ 21.11 *Bonding of officers.* Each officer of the corporation authorized to handle credit funds shall furnish a bond satisfactory to the Commissioner of Indian Affairs, except that when credit funds are handled in a manner similar to individual Indian moneys by a bonded Government disbursing officer, a bond will not be required.

§ 21.12 *Limitations of use.* Unless otherwise authorized in the corporation's loan agreement contract with the United States, credit funds may not be spent for promotional or educational expenses, nor may funds be used by the corporation to purchase property for resale as a part of the credit activities.

§ 21.13 *Penalties on default.* Failure on the part of the corporation to use or to repay the funds loaned in keeping with the loan agreement as originally approved or as amended, or any improper use of funds loaned to the corporation, shall be grounds for any one or all of the following steps to be taken at the option of the Secretary of the Interior, with or without recourse to legal proceedings:

- (a) Declare the amount improperly used immediately due and payable;
- (b) Discontinue any further advances of funds contemplated by the loan agreement;
- (c) Prevent further disbursements of credit funds under the control of the corporation;
- (d) Withdraw any unobligated credit funds from the corporation;
- (e) Take possession of any and all collateral or security;
- (f) Require the application of all repayments to the corporation's credit funds on the liquidation of its indebtedness to the United States.

§ 21.14 *Disposition of earnings from credit operations.* Earnings of the corporation such as inspection fees, and fees for the preparation of applications and maintenance of the corporation's records may be expended for the purposes for which they were collected. Any remaining sum, and earnings derived from interest, may be expended for payment of principal and carrying charge to the United States. When all payments to the United States which are due have been paid, a reserve of twenty-five per cent of the net profit shall be set aside each year for doubtful and uncollectible loans, until such reserve equals ten per cent of the corporation's outstanding loans receivable at the close of its fiscal year. Loans which are uncollectible shall be charged off against this reserve. The remaining net profits may be used to employ clerical assistance on credit matters, or such other purposes as may be specifically authorized in advance by the Commis-

sioner of Indian Affairs. At the end of the fiscal year, after the reserves have been deducted, any balance of the net profits shall be credited to the corporation's surplus credit working fund. Reserve funds may be loaned under the regulations in this part.

§ 21.15 *Surplus credit working fund.* The corporation's surplus credit working fund is derived from net earnings from the credit activities of the corporation credited as provided in § 21.14. This fund may be transferred to the general funds of the corporation or be available for loans under the regulations in this part.

§ 21.16 *Restrictions on assignment, discounting, and borrowing.* While indebted to the United States, the corporation may not, without the consent of the Secretary of the Interior:

- (a) Assign any loan agreement or any interest therein to a third party; or
- (b) Discount paper with or borrow money for relending from any person or agency.

§ 21.17 *Transfer of tribal funds to corporation credit fund.* When a tribe has been incorporated, balances remaining in tribal revolving funds, accruals from repayments on loans from such funds, and other applicable tribal moneys, may be transferred to the corporation when such transfers are consented to by the tribe and authorized by Congress. Tribal funds so transferred may be loaned in accordance with the regulations in this part governing the use of corporation credit funds. No carrying charge shall be paid to the United States on tribal funds.

§ 21.18 *Records.* The corporation must keep records, files, and accounts, and make signed reports as directed by the Commissioner of Indian Affairs. Accounts of credit funds must be kept separate from all other corporate accounts.

§ 21.19 *Corporate enterprise.* A corporate enterprise is a business operated by the corporation. Applications for loans for the operation of corporate enterprises must be approved by the Secretary of the Interior. The application shall set forth the use to be made of the credit funds, proposed management and operating plans, the schedule of advances and repayments, regulations governing the enterprise, how title to purchases shall be taken and plans for disposal of property.

§ 21.20 *Title to property of corporate enterprise.* When the title to property purchased with credit funds is taken in the name of the United States in trust for the corporation, title shall not be transferred to the corporation, except with authority from the Commissioner of Indian Affairs, until its loan from the United States for the operation of the enterprise is repaid in full. All buildings, fences, and other permanent improvements constructed wholly or in part with credit funds shall not be a part of the realty until the loan is paid in full,

unless otherwise specified in the corporation's loan agreement contract with the United States.

§ 21.21 *Records of corporate enterprise.* Records of each corporate enterprise shall be kept separate and apart from records of other credit operations. The corporate enterprise shall furnish signed statements and reports, keep records, files, and accounts, and follow correspondence procedures as directed by the Commissioner of Indian Affairs.

§ 21.22 *Payment of interest by corporate enterprise.* The corporate enterprise shall pay annually to the corporation's credit funds, interest at not less than one per cent per annum on all advances from the time made until repaid, and may be required by the corporation and Secretary of the Interior to pay interest at a rate not to exceed that charged borrowers of the corporation.

§ 21.23 *Depository of corporate enterprise.* The depository for funds of a corporate enterprise must be approved by the Commissioner of Indian Affairs. If the corporation's credit funds are deposited in an individual Indian money account in the agency office, funds for each corporate enterprise must be kept in a separate individual Indian money account, and may be transferred thereto by field journal voucher entry. Disbursements therefrom shall be made in accordance with the corporation's loan agreement with the United States for the operation of the enterprise.

§ 21.24 *Surplus working funds of corporate enterprise.* As a condition of a loan for the financing of a corporate enterprise, the corporation may be required to set aside a portion of the net earnings as surplus working funds and necessary reserves for the enterprise, the details of which shall be covered in the loan agreement.

§ 21.25 *Signatures by thumb mark.* Signatures made by thumb mark must be witnessed by at least two persons who must sign their names, together with their addresses. Where nontrust property is involved, local laws governing signatures to thumb marks shall also be observed.

§ 21.26 *Applications for loans from corporation.* Applications shall be accepted only from members and associations of members of the corporation, and shall be prepared on forms approved by the Commissioner of Indian Affairs, which, unless otherwise authorized by the Commissioner, shall include signed agricultural, commercial, or industrial plans. The corporation shall be responsible for explaining to each borrower the nature of all instruments signed, responsibility for care of the property, and the necessity for carrying out the provisions of his loan agreement.

§ 21.27 *Inspection of security.* All property offered to the corporation as security for loans must be inspected before action is taken upon the loan by the corporation. To reduce costs, agency records or reports of inspection by Government employees, if adequate, may be

used in lieu of a physical inspection by the corporation.

§ 21.28 *Fees.* Inspection fees may be charged a borrower when a physical inspection is necessary, but in no case may the fees exceed one percent of the loan applied for, or in any event five dollars. Fees for preparation of applications, and to assist with clerical expenses and maintenance of the corporation's records may also be charged, when authorized in the corporation's loan agreement with the United States, or when authorized by the Commissioner of Indian Affairs. In no case may the total fees charged exceed one percent of the total amount of the loan. Borrowers may not be required to pay directly or indirectly, any fees, interest, or charges, except as specifically provided in these regulations.

§ 21.29 *Approval of application.* Applications which have been approved by the corporation shall be submitted to the superintendent. Unless otherwise authorized in writing by the Commissioner of Indian Affairs, a corporation may not make any loans until the credit agent has approved the same, with the exception of fully secured loans which will be repaid within one year, where the amount does not exceed \$200, on which the credit agent may delegate final approval authority to the superintendent.

§ 21.30 *Commitment order to borrower.* Upon approval of the application, a commitment order shall be prepared to cover the amount for which the application has been approved. It shall be executed and signed by the corporation and accepted in writing by the borrower. Conditions of approval shall be inserted in the commitment order.

§ 21.31 *Restrictions on approval.* Loans shall not be granted to any corporation to make loans to any applicant:

(a) For the development of commercial enterprises unless such enterprises are to be operated on a cash basis.

(b) For the purpose of obtaining grazing permits or leasing of land for the grazing of livestock, where grazing facilities are available through a cooperative livestock association, unless the corporation, superintendent, and credit agent agree that sufficient reasons are presented in the application for not using such facilities.

(c) Who is indebted to the United States for loans from "Industry Among Indians" or "Tribal Industrial Assistance Funds", or who has livestock or crops of the same class upon which a lien exists, or the title to which is affected because of existing debts or obligations from any source, unless plans of repayment acceptable to the corporation, superintendent, and credit agent, are presented in the application.

(d) Where the maturity dates extend beyond the maturity dates of the corporation's loan from the United States.

(e) For the production of crops, unless the loan will be repaid within one year, except for crops from which no income will be received the first year.

Maturity dates shall be fixed at the time when the crops are to be harvested and available for sale.

(f) For less than \$25.00.

§ 21.32 *Applications requiring approval of the Commissioner of Indian Affairs.* Applications of the following character shall require prior approval of the Commissioner of Indian Affairs:

(a) Applications for loans for enterprises which are not conducted on tribal or allotted lands within the boundaries of the reservation.

(b) Applications of minors.

(c) Applications of Government employees who are Indians.

(d) Applications of Indians of less than one-quarter degree of Indian blood.

(e) Applications from individuals married to and living with a person already a borrower, unless their loans are consolidated.

(f) Applications where the individual has funds on deposit in the agency office sufficient to finance the approved plans.

(g) Applications from Indian women married to nonmembers of the corporation.

(h) Applications from individuals who will have an aggregate indebtedness to the corporation exceeding \$1,500.

(i) Applications for loans for the purchase of livestock, machinery, and equipment with maturities exceeding six years.

(j) Applications from cooperative associations.

§ 21.33 *Preferred applicants.* In determining which applicants shall receive loans, preference shall be given in the following order:

(a) Applicants presenting evidence of their probable success in enterprises which will be productive and self-liquidating, who do not have other sources of credit available;

(b) Applicants with an established reputation for industry;

(c) Applicants with an established reputation for financial responsibility;

(d) Indians of a high degree of Indian blood;

(e) Applicants offering adequate security.

§ 21.34 *Advance and expenditure of corporation credit funds.* Advances to borrowers shall be made only in accordance with their loan agreements with the corporation. When the corporation's credit funds are handled by a bank, advances may be made only in accordance with the bylaws of the corporation. When the corporation's credit funds are deposited in an individual Indian money account, advances may be made when authorized by the corporation, by field journal voucher entry from the account of the corporation to a special individual Indian money account of the borrower. Advances shall not be made until the borrower's loan agreement is completed, and the various copies distributed, including execution of repay-

ment guarantees. Disbursements from the borrower's individual Indian money account shall be made in accordance with the terms of his loan agreement. In the case of a borrower with inadequate security, the initial advance shall be limited, and subsequent advances made dependent upon the borrower's accomplishments.

§ 21.35 *Interest.* Borrowers shall be charged interest at a rate of not less than one per cent, or more than three per cent per annum, except with the approval of the Secretary of the Interior. At the time the funds are advanced from the account of the corporation to the account of the individual borrower, the date of such advance shall be entered on the back of the executed note of the borrower, and interest shall be figured from that date on the basis of 360 days per annum.

§ 21.36. *Three per cent deposits.* A corporation may require each borrower to deposit an amount equal to three per cent of his total approved loan at the time of receiving his first advance which shall be credited to a special three per cent deposit account on the corporation's records. A written acknowledgment shall be issued for each deposit. At no time need the borrower's deposit exceed three per cent of his unpaid indebtedness. When payments of principal and carrying charges owed by the corporation to the United States are not delinquent, and the reserve for doubtful loans as authorized in § 21.14 is sufficient to cover sums in default from borrowers, money in the corporation's three per cent deposit account shall be used to repay those who have ceased to be borrowers. Priority in repayments shall be determined by the order in which the depositors repay their indebtedness in full to the corporation. Repayments may be made only upon written request from the depositor. Such requests shall not be accepted until the borrower is no longer indebted to the corporation.

§ 21.37 *Title to property.* All property purchased with credit revolving funds shall be purchased in the name of the United States in trust for the corporation, except as otherwise permitted in the loan agreement between the corporation and the United States. All buildings, fences, and other permanent improvements constructed wholly or in part with credit funds, shall not be considered a part of the realty until the loan with which they were purchased is repaid in full, unless otherwise specified in the borrower's loan agreement.

§ 21.38 *Security.* On all loans made by the corporation, it must obtain from its borrowers all possible security up to an adequate amount. Unless other arrangements are approved by the Commissioner of Indian Affairs, appropriate liens, mortgages, or other securing instruments in favor of the corporation must be taken on property purchased with credit funds which is not purchased

in the name of the United States. The increase or issue of any livestock purchased with credit funds in the name of the United States or given as security therefor, shall be security for the repayment of the loan. The corporation may require each borrower to agree that if he is in default, any trust funds to or accruing to his credit, or any of his personal trust property, may be applied on his indebtedness to the corporation.

§ 21.39 *Property identification.* All livestock and issue therefrom and all major articles of equipment purchased with credit funds, and trust property given as security for loans of credit funds, except as otherwise authorized by the Commissioner of Indian Affairs, shall be branded or marked with the letters "ID" to make identification permanently possible, and certificates showing accomplishment filed, unless the corporation's agreement with the United States provides for other identification. In addition, such property and livestock shall be marked or branded with the brands or marks of the borrower.

§ 21.40 *Bills of sale.* The corporation must obtain bills of sale on a form approved by the Commissioner of Indian Affairs for all livestock purchased with credit funds, title to which is taken in the name of the United States. This form may also be used for machinery, equipment, and other purchases, title to which is taken in the name of the United States, or receipted invoices on the vendor's stationery will be accepted in lieu thereof. Receipted invoices or appropriate bills of sale must be obtained on purchases to which title is not taken in the name of the United States. Bills of sale or receipted invoices must be filed covering all purchases aggregating twenty-five dollars or more. Such bills of sale and receipted invoices shall be permanently filed.

§ 21.41 *Filing of liens, mortgages, and other guarantees.* All crop liens or mortgages, and all repayment guarantees covering nontrust property, shall be filed, registered, or recorded in the proper county office. Repayment guarantees covering trust property, other than crops may be filed in the agency office. Expenses of filing, registering, or recording, shall be borne by the borrower. Credit funds may not be used for such purposes except when included in loans to the borrower.

§ 21.42 *Protection of corporation's interest in property of deceased borrowers.* The corporation shall take all steps which may be necessary to safeguard and protect the property of a deceased borrower in which it has an interest, until the obligation is liquidated or assumed by heirs of the deceased borrower or by other parties. The corporation may collect from the ultimate owners of such property, or deduct from the proceeds of the sale thereof, reasonable expenses for its care. The corporation shall also protect its interests in assignments of income from real property or other

sources by promptly notifying the superintendent, or examiner of inheritance, and the tribal court, in writing, of its interest in the estate of the decedent.

§ 21.43 *Default by borrowers.* Failure on the part of any borrower to make repayments when due, to use credit funds in keeping with the loan agreement as originally approved or amended, to make every honest effort possible to continue operations successfully, or any improper use of the funds loaned, shall be grounds for any one or all of the following steps to be taken at the option of the corporation, in accordance with instructions of the Commissioner of Indian Affairs, with or without recourse to legal proceedings:

- (a) Declare the entire amount advanced immediately due and payable;
- (b) Stop any further advance of funds contemplated by the loan agreement;
- (c) Prevent further disbursements of credit funds under the control of the borrower;
- (d) Take possession of any and all collateral, security, or property purchased with credit funds.

§ 21.44 *Disposition of property.* The corporation shall abide by instructions of the Commissioner of Indian Affairs regarding the sale or other disposal of any property purchased with credit funds which has not been paid for in full, or property given as security for the loan. Except as authorized under such instructions, neither the corporation's right to or interest in, nor the legal title to property purchased with credit funds, nor the corporation's interest in property given as security, shall be transferred to a borrower before the loan under which the property has been purchased has been repaid in full. When a borrower's loan agreement has been repaid in full, the corporation shall release its interest in property purchased with the loan of credit funds, as well as its lien on the property given as security. The corporation may issue a bill of sale to the borrower. The corporation shall release repayment guarantees of record, on forms approved by the Secretary of the Interior, when disposal of property given as security is authorized.

§ 21.45 *Modification of borrowers' loan agreements.* Modifications of loan agreements shall be handled through the same channels as the original agreement, except that the credit agent may approve modifications where the amount involved does not exceed \$500, on applications originally approved by the Commissioner of Indian Affairs. Loan agreements shall not be permitted to remain in default; either payment must be made, a formal extension granted in the form of a modification, or action taken under the provisions of § 21.43 in this part.

§ 21.46 *Reports by borrowers.* Borrowers shall be required to furnish signed statements and reports, keep records, files, and accounts, and follow correspondence procedures as directed by the

corporation and Commissioner of Indian Affairs.

§ 21.47 *Repayment to corporation.* Repayments to the corporation shall be accepted at all reasonable times, and written receipts issued therefor. Only bonded officers or the approved depository may accept repayments, which shall be immediately deposited in the account of the corporation with the approved depository. If the corporation does not have a bonded officer, and its funds are deposited in an individual Indian money account at the agency office, repayments shall be made only to the bonded Government disbursing officer, who shall be authorized by appropriate resolution of the corporation's governing body to receive its credit funds. Such officer shall issue an official receipt to the treasurer or other authorized officer of the corporation, who in turn shall receipt to the remitter on a form approved by the Commissioner of Indian Affairs. If the corporation is not delinquent in payment of principal or carrying charge to the United States, repayments may be reloaned in keeping with the approved loan agreement in effect between the United States and the corporation.

§ 21.48 *Additional provisions for loans to cooperatives.* (a) The articles of association, bylaws and charter, or other organization papers of cooperative organizations, must be approved by the corporation and Commissioner of Indian Affairs, before the cooperative shall be eligible for a loan.

(b) The funds of the cooperative shall be deposited only in a depository approved by the Commissioner of Indian Affairs.

(c) Each officer, employee, or agent of the cooperative authorized to handle funds must furnish a bond satisfactory to the Commissioner of Indian Affairs, unless all funds of the cooperative are collected and disbursed similar to individual Indian moneys by a bonded Government disbursing officer.

(d) All transactions shall be accounted for in writing, and receipts issued for all moneys received.

(e) Business affairs of the cooperative shall be conducted in accordance with the terms of its approved loan agreement with the corporation.

(f) The maturity of loans to cooperatives shall be determined by the character and nature of the enterprise for which the funds are used.

§ 21.49 *Credit unions, general.* Corporations may make loans to credit unions organized under the provisions of the Federal Credit Union Act. (48 Stat. 1216; 12 U.S.C. 1751-1770) The credit union must conform to all of the rules and regulations prescribed by the Secretary of the Interior or the corporation for lending credit funds to cooperatives, when such rules and regulations are not inconsistent with the terms of the Act itself under which the credit union is organized.

§ 21.50 *Provisions applicable to corporations in Alaska.* Under the provisions of the Act of May 1, 1936 (49 Stat. 1250), the benefits of the revolving fund were extended to Alaska. The regulations in this part shall apply to loans to Indian chartered corporations in Alaska, provided that for the purposes of such loans the following modifications thereof shall govern:

(a) § 21.3: The corporation's application for loan shall be submitted to the general superintendent for transmittal to the Secretary of the Interior, on a form approved by the Secretary of the Interior, with the information required by the same and such additional information as may be deemed necessary in order to approve or disapprove the loan.

(b) § 21.7: The last sentence shall read: Such delivery must be made within one year of the approval of the Secretary of the Interior.

(c) § 21.17: Inapplicable.

(d) § 21.29: Applications which have been approved by the corporation shall be submitted to the general superintendent through the credit agent. Unless otherwise authorized in writing by the Commissioner of Indian Affairs, a corporation may not make any loans until the credit agent and general superintendent have approved the same.

(e) § 21.30: Approval of the application by the corporation, credit agent, and general superintendent, or on loans requiring his approval by the Commissioner of Indian Affairs, shall constitute authority for making the funds available to the borrower. If any changes or alterations are required in the application as submitted, it shall be rejected, in order that such changes may be carefully considered by the applicant, with a view to meeting such objections in a revised application.

(f) § 21.31 (a): For the development of commercial enterprises unless such enterprises are to be operated on a cash basis, except that readily saleable native products, conservatively priced, may be accepted in lieu of cash.

(g) § 21.31 (b): Inapplicable.

(h) § 21.31 (e): For nonrecoverable items unless the loans will be repaid within one year. Maturity dates shall be fixed at the time when income from the enterprise being financed is anticipated.

(i) § 21.32 (a): Inapplicable.

(j) § 21.32 (h): Applications from individuals who will have an aggregate indebtedness to the corporation exceeding \$2,500.

(k) § 21.36: Inapplicable.

(l) § 21.41: Mortgages on vessels shall be filed at the nearest Customs House. All other liens, mortgages, and repayment guarantees shall be filed in the office of a representative of the Commissioner of Indian Affairs, and shall be available for public inspection. Expenses of filing, registering, or recording shall be borne by the borrower. Credit

funds may not be used for such purposes except when included in loans to the borrower.

§ 21.51 *Effective date.* The regulations of this part are applicable only to loan agreements made pursuant thereto, provided that when a corporation having a loan agreement executed prior to the date of approval hereof adopts a resolution requesting modification of its loan agreement to bring it under the terms of any or all sections of this part, said section or sections may be declared applicable in the discretion of the Secretary of the Interior.

W. C. MENDENHALL,
Acting Assistant
Secretary of the Interior.

Date, March 11, 1940.

[F. R. Doc. 40-1242; Filed, March 27, 1940; 9:35 a. m.]

PART 131—ELECTRIC POWER SYSTEM, FLAT-HEAD IRRIGATION PROJECT, MONTANA

AMENDMENT

MARCH 9, 1940.

Sub-paragraph (d) of § 131.51 which reads:

"(d) The monthly minimum charge shall be at the rate of \$1.00 per kilowatt of demand, but in no case less than \$1.50 in urban areas and \$3.00 in all other areas."

is amended to read:

(d) The monthly minimum charge shall be at the rate of \$1 per kilowatt of demand, but in no case less than \$1.50 per single phase service in urban areas and \$3 for all other services, either single or three phase.

W. C. MENDENHALL,
Acting Assistant Secretary
of the Interior.

[F. R. Doc. 40-1243; Filed, March 27, 1940; 9:35 a. m.]

TITLE 26—INTERNAL REVENUE

CHAPTER I—BUREAU OF INTERNAL REVENUE

[T. D. 4968]

PART 19—INCOME TAX

AMORTIZATION OF COST OF UNPRODUCTIVE OIL AND GAS LEASEHOLDS IN TAXABLE YEARS BEGINNING PRIOR TO JANUARY 1, 1940

To Collectors of Internal Revenue and Others Concerned:

Section 19.23 (m)-10 (a) of Regulations 103¹ [Part 19, Title 26, Code of Federal Regulations, 1940 Sup.] is hereby amended by adding at the end thereof a new sentence reading as follows:

¹ 5 F.R. 387.

"However, a taxpayer who for any taxable year beginning prior to January 1, 1940, would, except for the provisions of the preceding sentence, have been permitted to amortize the cost of unproductive leaseholds will be permitted to do so for such taxable year."

(This Treasury decision is issued under the authority contained in sections 23 (m), 62, and 114 of the Internal Revenue Code (53 Stat., 14, 32, 45).)

[SEAL] GUY T. HELVERING,
Commissioner of Internal Revenue.

Approved, March 25, 1940.

JOHN L. SULLIVAN,
Acting Secretary of the Treasury.

[F. R. Doc. 40-1241; Filed, March 26, 1940; 2:54 p. m.]

TITLE 46—SHIPPING

CHAPTER I—BUREAU OF MARINE INSPECTION AND NAVIGATION

[Order No. 25]

SUBCHAPTER K—SEAMEN

CERTIFICATE OF SERVICE AND EFFICIENCY

MARCH 27, 1940.

§ 138.8 *Rules for preparation and issue of certificates of service and efficiency* is hereby amended by the addition immediately after subsection (d) of a new subsection (dd) reading as follows:

(dd) If a seaman at any time presents his Social Security card and requests that his Social Security number be endorsed upon his certificate of service, it may be endorsed thereon only by U. S. Local Inspectors, Assistant Inspectors designated for the purpose of issuing certificates of service, U. S. Shipping Commissioners, or Collectors of Customs acting as Shipping Commissioner. When a Social Security number has been so endorsed on a certificate of service, the endorsing officer shall authenticate the endorsement by placing his initials immediately below the endorsement.

In the event that the Social Security numbers have been placed on a seaman's certificate of service by any person other than one herein authorized to make such an endorsement, the seaman may present his Social Security card, and his certificate of service, upon which his Social Security number has been so placed, to one of the officials above authorized to make such endorsement, who, after verifying the number which has been placed on the certificate of service, may initial the endorsement. If this be done, it is not necessary that an additional endorsement be made.

[Section 13 (f) Act of March 4, 1915, as amended, (46 U.S.C. Supp. 672 (f)).]

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

[F. R. Doc. 40-1250; Filed, March 27, 1940; 11:33 a. m.]

Notices

DEPARTMENT OF AGRICULTURE.

Division of Marketing and Marketing Agreements.

SUSPENSION OF LICENSE FOR MILK—LOUISVILLE, KENTUCKY, SALES AREA

Whereas, R. G., Tugwell, Acting Secretary of Agriculture, issued, effective June 1, 1934, a license for milk—Louisville, Kentucky, sales area, which license was amended August 17, 1935; and

Whereas, the Secretary has determined to suspend said license, as amended:

Now, therefore, H. A. Wallace, Secretary of Agriculture of the United States of America, pursuant to the powers conferred upon the Secretary by Public Act No. 10, 73d Congress, as amended and as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, hereby suspends, effective as of 11:59 p. m., c. s. t., March 31, 1940, the aforementioned license for milk—Louisville, Kentucky, sales area, as amended.

In witness whereof, I, H. A. Wallace, Secretary of Agriculture of the United States, have executed this suspension in duplicate and caused the official seal of the Department of Agriculture to be affixed hereto in the city of Washington, District of Columbia, this 27th day of March 1940.

[SEAL] H. A. WALLACE,
Secretary of Agriculture.

[F. R. Doc. 40-1265; Filed, March 27, 1940; 11:44 a. m.]

SUSPENSION OF LICENSE FOR MILK—NEW BEDFORD, MASSACHUSETTS, SALES AREA

Whereas, H. A. Wallace, Secretary of Agriculture, issued, effective April 1, 1934, a license for milk—New Bedford, Massachusetts, sales area, which license was last amended effective July 14, 1935; and

Whereas, the Secretary has determined to suspend said license, as amended:

Now, therefore, H. A. Wallace, Secretary of Agriculture of the United States of America, pursuant to the powers conferred upon the Secretary by Public Act No. 10, 73d Congress, as amended and as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, hereby suspends, effective as of 11:59 p. m., e. s. t., March 31, 1940, the aforementioned license for milk—New Bedford, Massachusetts, sales area, as amended.

In witness whereof, I, H. A. Wallace, Secretary of Agriculture of the United States, have executed this suspension in duplicate and caused the official seal of the Department of Agriculture to be affixed hereto in the city of Washington,

District of Columbia, this 27th day of March 1940.

[SEAL] H. A. WALLACE,
Secretary of Agriculture.

[F. R. Doc. 40-1266; Filed, March 27, 1940; 11:44 a. m.]

Food and Drug Administration.

[FDC Docket No. 15]

NOTICE OF A PUBLIC HEARING FOR PURPOSE OF RECEIVING EVIDENCE UPON BASIS OF WHICH REGULATIONS MAY BE PROMULGATED, PRESCRIBING THE LABEL STATEMENTS, CONCERNING THE VITAMIN, MINERAL, AND OTHER DIETARY PROPERTIES OF FOODS THAT PURPORT TO BE OR ARE REPRESENTED FOR SPECIAL DIETARY USES BY HUMANS, THAT ARE NECESSARY IN ORDER FULLY TO INFORM PURCHASERS AS TO THE VALUE OF SUCH FOODS FOR SUCH SPECIAL DIETARY USES

[Corrected Print]

Pursuant to the provisions of subsection (e) of section 701 of the Federal Food, Drug, and Cosmetic Act [sec. 701, 52 Stat. 1055; 21 U.S.C. 371 (e)], notice is hereby given to all interested persons that a public hearing will be held beginning at 10 a. m., April 29, 1940, in Rooms A, B, and C, Departmental Auditorium, Constitution Avenue, between 12th and 14th Streets NW., Washington, D. C., for the purpose of receiving evidence upon the proposal of the Food and Drug Administration herein set forth and made a part hereof, upon the basis of which and pursuant to the authority vested in the Secretary of Agriculture by the provisions of section 403 (j) of said Act [sec. 403 (j), 52 Stat. 1048, 21 U.S.C. 343 (j)], regulations may be promulgated prescribing the label statements, concerning the vitamin, mineral, and other dietary properties of foods that purport to be or are represented for special dietary uses by humans, that are necessary in order fully to inform purchasers as to the value of such foods for such special dietary uses.

All interested persons are invited to attend the hearing, either in person or by duly authorized representative, and to present relevant and material evidence. Affidavits in quintuplicate may be presented in lieu of oral testimony either at the time of the hearing or by sending such affidavits to Michael F. Markel, Room 2317, South Building, Department of Agriculture, Independence Avenue, between 12th and 14th Streets Southwest, Washington, D. C., so as to be received by the date stated above. Such affidavits, if relevant and material, may be received and considered as evidence in the hearing but, in determining the weight that shall be given to such affidavits as evidence, the lack of opportunity for cross-examination will be considered.

The proposal herein set forth and made a part of this notice is subject to adoption, rejection, amendment, or modification by the Secretary, in whole or in

part, as the evidence presented by the hearing may require.

Mr. Michael F. Markel is hereby designated as the Presiding Officer who shall conduct the hearing in the place and stead of the Secretary, with power to administer oaths and to do all things necessary and appropriate to the proper conduct of the hearing.

The hearing will be conducted in accordance with the Rules of Procedure for hearings held under the Federal Food, Drug, and Cosmetic Act, as published in the FEDERAL REGISTER of Friday, January 13, 1939, on pages 223 to 225, inclusive, and as amended by the Secretary's order published in the FEDERAL REGISTER of Saturday, July 22, 1939, on page 3401.

[SEAL]

H. A. WALLACE,
Secretary of Agriculture.

Dated, March 26, 1940.

§ 125.00 *General.* (a) A food may be subject to the requirements of these regulations by reason (among other reasons) of its purporting to be or being represented for use—

(1) by infants, children, aged persons, or persons suffering or convalescing from disease;

(2) in the cure, mitigation, treatment or prevention of disease;

(3) in increasing or decreasing weight, or otherwise affecting the structure or any function of the body; or

(4) in preventing or correcting any dietary deficiency.

(b) A food shall not be considered to be subject to these regulations by reason of any statement showing the quantity of any vitamin, mineral, or other constituent contained in such food if—

(1) such vitamin, mineral, or other constituent is naturally present in such food, and is not, in whole or in part added thereto directly or through any treatment or process;

(2) such food is not an extract, concentrate, or other preparation of any vitamin, mineral, or other dietary factor; and

(3) no representation is made or suggested concerning the effect of such food or any vitamin, mineral or other constituent thereof.

(c) The definitions and interpretations of terms contained in section 201 of the Act shall be applicable also to such terms when used in these regulations.

(d) No requirement of these regulations shall be considered to relieve any food from any requirement of the Act or regulations thereunder, including the requirement that its labeling shall not be misleading in any particular.

§ 125.01 *General labeling requirements.* (a) A food which purports to be or is represented for any special dietary use by man shall bear on its label a statement of the dietary properties upon which its value for such use is based.

(b) A food which purports to be or is represented for any special dietary use

by man by reason of its being an infant food or of its containing any vitamin, mineral, or other dietary constituent, shall bear on its label directions for use showing the quantity of such food to be consumed during any period of one day. If such purported or represented use is by persons of different ages or age groups, or of other groups having special dietary requirements, such directions shall show such quantity for each such age, age group, and other group.

§ 125.02 *Exemptions.* (a) A shipment or other delivery of a food shall be exempt from compliance with the labeling requirements of § 125.01; paragraphs 2, 3, and 4 of § 125.03 (a); and paragraphs 2, 3, and 4 of § 125.04 (a) if—

(1) the purported or represented use of such food is only by infants or invalids or both;

(2) in case the special dietary use of such food is based on the content of vitamin A, vitamin B₁ or thiamin, vitamin C or ascorbic acid, vitamin D, riboflavin, or nicotinic acid, the label bears a statement showing the quantity of such vitamin present in such food;

(3) in case the special dietary use of such food is based on the content of calcium, phosphorus, iron or iodine, the label bears a statement showing the quantity of such mineral present in such food;

(4) the label of such food bears the statement "To be used only on the prescription or under the direction of a physician;"

(5) no representation or suggestion with respect to the dietary use or effect of such food is made otherwise than to legally licensed physicians; and

(6) such shipment or delivery is made for use exclusively on the prescription or under the direction of such physicians. But such exemption shall expire when such shipment or delivery, or any part thereof, is offered or sold or otherwise disposed of for any use other than on the prescription or under the direction of a physician. The causing by any person of such exemption to expire shall be considered to be an act of misbranding for which such person shall be liable.

(b) A shipment or other delivery of a vitamin preparation shall be exempt from compliance with the labeling requirements of these regulations and of the requirements of clause (2) of paragraph (b) of the general regulations promulgated under section 405 of the Act if such vitamin preparation is not in retail packages and is shipped or delivered for use in the manufacture of another article or for repackaging for distribution in retail packages.

§ 125.03 *Label statements relating to vitamins.* (a) (1) if the purported or represented special dietary use of a food by man is based on its vitamin content, the label shall bear the common or usual name of each vitamin on which such use is based. Such name, if such vitamin is listed in paragraph (2) of

this subsection, shall be the name or one of the synonyms so listed.

(2) If such use is based on the content of vitamin A, vitamin B₁ or thiamin, vitamin C or ascorbic acid, vitamin D, riboflavin, or nicotinic acid, the label shall bear a statement of the proportion of the minimum daily requirement for such vitamin supplied by such food when consumed in the quantity prescribed by the directions for use on the label; except that, in the cases of cows' milk and evaporated milk, the purported or represented dietary use of which is based on the content of vitamin D, and in which such vitamin content is increased through irradiation or the direct addition of a vitamin D concentrate, the label shall bear, in lieu of such statement, a statement of the number of U. S. P. units of vitamin D in a specified quantity of such milk or evaporated milk. The term "vitamin A", as used in these regulations, includes vitamin A and its precursors.

(3) If the represented special dietary use or one of the special dietary uses of a food by man is a specific representation with respect to its values in supplying vitamin D to prevent or correct a dietary deficiency, the label shall bear the statement, "When the skin is adequately exposed to direct sunshine there is no established need for vitamin D in the diet."

(4) If such use is based on the content of any vitamin not listed in paragraph (2), and it has not been established that such vitamin is needed in human nutrition, or if the minimum daily requirement for such vitamin has not been established, the label shall bear a statement setting forth such facts.

(b) For the purposes of these regulations, the following shall be considered to be minimum daily requirements:

(1) For the vitamin A, 1,500 U. S. P. units for an infant not more than one year old, 2,500 U. S. P. units for a child more than one but less than twelve years old, 3,000 U. S. P. units for a person twelve or more years old.

(2) For vitamin B₁ (thiamin), 75 U. S. P. units for an infant not more than one year old, 125 U. S. P. units for a child more than one but less than six years old, 200 U. S. P. units for a child six or more but less than twelve years old, 250 U. S. P. units for a person twelve or more years old.

(3) For vitamin C (ascorbic acid), 200 U. S. P. units (10 milligrams) for an infant not more than one year old, 400 U. S. P. units (20 milligrams) for a child more than one but less than twelve years old, 500 U. S. P. units (25 milligrams) for a person twelve or more years old.

(4) For vitamin D, 600 U. S. P. units for any person, irrespective of age.

(5) For riboflavin, 0.5 milligram for an infant not more than one year old, 0.75 milligram for a child more than one but less than twelve years old, and 1.0 milligram for a person twelve or more years old.

(6) For nicotinic acid 5 milligrams for a child less than twelve years old, and 10 milligrams for a person twelve or more years old.

§ 125.04 *Label statements relating to minerals.* (a) (1) If the purported or represented special dietary use of a food by man is based on its mineral content, the label shall bear the common or usual name of each element upon which such use is based.

(2) If such use is based on the content of calcium (Ca), phosphorus (P), iron (Fe), or iodine (I), the label shall bear a statement of the proportion of the minimum daily requirement for such element supplied by such food when consumed in the quantity prescribed by the directions for use on the label.

(3) If such use is based on the content of iodine and such food when consumed in the quantity prescribed by the directions for use on the label supplies more than 2 milligrams of iodine in one day, the label shall bear the statement, immediately following such directions, "Warning—When used according to these directions this food supplies such quantity of iodine that it should not be consumed over any extended period except on the advice of a physician."

(4) If such use is based on the content of any element not listed in paragraph (2), and if it has not been established that such element is needed in human nutrition, or if the minimum daily requirement for such element has not been established, the label shall bear a statement setting forth such facts.

(b) For the purposes of these regulations, the following shall be considered to be minimum daily requirements:

(1) For calcium (Ca), 750 milligrams (0.75 gram) for any person more than one year of age, except pregnant or lactating women in which case the minimum daily requirement shall be considered to be 1.0 gram.

(2) For phosphorus (P), 750 milligrams (0.75 gram) for any person more than one year of age, except pregnant or lactating women in which case the minimum daily requirement shall be considered to be 1.0 gram.

(3) For iron (Fe), 7.5 milligrams (0.0075 gram) for a child more than one but less than six years old, 10 milligrams (0.01 gram) for a person six or more years old, except pregnant or lactating women in which case the minimum daily requirement shall be considered to be 15 milligrams (0.015 gram).

(4) For iodine (I), 0.15 milligram (0.00015 gram) for any person more than one year of age.

§ 125.05 *Labeling of certain infant food.* (a) If the purported or represented special dietary use of a food for infants is based on its simulation of human milk or its suitability as a complete or partial substitute for such milk, the label shall bear a statement of the

percentage of moisture, protein, fat, and digestible carbohydrates contained in such food.

(b) If such food when prepared for feeding contains in each fluid ounce less than 75 U. S. P. units of vitamin A, less than 3 U. S. P. units of vitamin B₁ (thiamin), less than 20 U. S. P. units of vitamin C (ascorbic acid), less than 25 U. S. P. units of vitamin D, less than 0.02 milligram of riboflavin, less than 10 milligrams of calcium (Ca), less than 10 milligrams of phosphorus (P), or less than 0.05 milligram of iron (Fe), the label shall bear a statement advising the purchaser that such substance or substances must be supplied in whole or in part, as the case may be, from other sources.

§ 125.06 *Label statements relating to protein, fat, available carbohydrates, and non-assimilable constituents.* (a) If the purported or represented special dietary use of a food by man is based on its content of protein, fat, available carbohydrates, or non-assimilable constituents, the label shall bear a statement of the percentage of protein, fat, available carbohydrates, or non-assimilable constituents, as the case may be, contained in such food.

§ 125.07 *Labeling of hypoallergenic food.* (a) If the purported or represented special dietary use of the food by man is based on diminished allergenic property, the label shall bear—

(1) the common or usual name of such food, if any there be; and

(2) in case it is fabricated from two or more ingredients, the common or usual name and the quantity or proportion of each such ingredient, including spices, flavorings, and colorings. If the common or usual name of such food or of any such ingredient does not show the source thereof, such name shall be so qualified as to reveal such source. If such diminished allergenic property results from any treatment or processing of such food or such ingredient, the label shall also bear a statement of the nature and effect of such treatment or processing.

[F. R. Doc. 40-1237; Filed, March 26, 1940; 11:27 a. m.]

CIVIL AERONAUTICS AUTHORITY.

[Docket No. 233]

IN THE MATTER OF THE AIR TRAVEL CARD PLAN, GOVERNMENT TRAVEL DISCOUNT PROVISIONS, AND OTHER SPECIAL TARIFF DISCOUNTS OF CERTAIN AIR CARRIERS

NOTICE OF HEARING

Hearing in the above-entitled proceeding, being a general investigation as to the Air Travel Card Plan, Government Travel Discount Provisions, and other special tariff discounts, all amendments

and supplements thereto and all practices in connection therewith, upon motion of counsel duly filed after adjournment on March 21, 1940, has been continued to be resumed on March 26, 1940, 10 o'clock a. m. (Eastern Standard Time) at the Carlton Hotel, 923 16th Street, NW., Washington, D. C., before Examiner Frank A. Law, Jr.

Dated Washington, D. C., March 25, 1940.

[SEAL] FRANK A. LAW, JR.,
Examiner.

[F. R. Doc. 40-1251; Filed, March 27, 1940; 11:40 a. m.]

[Docket No. 250]

IN THE MATTER OF THE APPLICATION OF OREGON AIRWAYS FOR A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY UNDER SECTION 401 OF THE CIVIL AERONAUTICS ACT OF 1938

NOTICE OF POSTPONEMENT OF HEARING

The above-entitled proceeding, being the application of Oregon Airways, for a certificate of public convenience and necessity authorizing air transportation between Portland, Salem, Albany, Eugene, North Bend, Marshfield, Bend and Klamath Falls, Ore., now assigned for public hearing on June 24, 1940, is hereby postponed to a date to be hereafter assigned.

Dated Washington, D. C., March 26, 1940.

By the Authority.

[SEAL] PAUL J. FRIZZELL,
Secretary.

[F. R. Doc. 40-1252; Filed, March 27, 1940; 11:40 a. m.]

[Docket No. 331]

IN THE MATTER OF THE COMPENSATION FOR THE TRANSPORTATION OF MAIL BY AIRCRAFT, THE FACILITIES USED AND USEFUL THEREFOR, AND THE SERVICES CONNECTED THEREWITH, OF DELTA AIR CORPORATION

NOTICE OF POSTPONEMENT OF HEARING

The above-entitled proceeding, being a proceeding instituted by the Authority (1) to determine whether or not the rates of compensation being paid to the aforesaid air carrier for the transportation of mail by aircraft, the facilities used and useful therefor, and the services connected therewith, are fair and reasonable in accordance with the rate-making elements set forth in the Civil Aeronautics Act of 1938, and particularly section 406 (b) thereof; and (2) to fix and determine the fair and reasonable rate or rates of compensation for the transportation of mail by aircraft by the aforesaid air carrier, the facilities used and useful therefor, and the services connected therewith, now assigned for

public hearing on June 24, 1940, is hereby postponed to a date to be hereafter assigned.

Dated Washington, D. C., March 26, 1940.

By the Authority.

[SEAL] PAUL J. FRIZZELL,
Secretary.

[F. R. Doc. 40-1253; Filed, March 27, 1940; 11:40 a. m.]

[Docket No. 323]

IN THE MATTER OF THE APPLICATION OF UNITED AIR LINES TRANSPORT CORP. FOR AN AMENDMENT TO ITS CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY UNDER SECTION 401 OF THE CIVIL AERONAUTICS ACT OF 1938

NOTICE OF POSTPONEMENT OF HEARING

The above-entitled proceeding, being the application of United Air Lines Transport Corporation for an amendment to its existing certificate of public convenience and necessity for route No. 1 to authorize the transportation of mail by aircraft to and from the intermediate point of Camden, New Jersey, now assigned for public hearing on June 17, 1940, is hereby postponed to a date to be hereafter assigned.

Dated Washington, D. C., March 26, 1940.

By the Authority.

[SEAL] PAUL J. FRIZZELL,
Secretary.

[F. R. Doc. 40-1254; Filed, March 27, 1940; 11:41 a. m.]

[Docket No. 269]

IN THE MATTER OF THE APPLICATION OF UNITED AIR LINES TRANSPORT CORPORATION FOR AMENDMENT TO ITS CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY UNDER SECTION 401 OF THE CIVIL AERONAUTICS ACT OF 1938

NOTICE OF POSTPONEMENT OF HEARING

The above-entitled proceeding, being the application of United Air Lines Transport Corporation for an amendment to its certificate of public convenience and necessity to include Youngstown, Ohio, as an intermediate point on route 1, now assigned for public hearing on June 17, 1940, is hereby postponed to a date to be hereafter assigned.

Dated Washington, D. C., March 26, 1940.

By the Authority.

[SEAL] PAUL J. FRIZZELL,
Secretary.

[F. R. Doc. 40-1255; Filed, March 27, 1940; 11:41 a. m.]

[Docket Nos. 2-401 (B)-2, 2-401 (B)-3, 199, 193, 206, 130]

IN THE MATTER OF THE APPLICATIONS OF CONTINENTAL AIR LINES, INC., BRANIFF AIRWAYS, INC., ESSAIR, INC., A. J. BURKE FOR CERTIFICATES OF PUBLIC CONVENIENCE AND NECESSITY UNDER SECTION 401 OF THE CIVIL AERONAUTICS ACT OF 1938

NOTICE OF POSTPONEMENT OF HEARING

The above-entitled proceeding, being the applications of Continental Air Lines, Inc., for certificates of public convenience and necessity authorizing air transportation between El Paso and San Antonio, via Marfa, Alpine and Uvalde, Texas, and between Pueblo, Colo., and El Paso, Tex., via Dalhart, Amarillo and Lubbock, Tex., and Roswell, Hobbs and Carlsbad, N. Mex.; the applications of Braniff Airways, Inc., for certificates authorizing air transportation between San Antonio and El Paso, Texas, via Brackettsville, Dryden and Marfa, Texas, and between Denver, Colo., and Laredo, Texas, via Colorado Springs and Pueblo, Colo., Amarillo, Lubbock, Big Spring, San Angelo, and San Antonio, Tex.; the application of Essair, Inc., for a certificate authorizing air transportation between Amarillo and Houston, Tex., via Lubbock, Big Spring, San Angelo and Austin; and the application of A. J. Burke for a certificate authorizing air transportation between San Antonio and Laredo, Texas, now assigned for public hearing on April 15, 1940, is hereby postponed to a date to be hereafter assigned.

Dated Washington, D. C., March 26, 1940.

[SEAL] THOMAS L. WRENN,
Examiner.

[F. R. Doc. 40-1256; Filed, March 27, 1940; 11:42 a. m.]

[Docket No. 321]

IN THE MATTER OF THE CERTIFICATION OF THE POSTMASTER GENERAL PURSUANT TO SECTION 401 (N) OF THE CIVIL AERONAUTICS ACT OF 1938 WITH RESPECT TO THE TRANSPORTATION OF MAIL BY AIRCRAFT BETWEEN NEW YORK, N. Y., AND CLEVELAND, O., VIA PHILADELPHIA, PA. (CAMDEN, N. J. AIRPORT), WITH A POSSIBLE STOP AT ALLENTOWN-BETHLEHEM, PA.

NOTICE OF POSTPONEMENT OF HEARING

The above-entitled proceeding, now assigned for public hearing on June 17, 1940, 10 o'clock a. m., is hereby postponed to a date to be hereafter assigned.

Dated Washington, D. C., March 26, 1940.

By the Authority.

[SEAL] PAUL J. FRIZZELL,
Secretary.

[F. R. Doc. 40-1257; Filed, March 27, 1940; 11:42 a. m.]

[Docket No. 333]

IN THE MATTER OF THE COMPENSATION FOR THE TRANSPORTATION OF MAIL BY AIRCRAFT, THE FACILITIES USED AND USEFUL THEREFOR, AND THE SERVICES CONNECTED THEREWITH, OF CHICAGO & SOUTHERN AIR LINES, INC.

NOTICE OF POSTPONEMENT OF HEARING

The above-entitled proceeding, being a proceeding instituted by the Authority (1) to determine whether or not the rates of compensation being paid to the aforesaid air carrier for the transportation of mail by aircraft, the facilities used and useful therefor, and the services connected therewith, are fair and reasonable in accordance with the rate-making elements set forth in the Civil Aeronautics Act of 1938, and particularly section 406 (b) thereof; and (2) to fix and determine the fair and reasonable rate or rates of compensation for the transportation of mail by aircraft by the aforesaid air carrier, the facilities used and useful therefor, and the services connected therewith, now assigned for public hearing on June 10, 1940, is hereby postponed to a date to be hereafter assigned.

Dated Washington, D. C., March 26, 1940.

By the Authority.

[SEAL] PAUL J. FRIZZELL,
Secretary.

[F. R. Doc. 40-1258; Filed, March 27, 1940; 11:42 a. m.]

[Docket No. 226]

IN THE MATTER OF THE APPLICATION OF AMERICAN AIRLINES, INC., FOR A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY UNDER SECTION 401 OF THE CIVIL AERONAUTICS ACT OF 1938

NOTICE OF POSTPONEMENT OF HEARING

The above-entitled proceeding, being the application of American Airlines, Inc., for a certificate of public convenience and necessity authorizing air transportation between Oklahoma City, Okla., and San Diego, Calif., via Albuquerque and Phoenix, N. Mex., and El Centro, Calif., now assigned for public hearing on May 27, 1940, is hereby postponed to a date to be hereafter assigned.

Dated Washington, D. C., March 26, 1940.

By the Authority.

[SEAL] PAUL J. FRIZZELL,
Secretary.

[F. R. Doc. 40-1259; Filed, March 27, 1940; 11:42 a. m.]

[Docket Nos. 2-401 (B)-4, 153, 196]

IN THE MATTER OF THE APPLICATIONS OF CONTINENTAL AIR LINES, INC., UNITED AIR LINES TRANSPORT CORP., BRANIFF AIRWAYS, INC., FOR CERTIFICATES OF PUBLIC CONVENIENCE AND NECESSITY UNDER SECTION 401 OF THE CIVIL AERONAUTICS ACT OF 1938

NOTICE OF POSTPONEMENT OF HEARING

The above-entitled proceeding, being the applications of Continental Air Lines, Inc., United Air Lines Transport Corporation, and Braniff Airways, Inc., for certificates of public convenience and necessity involving air transportation between Denver, Colo., and Kansas City, Mo., via Salina and Topeka, Kans., now assigned for public hearing on May 13, 1940, is hereby postponed to a date to be hereafter assigned.

Dated Washington, D. C., March 26, 1940.

By the Authority.

[SEAL] PAUL J. FRIZZELL,
Secretary.

[F. R. Doc. 40-1260; Filed, March 27, 1940; 11:42 a. m.]

[Docket No. 335]

IN THE MATTER OF THE COMPENSATION FOR THE TRANSPORTATION OF MAIL BY AIRCRAFT, THE FACILITIES USED AND USEFUL THEREFOR, AND THE SERVICES CONNECTED THEREWITH, OF EASTERN AIR LINES, INC.

NOTICE OF POSTPONEMENT OF HEARING

The above-entitled proceeding, being a proceeding instituted by the Authority (1) to determine whether or not the rates of compensation being paid to Eastern Air Lines, Inc., for the transportation of mail by aircraft, the facilities used and useful therefor, and the services connected therewith, are fair and reasonable in accordance with the rate-making elements set forth in the Civil Aeronautics Act of 1938, and particularly section 406 (b) thereof; and (2) to fix and determine the fair and reasonable rate or rates of compensation for the transportation of mail by aircraft by the aforesaid air carrier, the facilities used and useful therefor, and the services connected therewith, now assigned for public hearing on May 13, 1940, is hereby postponed to a date to be hereafter assigned.

Dated Washington, D. C., March 26, 1940.

By the Authority.

[SEAL] PAUL J. FRIZZELL,
Secretary.

[F. R. Doc. 40-1261; Filed, March 27, 1940; 11:42 a. m.]

[Docket Nos. 9-401(B)-2, 11-401(B)-1]

IN THE MATTER OF THE APPLICATIONS OF EASTERN AIR LINES, INC., MISSOURI CENTRAL AIRLINES, INC., FOR CERTIFICATES OF PUBLIC CONVENIENCE AND NECESSITY UNDER SECTION 401 OF THE CIVIL AERONAUTICS ACT OF 1938

NOTICE OF POSTPONEMENT OF HEARING

The above-entitled proceeding, being the applications of Eastern Air Lines, Inc., and Missouri Central Airlines, Inc., for certificates of public convenience and necessity involving air transportation between St. Louis, Mo., and Washington, D. C., via Evansville, Ind., and Louisville, Ky., now assigned for public hearing on April 22, 1940, is hereby postponed to a date to be hereafter assigned.

Dated Washington, D. C., March 26, 1940.

By the Authority.

[SEAL] PAUL J. FRIZZELL,
Secretary.

[F. R. Doc. 40-1262; Filed, March 27, 1940; 11:43 a. m.]

[Docket No. 334]

IN THE MATTER OF THE COMPENSATION FOR THE TRANSPORTATION OF MAIL BY AIRCRAFT, THE FACILITIES USED AND USEFUL THEREFOR AND THE SERVICES CONNECTED THEREWITH, OF AMERICAN AIRLINES, INC.

[Docket No. 204]

IN THE MATTER OF THE PETITION OF AMERICAN AIRLINES, INC., FOR THE DETERMINATION OF FAIR AND REASONABLE RATES OF COMPENSATION FOR THE TRANSPORTATION OF MAIL BY AIRCRAFT, THE FACILITIES USED AND USEFUL THEREFOR, AND THE SERVICES CONNECTED THEREWITH ON AM ROUTES 4 AND 23, UNDER SECTION 406 OF THE CIVIL AERONAUTICS ACT OF 1938.

NOTICE OF POSTPONEMENT OF HEARING

The above-entitled proceedings, involving the determination of fair and reasonable rates of compensation for the transportation of mail by aircraft, the facilities used and useful therefor and the services connected therewith by American Airlines, Inc., now assigned for public hearing on April 15, 1940, is hereby postponed to a date to be hereafter assigned.

Dated Washington, D. C., March 26, 1940.

By the Authority.

[SEAL] PAUL J. FRIZZELL,
Secretary.

[F. R. Doc. 40-1263; Filed, March 27, 1940; 11:43 a. m.]

[Docket No. 243]

IN THE MATTER OF THE APPLICATION OF PENNSYLVANIA-CENTRAL AIRLINES CORP. FOR AMENDMENT TO ITS CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY UNDER SECTION 401 (H) OF THE CIVIL AERONAUTICS ACT OF 1938

NOTICE OF POSTPONEMENT OF HEARING

Hearing in the above-entitled proceeding, being the application of Pennsylvania-Central Airlines Corp. for an amendment to its certificate of public convenience and necessity for route No. 34 to provide for the transportation of passengers, property and mail between Baltimore, Md., Atlantic City and Camden, N. J., which is now assigned for hearing on April 1, 1940, is hereby postponed to May 6, 1940, 10 o'clock a. m. (Eastern Standard Time) at the Carlton Hotel, 923 16th Street NW., Washington, D. C., before Examiner Lawrence J. Kusters.

Dated Washington, D. C., March 26, 1940.

[SEAL] LAWRENCE J. KUSTERS,
Examiner.

[F. R. Doc. 40-1264; Filed, March 27, 1940; 11:43 a. m.]

RAILROAD RETIREMENT BOARD.

NOTICE OF POSTPONEMENT OF HEARING ON PROPOSED REVISION OF REGULATIONS ON TIME LOST CLAIMS

Notice is hereby given to all persons interested that pursuant to the authority vested in me by Board Order 40-39, dated January 23, 1940, (5 F. R. 344-766-1118-1145) the hearing to be held on proposed revision of regulations on time lost claims, scheduled for April 12, 1940, is postponed to Monday, April 15, 1940, at 10:00 a. m., at the offices of the Board, 10th and U Streets, Northwest, Washington, D. C. Any party interested therein may appear and may, prior thereto, on request, receive from the Chairman, copy of a statement on the proposed revision.

By authority of the Board.

MURRAY W. LATIMER,
Chairman.

Dated March 27, 1940.

[F. R. Doc. 40-1248; Filed, March 27, 1940; 11:29 a. m.]

SECURITIES AND EXCHANGE COMMISSION.

United States of America—Before the Securities and Exchange Commission

At a regular session of the Securities and Exchange Commission held at its office in the City of Washington, D. C., on the 26th day of March, A. D. 1940.

[File No. 31-449]

IN THE MATTER OF THE APPLICATION OF
THE UNITED ILLUMINATING TRUSTORDER CONSENTING TO WITHDRAWAL OF AP-
PLICATION FOR EXEMPTION FROM THE
PROVISIONS OF THE PUBLIC UTILITY
HOLDING COMPANY ACT OF 1935

The United Illuminating Trust, having filed an application for exemption from the provisions of The Public Utility Holding Company Act of 1935; the applicant having requested the withdrawal of said application; the Commission, having due regard to the public interest and the interest of investors and consumers, consents to the withdrawal of said application, and to that effect

It is so ordered.

By the Commission.

[SEAL] FRANCIS P. BRASSOR,
Secretary.[F. R. Doc. 40-1245; Filed, March 27, 1940;
11:26 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 26th day of March 1940.

[File No. 1-2667]

IN THE MATTER OF THE HALOID COMPANY
\$5 PAR VALUE COMMON STOCKORDER GRANTING APPLICATION TO WITHDRAW
FROM LISTING AND REGISTRATION

The Haloid Company, pursuant to Section 12 (d) of the Securities Exchange Act of 1934, as amended, and Rule X-12D2-1(b) promulgated thereunder, having made application to withdraw its \$5 Par Value Common Stock from listing and registration on the New York Curb Exchange; and

After appropriate notice, a hearing having been held in this matter; and

The Commission having considered said application together with the evidence introduced at said hearing, and having due regard for the public interest and the protection of investors;

It is ordered, That said application be and the same is hereby granted, effective at the close of the trading session on April 5, 1940.

By the Commission.

[SEAL] FRANCIS P. BRASSOR,
Secretary.[F. R. Doc. 40-1246; Filed, March 27, 1940;
11:26 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 26th day of March 1940.

[File No. 1-2953]

IN THE MATTER OF SWEET'S STEEL COM-
PANY \$1 PAR CAPITAL STOCKORDER GRANTING APPLICATION TO WITHDRAW
FROM LISTING AND REGISTRATION

The Sweet's Steel Company, pursuant to Section 12 (d) of the Securities Exchange Act of 1934, as amended, and Rule X-12D2-1 (b) promulgated thereunder, having made application to withdraw its \$1 Par Capital Stock from listing and registration on the Board of Trade of the City of Chicago; and

After appropriate notice, a hearing having been held in this matter; and

The Commission having considered said application together with the evidence introduced at said hearing, and having due regard for the public interest and the protection of investors;

It is ordered, That said application be and the same is hereby granted, effective at the close of the trading session on April 10, 1940.

By the Commission.

[SEAL] FRANCIS P. BRASSOR,
Secretary.[F. R. Doc. 40-1247; Filed, March 27, 1940;
11:26 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 27th day of March, A. D. 1940.

[File No. 70-15]

IN THE MATTER OF NORTH AMERICAN GAS
AND ELECTRIC COMPANY

NOTICE OF AND ORDER FOR HEARING

An application pursuant to the Public Utility Holding Company Act of 1935, having been duly filed with this Commission by the above-named party;

It is ordered, That a hearing on such matter under the applicable provisions of said Act and the rules of the Commis-

sion thereunder be held on April 11, 1940, at 10:00 o'clock in the forenoon of that day, at the Securities and Exchange Building, 1778 Pennsylvania Avenue NW., Washington, D. C. On such day the hearing-room clerk in room 1102 will advise as to the room where such hearing will be held. At such hearing, if in respect of any declaration, cause shall be shown why such declaration shall become effective.

It is further ordered, That Charles S. Lobingier or any other officer or officers of the Commission designated by it for that purpose shall preside at the hearings in such matter. The officer so designated to preside at any such hearing is hereby authorized to exercise all powers granted to the Commission under section 18 (c) of said Act and to a trial examiner under the Commission's Rules of Practice.

Notice of such hearing is hereby given to such declarant or applicant and to any other person whose participation in such proceeding may be in the public interest or for the protection of investors or consumers. It is requested that any person desiring to be heard or to be admitted as a party to such proceeding shall file a notice to that effect with the Commission on or before April 8, 1940.

The matter concerned herewith is in regard to an application for the proposed sale by North American Gas and Electric Company, at public auction, by Adrian H. Muller & Sons, Auctioneers, Jersey City, New Jersey, of 43,754²/₆ shares of the Common Stock of Southeastern Gas & Water Company.

The applicant states that the proposed sale of the afore-described shares is part of a program intended to divest North American Gas and Electric Company of any stock interest whatsoever in Southeastern Gas & Water Company. The shares of Common Stock proposed to be sold constitute 6.74% of all outstanding shares of stock of Southeastern Gas & Water Company presently entitled to vote.

Applicant has designated Section 12 (d) and Rule U-12D-1 of the Public Utility Holding Company Act of 1935 as applicable to the transaction hereinabove described.

By the Commission.

[SEAL] FRANCIS P. BRASSOR,
Secretary.[F. R. Doc. 40-1267; Filed, March 27, 1940;
11:48 a. m.]