

MAR 28 1942

THE NATIONAL ARCHIVES  
LITTEA SCRIPTA MANET  
OF THE UNITED STATES

# FEDERAL REGISTER

VOLUME 7      1934      NUMBER 61

Washington, Saturday, March 28, 1942

### The President

#### EXECUTIVE ORDER 9112

##### AUTHORIZING FINANCING CONTRACTS TO FACILITATE THE PROSECUTION OF THE WAR

WHEREAS in order that contracts of the War Department, the Navy Department, and the United States Maritime Commission (hereinafter referred to as Maritime Commission) which are now outstanding or may hereafter be entered into for war production, including the obtaining or conversion of facilities, may be promptly and effectively performed, it is essential that additional facilities be provided through governmental agencies to supply necessary funds to contractors, subcontractors and others engaged in such war production pursuant to such contracts;

WHEREAS the War Department, the Navy Department, and the Maritime Commission have available to them amounts appropriated by Congress which may be used for the purpose of making or guaranteeing loans, discounts or advances or commitments in connection therewith for the purpose of financing contractors, subcontractors and others engaged in such production or otherwise to expedite war production;

WHEREAS the guaranteeing or making of such loans, discounts, advances and commitments by the War Department, Navy Department and Maritime Commission will be expedited and facilitated by utilizing in this connection the Federal Reserve Banks and the Board of Governors of the Federal Reserve System, which are agencies of the Government exercising functions in connection with the prosecution of the war effort and which have offices and other facilities, including experienced personnel, located conveniently throughout the country and are in close and frequent contact with banking and other financing institutions; and

WHEREAS the guaranteeing or making of such loans, discounts, advances and commitments will greatly facilitate

the participation of small business enterprises in war production;

NOW, THEREFORE, by virtue of the authority vested in me by the various provisions of the First War Powers Act, 1941, approved December 18, 1941, by all other Acts of Congress and by the Constitution of the United States, and as President of the United States and Commander-in-Chief of the Army and Navy of the United States, and deeming that such action will facilitate the prosecution of the war, I do hereby order as follows:

(1) The War Department, Navy Department and the Maritime Commission are hereby respectively authorized, without regard to the provisions of law relating to the making, performance, amendment or modification of contracts, (a) to enter into contracts with any Federal Reserve Bank, the Reconstruction Finance Corporation, or with any other financing institution guaranteeing such Reserve Bank, Reconstruction Finance Corporation, or other financing institution against loss of principal or interest on loans, discounts or advances, or on commitments in connection therewith, which may be made by such Reserve Bank, Reconstruction Finance Corporation, or other financing institution for the purpose of financing any contractor, subcontractor or others engaged in any business or operation which is deemed by the War Department, Navy Department or Maritime Commission to be necessary, appropriate or convenient for the prosecution of the war, and to pay out funds in accordance with the terms of any such contract so entered into; and (b) to enter into contracts to make, or to participate with any Federal Reserve Bank, the Reconstruction Finance Corporation, or other financing institution in making loans, discounts or advances, or commitments in connection therewith, for the purpose of financing any contractor, subcontractor or others engaged in any business or operation which is deemed by the War Department, Navy Department or Maritime Commission to be necessary, appropriate or convenient for the prosecution of the

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Published daily, except Sundays, Mondays, and days following legal holidays by the Division of the Federal Register, The National Archives, pursuant to the authority contained in the Federal Register Act, approved July 26, 1935 (49 Stat. 500), under regulations prescribed by the Administrative Committee, approved by the President.

The Administrative Committee consists of the Archivist or Acting Archivist, an officer of the Department of Justice designated by the Attorney General, and the Public Printer or Acting Public Printer.

The daily issue of the FEDERAL REGISTER will be furnished by mail to subscribers, free of postage, for \$1.25 per month or \$12.50 per year, payable in advance. Remit money order payable to the Superintendent of Documents directly to the Government Printing Office, Washington, D. C. The charge for single copies (minimum, 10¢) varies in proportion to the size of the issue.

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war, and to pay out funds in accordance with the terms of any such contract so entered into.

(2) The authority above conferred may be exercised by the Secretary of War, the Secretary of the Navy or the Maritime Commission respectively or

may also be exercised, in their discretion and by their direction respectively, through any other officer or officers or civilian officials of the War or Navy Departments or the Maritime Commission. The Secretary of War, the Secretary of the Navy, and the Maritime Commission may confer upon any officer or officers in their respective departments or civilian officials thereof the power to make further delegations of such powers within the War and Navy Departments and the Maritime Commission.

(3) Any Federal Reserve Bank or any officer thereof may be utilized, and is hereby authorized to act, as agent of the War Department, the Navy Department, or the Maritime Commission, respectively, in carrying out any of the provisions of this executive order, and the Secretary of the Treasury is hereby directed to designate each Federal Reserve Bank to act as fiscal agent of the United States pursuant to the provisions of section 15 of the Federal Reserve Act in carrying out any authority granted to it by or pursuant to this executive order. In any case in which any Federal Reserve Bank shall make or participate in making any loan, discount or advance or commitment as agent of the War Department, Navy Department or Maritime Commission under authority of this order, all such funds as may be necessary therefor shall be supplied and disbursed by or under authority from the War Department, Navy Department or Maritime Commission in accordance with such procedure as they may respectively require. Any amounts now or hereafter available under any appropriation act to the War Department, the Navy Department, or the Maritime Commission for the purpose of procuring materials, equipment or supplies, or of expediting production thereof, may be expended through the agency of the respective Federal Reserve Banks in accordance with the provisions of this executive order. In taking any action under any designation or authority given by or pursuant to this paragraph no Federal Reserve Bank shall have any responsibility or accountability except as agent of the War Department, Navy Department, or Maritime Commission, as the case may be.

(4) All actions and operations of any Federal Reserve Bank under authority of or pursuant to the terms of this executive order shall be subject to the supervision of the Board of Governors of the Federal Reserve System and to such directions and conditions as the Board of Governors of the Federal Reserve System may prescribe, by regulation or otherwise, after consultation with the Secretary of War, the Secretary of the Navy, or the Maritime Commission, or their authorized representatives.

(5) The War Department, the Navy Department and the Maritime Commission shall make reports of all contracts entered into by them respectively pursuant to the terms of this executive order, in accordance with the provisions of paragraph 1 of the regulations prescribed

in Title II of Executive Order No. 9001<sup>1</sup> dated December 27, 1941.

(6) Interest, fees and other charges derived by the War Department, Navy Department and Maritime Commission, respectively, from operations pursuant to the terms of this executive order may be held by the Federal Reserve Banks and shall first be used for the purpose of meeting expenses and losses (including but not limited to attorneys' fees and expenses of litigation) incurred by the Federal Reserve Banks in acting as agents under or pursuant to the provisions of this executive order; and to the extent that the amount of such interest, fees or other charges is insufficient for this purpose the Federal Reserve Banks shall be reimbursed for such expenses and losses by the War Department, the Navy Department or the Maritime Commission, as the case may be.

FRANKLIN D ROOSEVELT

THE WHITE HOUSE,  
March 26, 1942.

[F. R. Doc. 42-2643; Filed, March 26, 1942;  
1:59 p. m.]

## Rules, Regulations, Orders

### TITLE 7—AGRICULTURE

#### Chapter VIII—Sugar Service, Agricultural Conservation and Adjustment Administration

##### PART 802—SUGAR DETERMINATIONS

##### DETERMINATION OF FARMING PRACTICES TO BE CARRIED OUT ON FARMS IN CONNECTION WITH THE PRODUCTION OF SUGAR BEETS DURING THE CROP YEAR 1942, PURSUANT TO SUBSECTION (e) OF SECTION 301 OF THE SUGAR ACT OF 1937, AS AMENDED

Pursuant to the provisions of subsection (e) of section 301 of the Sugar Act of 1937, as amended, the following determination is hereby issued:

§ 802.13g *Farming practices in connection with the production of sugar beets during the crop year 1942*—(a) *For farms in States other than California.* The requirements of subsection (e) of section 301 of the Sugar Act of 1937, as amended, shall be deemed to have been fulfilled with respect to the production of the 1942 crop of sugar beets on any farm in States other than California if the producer and the county agricultural conservation committee certify that there is carried out on land on the farm which is adapted to the production of sugar beets, not less than one-half acre of soil-conserving practices for each acre of sugar beets planted on the farm for harvest in 1942 for the extraction of sugar: *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 paragraph (a) of this section:

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

(i) Maintaining until after July 1, 1942, one acre of a protective covering of adapted perennial or biennial legumes, adapted perennial grasses, or mixtures of such legumes and grasses; or

(ii) Seeding in 1942 one acre of adapted perennial legumes (except alfalfa) or biennial legumes, adapted perennial grasses, or mixtures of such legumes and grasses; or

(iii) Seeding in 1942 one-half acre of adapted alfalfa; or

(iv) Plowing under during 1942 one acre of a good stand and a good growth of an adapted green manure crop; or

(v) Applying during 1942 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

(vi) Applying during 1942 to land on which sugar beets are planted for harvest in 1942, 75 pounds of net available nitrogen, potash and/or phosphoric acid in the form of commercial chemical fertilizer.

(2) 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 1942 State Agricultural Conservation Program as being adaptable for the State in which the farm is located.

(b) *For farms in California.* The requirements of subsection (e) of section 301 of the Sugar Act of 1937, as amended, shall be deemed to have been fulfilled with respect to the production of the 1942 crop of sugar beets on any farm in California if the producer and the county agricultural conservation committee certify that there is carried out during the crop year 1942, on land on the farm which is adapted to the production of sugar beets, not less than one-half acre of soil-conserving practices for each acre planted to sugar beets: *Provided, however,* That one-fourth acre of soil-conserving practices shall be required for each acre planted to sugar beets on land which has not produced sugar beets since 1938, if a perennial legume was produced thereon in 1939, or if any legumes were produced thereon in 1940 or 1941; and three-eighths acre of soil-conserving practices shall be required for each acre planted to sugar beets on land which has not produced sugar beets since 1939, if legumes were produced thereon in 1940 or 1941: *And provided further,* That in Area 1, if practice (i), (ii), or (iii), specified in subparagraph (3) of this paragraph, or any combination of such practices, is used to meet the requirements with respect to all the sugar beets on the farm, one-sixth acre of soil-conserving

practices shall be required for each acre planted to sugar beets on land which has not produced sugar beets since 1938, if a perennial legume was produced thereon in 1939, or if any legumes were produced thereon in 1940 or 1941; one-fourth acre of soil-conserving practices shall be required for each acre planted to sugar beets on land which has not produced sugar beets since 1939, if legumes were produced thereon in 1940 or 1941; one-fourth acre of soil-conserving practices shall be required for each acre planted to sugar beets on land which has not produced sugar beets since 1938; and one-third acre of soil-conserving practices shall be required for each acre planted to sugar beets on land which has not produced sugar beets since 1939: *Provided further,* That a portion of the acres of soil-conserving practices required for rented acreage of any farm which would otherwise be part of another farm may consist of acres of practices carried out on the latter farm in excess of any practices required thereon, but an acreage of soil-conserving practices equal to not less than 12.5 percent of the acres planted to sugar beets on such rented acreage shall be carried out on the farm of which such rented acreage is a part in excess of any practices which would be required if such rented acreage were not a part of such farm.

For the purposes of paragraph (b) of this section:

(1) The term "crop year" means the calendar year, except where the grower requests that the crop year be a 12-month period beginning 120 days prior to the normal planting date of sugar beets for the community, in which case the crop year shall be such 12-month period, if approval is given by the County Committee.

(2) The term "Area 1", as used in this paragraph, means all of the counties in California east of the west borders of Contra Costa, San Joaquin, Stanislaus, Merced, Fresno, Kings, and Kern Counties and north of the south border of Kern and Inyo Counties.

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

(i) Maintaining until after July 1, 1942, one acre of protective covering of adapted perennial or biennial legumes, adapted perennial grasses, or mixtures of such legumes and grasses; or

(ii) Seeding during the crop year 1942 one-half acre of land to adapted perennial or biennial legumes, adapted perennial grasses, or mixtures of such legumes and grasses; or

(iii) Seeding and maintaining until after December 31, 1942, one acre of a good growth and a good stand of an adapted cover-crop, or plowing under during the crop year 1942 one acre of a good stand and a good growth of an adapted green manure crop; or

(iv) Applying during the crop year 1942 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

<sup>1</sup> 6 F.R. 6787.

one year of age, two horses, two mules, four calves, four colts, ten sheep, or ten goats; or

(v) Applying during the crop year 1942 not less than eight tons (air dry weight) of leguminous crop residues; or

(vi) Applying during the crop year 1942 three tons of lime, or 1,000 pounds of 18 percent gypsum or its sulphur equivalent; or

(vii) Applying during the crop year 1942 to land planted to sugar beets 75 pounds of available nitrogen and/or potash in the form of commercial chemical fertilizers; or

(viii) Applying during the crop year 1942 to land planted to sugar beets, or to or in connection with the seeding of perennial or biennial legumes or perennial grasses, 64 pounds of net available P. O. in the form of commercial fertilizers.

(4) Adapted perennial or biennial legumes, or adapted perennial grasses, or mixtures thereof, or adapted green manure or cover crops, shall be deemed to be those perennial and biennial legumes or perennial grasses or mixtures thereof, or green manure crops, and cover crops, which are approved under the 1942 State Agricultural Conservation Program as being adaptable for the State.

(5) Acres of soil-conserving practices (other than acreage qualifying under practice (1)) carried out to meet similar requirements prescribed for the 1941 sugar beet crop shall not be used to meet the requirements set forth herein for the 1942 crop.

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

Done at Washington, D. C., this 27th day of March, 1942. Witness my hand and the seal of the Department of Agriculture.

GROVER B. HILL,  
Assistant Secretary.

[F. R. Doc. 42-2713; Filed, March 27, 1942; 11:48 a. m.]

#### Chapter IX—Agricultural Marketing Administration, Agricultural Conservation and Adjustment Administration

[O-27, as amended.]

#### PART 927—MILK IN NEW YORK METROPOLITAN MARKETING AREA

##### ORDER, AS AMENDED, REGULATING THE HANDLING OF MILK IN THE NEW YORK METROPOLITAN MARKETING AREA

###### Sec.

- 927.0 Findings.
- 927.1 Definitions.
- 927.2 Market administrator.
- 927.3 Classification of milk.
- 927.4 Minimum prices.
- 927.5 Reports of handlers.
- 927.6 Determination of uniform prices to producers.
- 927.7 Payments to producers.
- 927.8 Expense of administration.
- 927.9 Suspension, termination, and liquidation.

The 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, issued, on March 30, 1940, and, on April 25, 1940, made effective, as of May 1, 1940, the order, as amended, regulating the handling of milk in the New York metropolitan milk marketing area.

There being reason to believe that amendment of said order, as amended, would tend to effectuate the declared policy of the act, a notice was given on the 20th day of September 1940, of a hearing which was held on October 7 and 8 at New York City; on October 9 and 10 at Syracuse, New York; on October 11 at Albany, New York; and on October 15 and 16 at New York City; at which times and places all interested parties were afforded an opportunity to be heard on proposed amendments to said order, as amended, and thereafter Amendment No. 1 was issued, effective March 1, 1941.

There being reason to believe that further amendment of said order, as amended, would tend to effectuate the declared policy of the act, notice was given on the 6th day of May 1941, of a hearing which was held on May 14 and 15 at New York City; on May 16 and 17 at Albany, New York; and on May 19, 20, 21, 22, and 23 at New York City; at which times and places all interested parties were afforded an opportunity to be heard on proposed amendments to said order, as amended, and thereafter Amendment No. 2 was issued, effective July 1, 1941.

There being reason to believe that further amendment of said order, as amended, would tend to effectuate the declared policy of the act, notice was given on the 25th day of July 1941, of a hearing which was held on August 1 and 2 at New York City; on August 5 and 6 at Watertown, New York; and on August 7 and 8 at Albany, New York; at which times and places all interested parties were afforded an opportunity to be heard on proposed amendments to said order, as amended, and thereafter Amendment No. 3 was issued, effective October 1, 1941.

There being reason to believe that further amendment of said order, as amended, would tend to effectuate the declared policy of the act, notice was given on the 29th day of December 1941, of a hearing that was held on January 7, 8, and 9 at New York City; on January 12, 13, and 14 at Utica, New York; on January 15, 16, and 17 at Binghamton, New York; on January 19 and 20 at Utica, New York; and on January 21, 22, 23, 26, 27, and 28 at New York City; at which times and places all interested parties were afforded an opportunity to be heard on proposed amendments to said order, as amended.

The requirements of section 8c (9) of the act have been complied with.

It is found, upon the evidence introduced at said latter hearing on proposed amendments, said findings being in addition to the findings made upon the evi-

dence introduced at all prior hearings on said order and amendments thereto (which findings are hereby ratified and affirmed, save only as such findings are in conflict with findings hereinafter set forth):

**AUTHORITY:** §§ 927.0 to 927.9, inclusive, issued under the authority contained in 48 Stat. 31, 670, 675, (1933); 49 Stat. 750 (1935); 50 Stat. 246 (1937); 7 U.S.C. and Sup. 601 et seq.

§ 927.0 *Findings.* (a) That prices calculated to give milk produced for sale in the marketing area a purchasing power equivalent to the purchasing power of such milk, as determined pursuant to section 2 and section 8e of the act, are not reasonable in view of the available supplies of feeds, the price of feeds, and other economic conditions which affect the supply of and demand for such milk and that the minimum prices set forth in this order, as amended, are such prices as will reflect the aforesaid factors, insure a sufficient quantity of pure and wholesome milk, and be in the public interest; and that the fixing of such prices does not have for its purpose the maintenance of prices to producers above the levels which are declared in the act to be the policy of Congress to establish;

(b) That the order, as amended, regulates the handling of milk in the same manner as and is applicable only to handlers defined in a marketing agreement, as amended, upon which a hearing has been held; and

(c) That the issuance of the order, as amended, and all of its terms and conditions will tend to effectuate the declared policy of the act.

*It is hereby ordered.* That such handling of milk in the New York metropolitan marketing areas is in the current of interstate commerce or as directly burdens, obstructs, or affects interstate commerce shall, from the effective date hereof, be in compliance with the following terms and conditions:

§ 927.1 *Definitions.* The following terms shall have the following meanings:

(a) "Act" means Public Act No. 10, 73d Congress, as amended and as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, as amended.

(b) "Secretary" means the Secretary of Agriculture of the United States.

(c) "New York metropolitan milk marketing area" means the city of New York, the counties of Nassau, Suffolk (except Fisher's Island), and Westchester, all in the State of New York, and is hereinafter called the "marketing area."

(d) "Person" means any individual, partnership, corporation, association, or any other business unit.

(e) "Producer" means any person who produces milk which is delivered to a handler at a plant which is approved by any health authority for the receiving of milk to be sold in the marketing area.

(f) "Handler" means any person who engages in the handling of milk, or cream, or milk products therefrom,

which milk was received at a plant approved by any health authority for the receiving of milk to be sold in the marketing area, which handling is in the current of interstate commerce or directly burdens, obstructs, or affects interstate commerce. This definition shall be deemed to include a cooperative association of producers with respect to any milk received from producers at any plant for which approval is held by such association, or with respect to any milk which it causes to be delivered from producers to any other handler for the account of such association and for which such association receives payment.

(g) "Market administrator" means the agency, which is described in § 927.2, for the administration of this order.

(h) "Special cream area" means the territory, with the exception of the marketing area and Fisher's Island, which lies within the boundaries of the State of New York and of the following counties in the State of New Jersey:

Bergen.	Morris.
Essex.	Passaic.
Hudson.	Somerset.
Hunterdon.	Sussex.
Middlesex.	Union.
Monmouth.	Warren.

(i) "New England" means the territory which lies within the boundaries of the States of Connecticut, Maine, New Hampshire, Rhode Island, Vermont, the Commonwealth of Massachusetts, and Fisher's Island.

§ 927.2 *Market administrator*—(a) *Selection, removal, and bond.* The agency for the administration of this order shall be a market administrator who shall be a person selected and subject to removal by the Secretary. The market administrator shall, within 45 days following the date upon which he enters upon his duties, execute and deliver to the Secretary a bond, conditioned upon the faithful performance of his duties, in an amount and with surety thereon satisfactory to the Secretary.

(b) *Compensation.* The market administrator shall be entitled to such reasonable compensation as shall be determined by the Secretary.

(c) *Powers.* The market administrator shall have power to administer the terms and provisions hereof, and to receive, investigate, and report to the Secretary complaints of violations of this order.

(d) *Duties.* The market administrator, in addition to the duties hereinafter described, shall:

(1) Keep such books and records as will clearly reflect the transactions provided for herein;

(2) Submit his books and records to examination by the Secretary at any and all times;

(3) Furnish such information and such verified reports as the Secretary may request;

(4) Obtain a bond with reasonable security thereon covering each employee who handles funds entrusted to the market administrator;

(5) Publicly disclose, after reasonable notice, the name of any person who has not made reports pursuant to § 927.5 (a), or made payments required by § 927.7;

(6) Prepare and disseminate, for the benefit of producers, consumers, and handlers, such statistics and information concerning the operation of this order, as amended, as do not reveal confidential information;

(7) Employ and fix the compensation of such persons as may be necessary to enable him to administer the terms and provisions hereof;

(8) Pay out of the funds received pursuant to § 927.8 the cost of his bond and of the bonds of such of his employees as handle funds entrusted to the market administrator, his own compensation, and all other expenses which will necessarily be incurred by him for the maintenance and functioning of his office and the performance of his duties; and

(9) Maintain a main office and such branch offices as may be necessary.

(e) *Announcement of prices.* The market administrator shall compute and publicly announce prices as follows:

(1) Not later than the 25th day of each month, the average, for 30 days immediately preceding, of the prices reported daily by the United States Department of Agriculture for 92-score butter at wholesale in the New York market, and the average of all the hot roller process dry skim milk quotations for "other brands, animal feed, carlots, bags, or barrels" and for "other brands, human consumption, carlots, bags, or barrels" (using midpoint of any range as one quotation), published during the preceding 30 days in "The Producers' Price-Current," and the Class I, Class II-A, and the Class V-A prices to be in effect for the following month, pursuant to § 927.4 (a).

(2) Not later than the 5th day of each month, the prices for all other classes, pursuant to § 927.4 (a), and the differentials, pursuant to § 927.4 (b), in effect for the preceding month; and

(3) Not later than the 14th day of each month, the uniform price computed pursuant to § 927.6 (b).

§ 927.3 *Classification of milk*—(a) *Basis of classification.* All milk received during any month from producers by handlers shall be classified in the classes set forth in paragraph (b) of this section in accordance with the form in which it is held at or moved from, within 8 days after the end of the month, the plant where received from producers, including members of any cooperative association, except as set forth in subparagraphs (1) and (2) immediately below. In establishing the classification of any milk received at a plant from producers, the burden rests upon the handler who received the milk from producers to show that it should not be classified as Class I milk; likewise, having established the manufacture of cream, the burden rests upon such handler to show that the milk, the butterfat from which was manufactured into cream, should not be classified in Class II-A and that the skim milk,

resulting from the manufacture of cream, should not be classified as Class V-A.

(1) Milk which is moved to a second plant outside the marketing area, or milk, the butterfat from which is moved to a second plant outside the marketing area, shall be classified at the first plant subject to the following conditions:

(i) If the second plant is approved for the sale of milk in the marketing area, and if some but not all of the products moved from or held at such plant would classify milk in classes to which diversion payments are applicable, the milk moved from the first plant shall be classified pro rata in accordance with the form in which all milk, all cream, or all of both, as the case may be, received during the month, was held at or moved from the second plant.

(ii) If the second plant is approved for the sale of milk in the marketing area, and all of the products or none of the products moved from or held at such plant would classify milk in classes to which diversion payments are applicable, the milk moved from the first plant may, at the option of the handler or handlers involved, be classified in accordance with any of the forms in which milk or milk products, as the case may be, was held at or moved from the second plant.

(iii) If the second plant is not approved for the sale of milk in the marketing area, the milk moved from the first plant shall be classified, in absence of proof of use in a specific class, pro rata in accordance with the form in which all milk, all cream, or all of both, as the case may be, received during the month, at the second plant, was held at or moved from such plant: *Provided*, That if such second plant is a plant the handling of milk at which is subject to another order of the Secretary for another marketing area, all milk which is shipped to such plant and not classified in Class I, and all milk the butterfat from which is shipped in the form of cream to such plant, shall be classified as Class II-D or Class II-E, unless such milk or cream was subsequently so handled as to classify the milk in Class II-A, Class II-B, or Class II-C.

(iv) If milk is moved to a second plant where it is separated into cream, and cream is moved from the second plant to a third plant, the milk from the first plant, the classification of which is based on the manufacture of such cream, may be classified according to the form in which cream was held at or moved from the third plant.

(2) Milk the butterfat from which is moved in the form of cream to a second plant which is located in the marketing area may be classified in classes other than Class I or Class II-A only if such cream was held at or moved from such second plant in the form of frozen desserts or homogenized mixtures.

(b) *Classes of utilization.* Subject to all of the conditions set forth in paragraph (a) of this section, the classes of milk shall be as follows:

(1) Class I milk shall be all milk which leaves a plant as milk, or cultured or flavored milk drinks containing 3.0 percent butterfat or more, and all milk the classification of which is not established in some other class named in this paragraph, except that loss or waste of milk in a plant where milk is received from producers, not to exceed 2 percent of the total quantity of milk received, may be prorated to each class or price subdivision of such class (except Class V-A and Class V-B) in the proportion which the milk in such class or price subdivision of such class is of the total quantity of milk received at such plant: *Provided*, That any loss or waste in excess of 2 percent shall be subject to the price set forth in § 927.4 (a) (1).

(2) Class II-A milk shall be all milk the butterfat from which leaves or is on hand at a plant in the form of cultured or flavored milk drinks containing less than 3.0 percent butterfat or in the form of cream, sweet or sour, unless such cream is established to have been subsequently so handled or marketed as to classify such milk in some other class.

(3) Class II-B milk shall be all milk the butterfat from which leaves or is on hand at a plant in the form of plain condensed milk, or, except as set forth in subparagraphs (5), (6), and (7) of this paragraph, frozen desserts or homogenized mixtures; or which leaves or is on hand at a plant in the form of cream which is subsequently held in a licensed cold storage warehouse at an average temperature below zero degrees Fahrenheit for 7 consecutive days and below 15 degrees Fahrenheit for at least 21 days thereafter, as shown by charts of a recording thermometer, and which is subject at all times to being inspected by a representative of the market administrator to determine the physical presence of the cream and the temperature of the room where stored. After the first 7 consecutive days such cream may be moved from one licensed cold storage warehouse to another: *Provided*, That the market administrator receives notice of such removal within 48 hours thereafter. Any handler whose report claimed the original classification of milk in this class shall be liable under the provisions of § 927.7 (j) for the difference between the Class II-B and Class II-A prices for the month in which the II-B classification was claimed on any such milk, if the storage of the cream does not comply with all the requirements of this subparagraph.

(4) Class II-C milk shall be all milk the butterfat from which leaves or is on hand at a plant in the form of cream which is delivered to a plant or a purchaser in the special cream area, is not moved as cream to a plant in the marketing area or delivered to a purchaser in the marketing area, and the classification of which is not established in some other class.

(5) Class II-D milk shall be all milk the butterfat from which leaves or is on hand at a plant in the form of cream or in the form of frozen desserts or in the form of homogenized mixtures used in frozen desserts, which is delivered to a plant or a purchaser outside the mar-

keting area, outside the special cream area and outside New England: *Provided*, That the cream is not moved to a plant in the marketing area, in the special cream area, or in New England, or delivered to a purchaser in the marketing area, in the special cream area, or in New England: *And provided further*, That the frozen desserts, or the homogenized mixtures used in frozen desserts are not moved to a plant in New York City, or delivered to a purchaser in New York City.

(6) Class II-E milk shall be all milk the butterfat from which leaves or is on hand at a plant in the form of cream or in the form of frozen desserts or in the form of homogenized mixtures used in frozen desserts, which is delivered to a plant or a purchaser in New England: *Provided*, That the cream is not moved to a plant outside New England or delivered to a purchaser outside New England: *And provided further*, That the frozen desserts or homogenized mixtures used in frozen desserts are not moved to a plant in New York City or delivered to a purchaser in New York City.

(7) Class II-F milk shall be all milk the butterfat from which leaves or is on hand at a plant in the form of frozen desserts or in the form of homogenized mixtures used in frozen desserts, except as set forth in subparagraphs (5) and (6) of this paragraph, provided the frozen desserts in both instances were moved to a plant or delivered to a purchaser outside New York City and remained outside New York City; or all milk the butterfat from which leaves or is on hand at a plant in the form of cream cheese.

(8) Class III milk shall be all milk the butterfat from which leaves or is on hand at a plant in the form of evaporated milk in hermetically sealed cans, sweetened condensed milk, milk chocolate and other candy products, milk powder, malted milk powder, or cheeses other than those specified in subparagraphs (7) and (10) of this paragraph.

(9) Class IV-A milk shall be all milk the butterfat from which leaves or is on hand at a plant in the form of butter.

(10) Class IV-B milk shall be all milk the butterfat from which leaves or is on hand at a plant in the form of Cheddar cheese, American Cheddar Cheese, Colby cheese, washed curd cheese, or part-skim Cheddar cheese.

(11) Class V-A milk shall be the skim milk in all milk which is classified pursuant to subparagraphs (2), (3), (4), (5), (6), (7), and (9) of this paragraph, which skim milk enters the marketing area in the form of fluid skim milk or cultured or flavored milk drinks, and which is not utilized in some other product outside the marketing area: *Provided*, That for the purposes of this subparagraph and of subparagraph (12) of this paragraph, there shall be 91.25 pounds of skim milk in each 100 pounds of milk having a butterfat content of 3.5 percent, plus an additional 0.25 pound of skim milk for each point of butterfat in such milk below 3.5 percent or minus an additional 0.25 pound of skim milk for

each point of butterfat in such milk above 3.5 percent.

(12) Class V-B milk shall be the skim milk in all milk which is classified pursuant to subparagraphs (2), (3), (4), (5), (6), (7), and (9) of this paragraph, which skim milk is not classified pursuant to subparagraph (11) of this paragraph.

§ 927.4 *Minimum prices.* For milk received during each month from producers or cooperative associations of producers, each handler shall pay per hundredweight not less than the prices set forth in this section. Any handler who purchases or receives, during any month, milk from a cooperative association of producers which is also a handler shall, on or before the 15th day of the following month, pay such cooperative association in full for such milk at not less than the minimum class prices applicable pursuant to this section.

The prices for milk classified pursuant to subparagraphs (2), (3), (4), (5), (6), (7), and (9) of paragraph (b) of this section shall represent the value of the 40 percent cream equivalent of the milk. The value of any excess skim milk in such milk shall be represented by either the Class V-A or the Class V-B price.

(a) *Class prices.* (1) For Class I milk the price per hundredweight during each month shall be, except as specified in subparagraphs (2), (3), and (4) of this paragraph, as set forth in the table in this subparagraph:

92-score butter, wholesale, at New York, average price per pound announced pursuant to § 927.2 (e), plus an amount calculated as follows: deduct 4 cents from the average dry skim milk quotation per pound, announced pursuant to § 927.2 (e), and multiply by 1.8	Class I price	
	April through June	July through March
	Dollars per cwt.	Dollars per cwt.
Under 25.....	1.85	2.10
25 or over, but under 30.....	2.05	2.30
30 or over, but under 35.....	2.25	2.50
35 or over, but under 40.....	2.45	2.70
40 or over, but under 45.....	2.65	2.90
45 or over, but under 50.....	2.85	3.10
50 or over, but under 55.....	3.05	3.30
55 or over, but under 60.....	3.25	3.50
60 or over, but under 65.....	3.45	3.70
65 or over, but under 70.....	3.65	3.90
70 or over, but under 75.....	3.85	4.10
75 or over.....	4.05	4.30

(2) For Class I milk sold by a handler in the marketing area under a program approved by the Secretary and upon which payment is made out of Federal funds, the price shall be 57 cents per hundredweight less than the price in effect pursuant to subparagraph (1) of this paragraph.

(3) For Class I milk which has not passed through the marketing area, but which is ultimately distributed in an area regulated by another order of the Secretary, the price shall be the Class I price set forth in such order for milk sold in such marketing area subject to the butterfat and transportation differentials set forth in such other order.

(4) For Class I milk which has not passed through the market area, but including Class I milk which was received

direct from producers at a plant in the marketing area, and which is ultimately distributed in an area not regulated by an order of the Secretary, the price shall be the uniform price computed by the market administrator pursuant to § 927.6 (b) plus 20 cents per hundredweight included in the net pool obligation for such milk pursuant to § 927.6 (a).

(5) For Class II-A milk the price during each month shall be as set forth in the following table:

92-score butter, wholesale, at New York, average price announced pursuant to § 927.2 (e), cents per pound	Class II-A price	
	March through July	August through February
	Dollars per cwt.	Dollars per cwt.
Under 21.5.....	1.35	1.50
21.5 or over, but under 25.0.....	1.50	1.65
25.0 or over, but under 28.5.....	1.65	1.80
28.5 or over, but under 32.0.....	1.80	1.95
32.0 or over, but under 35.5.....	1.95	2.10
35.5 or over, but under 39.0.....	2.10	2.25
39.0 or over, but under 42.5.....	2.25	2.40
42.5 or over, but under 46.0.....	2.40	2.55
46 or over.....	2.55	2.70

(6) For Class II-B milk the price during each month shall be 12 cents less than the Class II-A price.

(7) For Class II-C milk the price during each month shall be 10 cents higher than the price computed pursuant to subparagraph (9) of this paragraph.

(8) For Class II-D milk the price during each month shall be a price calculated by the market administrator as follows: Add all weekly market quotations (using midpoint of any weekly range as one quotation) of prices reported by the United States Department of Agriculture for the month during which such milk was received from producers for a 40-quart can of 40 percent sweet cream approved for Pennsylvania only, and for Pennsylvania, Newark, and Lower Merion Township, divide by the number of quotations, subtract 28 cents, divide by 33.48, multiply by 3.5, subtract 21.5 cents: *Provided*, That in no event shall the Class II-D price be lower than the Class IV-A price plus 10 cents.

(9) For Class II-E milk the price during each month shall be a price calculated by the market administrator as follows: Divide by 33.48 the weighted average price per 40-quart can of 40 percent bottling quality cream in the Boston market, as reported by the United States Department of Agriculture for the month during which such milk was received from producers, or the last such price reported for a month; if no such price is reported for the month during which such milk was received, multiply by 3.5, subtract 21.5 cents: *Provided*, That in no event shall the Class II-E price be lower than the Class IV-A price plus 10 cents.

(10) For Class II-F milk the price during each month shall be the price for Class II-E milk.

(11) For Class III milk the price during each month shall be 10 cents higher than the average, computed by the market administrator, of prices, as reported to the United States Department of Agriculture, paid during such month to

farmers by each of the evaporated milk plants which purchase milk at places listed in this subparagraph and for which prices are reported: *Provided*, That in no event shall the Class III price be less than a price computed by the market administrator as follows: to the average price of 92-score butter at wholesale in the Chicago market for such month, as reported by the United States Department of Agriculture, add 30 percent, multiply by 3.5, and add 7 cents.

*Location of Evaporated Milk Plants*

- Mt. Pleasant, Mich.
- Sparta, Mich.
- Hudson, Mich.
- Wayland, Mich.
- Coopersville, Mich.
- New Glarus, Wis.
- Belleville, Wis.
- Greenville, Wis.
- Manitowoc, Wis.
- Black Creek, Wis.
- Orfordville, Wis.
- Chilton, Wis.
- New London, Wis.
- Coldwater, Ohio
- Berlin, Wis.
- Richland Center, Wis.
- Oconomowoc, Wis.
- Jefferson, Wis.
- Delta, Ohio
- West Bend, Wis.

(12) For Class IV-A milk the price during each month shall be a price computed by the market administrator as follows: from the average of the highest prices reported daily during such month by the United States Department of Agriculture for 92-score butter at wholesale in the New York market, deduct 4 cents, add 20 percent, and multiply by 3.5.

(13) For Class IV-B milk the price during each month shall be a price computed by the market administrator as follows: from the average of weekly quotations at the Wisconsin Cheese Exchange, Plymouth, Wisconsin, for Cheddars, or in the absence of such quotations for Cheddars, the weekly quotations at the Wisconsin Cheese Exchange for Twins, subtract 3/4 cent and multiply the result by 9.45.

(14) For Class V-A milk the price during each month shall be the difference between the price for Class I milk set forth in subparagraph (1) of this paragraph and the price for Class II-A milk set forth in subparagraph (5) of this paragraph, and the result divided by 0.9125: *Provided*, That any excess of Class V-A milk over the amount of skim milk to be accounted for pursuant to § 927.3 (b) (11) shall be paid for at a rate equal to the difference between the Class V-A and Class V-B prices.

(15) For Class V-B milk the price during each month shall be a price computed by the market administrator as follows: from the average of all the hot roller process dry skim milk quotations for "other brands, animal feed, carlots, bags, or barrels" and for "other brands, human consumption, carlots, bags, or barrels" (using midpoint of any range as one quotation), published for the delivery period in "The Producers'

Price Current," subtract 4 cents, and multiply by 8.3.

(b) *Butterfat differentials*. The minimum prices for Class I milk specified in paragraph (a) of this section shall be plus or minus 4 cents for each one-tenth of 1 percent of butterfat therein above or below 3.5 percent. The minimum price for Class IV-B milk containing more or less than 3.5 percent butterfat shall be plus or minus, for each one-tenth of 1 percent of butterfat above or below 3.5 percent, an amount equal to the price set forth in subparagraph (13) of paragraph (a) of this section, divided by 9.45 and multiplied by 0.23. The minimum prices for each of the other classes except Classes V-A and V-B containing more or less than 3.5 percent butterfat shall be plus or minus, for each one-tenth of 1 percent of butterfat above or below 3.5 percent, an amount equal to the respective prices set forth in paragraph (a) of this section, divided by 35.

(c) *Transportation differentials*. (1) The market administrator shall, from time to time, publicly announce for each plant outside the marketing area, operated by each handler, the freight zone set forth in the schedule below in this section according to the railway mileage distance from New York City terminals of its nearest railway shipping point, or its highway mileage distance from New York City, if the latter is less than the former by more than 5 miles. Any such mileage distance shall be that recognized for rate-making purposes by the Interstate Commerce Commission. For the purposes of this paragraph each plant within the marketing area shall be assigned by the market administrator to the 1-10 mile freight zone. The minimum prices set forth in paragraph (a) of this section shall be plus or minus the amounts as set forth in the following schedule:

A Freight zone (miles)	B Classes I and V-A	C Classes II-A, II-B, and II-C
	Cents per cwt.	Cents per cwt.
1-10.....	+15	+8
11-20.....	+14	+8
21-25.....	+13	+8
26-30.....	+13	+7
31-40.....	+13	+7
41-50.....	+10.5	+7
51-60.....	+10.5	+6
61-70.....	+9.5	+6
71-75.....	+8	+6
76-80.....	+8	+5
81-90.....	+8	+5
91-100.....	+7	+5
101-110.....	+7	+4
111-120.....	+6	+4
121-125.....	+5	+4
126-130.....	+5	+3
131-140.....	+5	+3
141-150.....	+3.5	+3
151-160.....	+2.5	+2
161-170.....	+2.5	+2
171-175.....	+1.5	+2
176-180.....	+1.5	+1
181-190.....	+1.5	+1
191-200.....	0	+1
201-210.....	0	0
211-220.....	-1	0
221-225.....	-1	0
226-230.....	-1	-1
231-240.....	-2	-1
241-250.....	-2	-1
251-260.....	-3.5	-2
261-270.....	-3.5	-2
271-275.....	-3.5	-3

A Freight zone (miles)	B Classes I and V-A Cents per cwt.	C Classes II-A, II-B, and II-C Cents per cwt.
276-280	-3.5	-3
281-290	-4.5	-3
291-300	-5.5	-3
301-310	-5.5	-4
311-320	-5.5	-4
321-325	-7	-4
326-330	-7	-5
331-340	-7	-5
341-350	-8	-5
351-360	-8	-6
361-370	-8	-6
371-375	-9	-6
376-380	-9	-7
381-390	-9	-7
391-400	-9	-7
401-410	-10.5	-8
411-420	-10.5	-8
421-425	-10.5	-8
426-430	-10.5	-9
431-440	-11.5	-9
441-450	-11.5	-9
451-460	-11.5	-10
461-470	-12.5	-10
471-475	-12.5	-10
476-480	-12.5	-11
481-490	-14	-11
491-500	-14	-11

(2) For each plant classifying milk in Class II-D, the market administrator shall determine a zone based on its highway mileage distance from the City Hall in Philadelphia, Pennsylvania. Any such mileage distance shall be that recognized for rate-making purposes by the Interstate Commerce Commission. The minimum price for Class II-D milk shall be subject to the minus differentials set forth in the following table applicable to the location of the plant at which the milk was received from producers:

Miles:	Cents
0-30	0
31-70	-3.5
71-150	-4.5
151-230	-5.5
231-310	-6.5
311-390	-7.5
391-470	-8.5

Provided, That in no case shall the amount subtracted reduce the Class II-D price at any plant below the Class IV-A price plus 10 cents.

(3) For each plant classifying milk in Class II-E or Class II-F, the market administrator shall determine a zone based on its highway mileage distance from the State House in Boston, Massachusetts. Any such mileage distance shall be that recognized for rate-making purposes by the Interstate Commerce Commission. The minimum prices for Class II-E and Class II-F shall be subject to the minus differentials set forth in the following table applicable to the location of the plant at which milk was received from producers:

Miles:	Cents
0-250	-5.2
251-300	-6.2
301-350	-7.2
351-400	-8.2
401-450	-9.2

Provided, That in no case shall the amount subtracted reduce the Class II-E or Class II-F price at any plant below the Class IV-A price plus 10 cents.

§ 927.5 Reports of handlers—(a) Monthly reports. On or before the 10th

day of each month, each handler shall report to the market administrator, in the manner and on forms prescribed by the market administrator, with respect to milk received at each plant during the preceding month:

(1) The total quantity of milk, with the average butterfat content thereof, received from producers, from other plants, from such handler's own farm, and from other handlers;

(2) The total quantity of such milk and of each product of such milk moved out of, or on hand at, such plant within 8 days after the end of such month, the butterfat content of each product, and the destination of any milk which moved out of such plant;

(3) If the classification of any milk is claimed by such handler on the basis of disposition in some other plant, the disposition of such milk at such other plant covered by statement signed by the operator of the other plant if not a handler; and

(4) The computation, pursuant to § 927.6 (a), of such handler's net pool obligation.

(b) Producer pay roll reports. Each handler shall report with respect to producers as follows:

(1) On or before the 10th day after the end of each month, the information required by the market administrator with respect to producer additions, producer withdrawals, and changes in names of farm operators; and

(2) On or before the last day of each month, such handler's producer pay roll for the preceding month, which shall show for each producer:

(i) The total delivery of milk with the average butterfat test thereof,

(ii) The amount of payment due such producer,

(iii) Any deductions and charges made by the handler,

(iv) The net amount of payment to such producer made pursuant to § 927.7, and

(v) Such other information with respect thereto as the market administrator may require.

(c) Verification of reports and payments. The market administrator shall promptly verify all reports and payments of each handler by audit of such handler's records and of the records of any other handler or person upon whose disposition of milk such handler claims classification, and each such handler shall, during the usual hours of business, make available to the market administrator or his representative such records and facilities, of his own or of other persons, as will enable the market administrator to:

(1) Verify the receipts and disposition of all milk required to be reported pursuant to this section, and, in case of errors or omissions, ascertain the correct figures;

(2) Weigh, sample, and test for butterfat content the milk received from producers and any product of milk upon which classification depends;

(3) Verify the payments to producers prescribed in § 927.7; and

(4) Verify all claims for payments pursuant to § 927.7 (d), (e), and (f).

§ 927.6 Determination of uniform prices—(a) Net pool obligation of handlers. The net pool obligation of each handler for milk received from producers during each month shall be a sum of money computed of such month as follows:

(1) Determine the total quantity of milk in each class at each plant;

(2) Subtract pro rata out of each class the quantity of milk received from the handler's own farm or from a farm in Nassau or Suffolk Counties, not approved for sale of milk in New York City;

(3) Prorate, in the case of each plant where milk is received from producers, to each class or price subdivision of each class, the loss or waste of milk at such plant not to exceed 2 percent of the total quantity of milk in all classes (except Class V-A and Class V-B) and calculate any remainder as Class I milk subject to the price set forth in § 927.4 (a) (1); add to Class V-A the necessary number of pounds to bring the total pounds of skim milk in both Class V-A and Class V-B to the amount of skim milk in pounds to be accounted for pursuant to § 927.3 (b) (1), and subtract from Class V-B any excess of skim milk over that to be accounted for pursuant to § 927.3 (b) (11);

(4) Subtract from the remaining quantity of milk, or skim milk as the case may be, in each class, the quantity of such milk, or skim milk, as the case may be, received from any other plant, or received from any other handler in each class at each plant;

(5) Subject to adjustment for appropriate differentials applicable pursuant to § 927.4 (b) and (c), multiply the Class I milk priced pursuant to § 927.4 (a) (4) by 20 cents per hundredweight, multiply the remaining milk or skim milk, as the case may be, in each class by the class price, and add together the resulting values;

(6) Deduct, in the case of each plant where the average butterfat content of all milk received from producers is in excess of 3.5 percent and add, in the case of each plant where the butterfat content of all milk received from producers is less than 3.5 percent, the total value of the butterfat differential applicable pursuant to § 927.7 (c);

(7) Deduct, in the case of each plant nearer New York City than the 201-210 mile zone, and add, in the case of each plant farther from New York City than the 201-210 mile zone, the sum obtained by multiplying the milk received from producers by the zone differential set forth in column B of the schedule in § 927.4 (c) (1) applicable to the plant;

(8) With respect to milk received from producers, deduct 30 cents per hundredweight at plants in the marketing area; and 20 cents per hundredweight at plants located at Accord, Ellenville, Gardiner, Kyserike, New Paltz, Phinney's Crossing, Walkill, and West Coxsackie, New York, and in the following counties:



*New Jersey Counties:* Burlington, Essex, Hunterdon, Morris, Passaic, Somerset, Sussex, Union, and Warren.

*New York Counties:* Columbia, Dutchess, Orange, Putnam, and Rockland.

*Connecticut:* Litchfield.

*Massachusetts:* Berkshire.

(9) Add together the handler's net pool obligation for all plants at which milk was received from producers.

(b) *Computation of the uniform price.* The market administrator shall, on or before the 14th day of each month, audit for mathematical correctness and obvious errors the report submitted for the preceding month by each handler. If the unreserved cash balance in the producer-settlement fund to be included in the computation is less than 2 cents per hundredweight of milk received from producers on all reports, the report of any handler who has not made payment of the last monthly pool debit account rendered pursuant to § 927.7 (g) shall not be included in the computation of the uniform price. The report of such handler shall not be included in the computation for succeeding months until he has made full payment of outstanding monthly pool debits. Subject to the aforementioned conditions the market administrator shall compute the uniform price in the following manner:

(1) Combine into one total the net pool obligations of all handlers;

(2) Subtract the total of payments required to be made for such month by § 927.7 (d) and the total of payments claimed pursuant to § 927.7 (e);

(3) Add the amount of unreserved cash in the producer-settlement fund;

(4) Subtract an amount equal to not less than 4 cents nor more than 5 cents per hundredweight of milk received from producers to provide against the contingency of errors in reports and payments or of delinquencies in payments by handlers;

(5) Subtract from the total milk received from producers by all handlers whose reports are included in this computation the Class I milk priced pursuant to § 927.4 (a) (4); and

(6) Divide the result obtained in (4) by the result obtained in (5). The result shall be known as the uniform price for milk containing 3.5 percent butterfat received from producers at plants in the 201-210 mile zone.

§ 927.7 *Payment to producers*—(a) *Time of payment.* On or before the 25th day of each month each handler shall make payment to each producer for all milk delivered by such producer during the preceding month at not less than the uniform price subject to differentials set forth in paragraphs (b) and (c) of this section: *Provided*, That each handler which is also a cooperative marketing association determined by the Secretary to be qualified under the Capper-Volstead Act, may, with respect to producers who are members of and under contract with such association, make distribution, in accordance with

the contract between the association and such members, of the net proceeds of all its sales in all markets in all use classifications.

(b) *Transportation and location differentials.* The uniform price at any plant shall be—

(1) Plus or minus the differential shown in column B of the schedule contained in § 927.4 (c) (1) for the zone of the plant in effect pursuant to § 927.4 (c) (1); and

(2) Plus the differential, if any, applicable pursuant to § 927.6 (a) (3) plus 5 cents.

(c) *Butterfat differential.* The uniform price shall be plus or minus, as the case may be, 4 cents per hundredweight for each one-tenth of 1 percent above or below 3.5 percent of average butterfat content of milk delivered by any producer during any month.

(d) *Cooperative payments.* Any cooperative association of producers may apply to the Secretary for a determination of its qualifications to receive payments pursuant to this paragraph by reason of its having and exercising full authority in the sale of the milk of its members; arranging for and supplying, in a manner commensurate with the marketing capacity of the several types of cooperative associations designated in this paragraph, in times of short supply, Class I milk to the marketing area; securing utilization of milk, in times of long supply, in a manner to assure the greatest possible returns to all producers; having its entire activities under the control of its members; and complying with all provisions of this order applicable to it.

After the Secretary has determined any cooperative to be qualified to receive payments pursuant to this paragraph, such cooperative shall, from time to time, as requested by the market administrator, make reports to the market administrator with respect to services rendered to the market and the use of the sums received under this paragraph. Whenever the market administrator has reason to believe that any cooperative qualified by the Secretary is failing to perform the obligations covered by the payments under this paragraph, he shall suspend and hold in reserve such payments, notifying the Secretary and the cooperative of his action and the reasons therefor. Such suspended payments shall be held in reserve until the Secretary has, after hearing, disqualified such cooperative or ruled upon the performance of the cooperative and either ordered the suspended payments to be paid to the cooperative in whole or in part or disqualified the cooperative, in which event the balance of payments held in reserve shall be returned to the producer-settlement fund.

The market administrator shall make the payments authorized by this paragraph, or issue credit therefor, out of the producer-settlement fund on or before the 25th day of each month, subject to verification of the reports upon which such payment is based. Such payments shall be made to each cooperative asso-

ciation of producers under the following conditions and at the following rates:

(1) Three-quarters of one cent per hundredweight of milk received from producers at any handler's plant which was caused to be delivered from its members by such associations and on which such handler has made the reports and payments required by this order;

(2) Except as set forth in subparagraph (3) of this paragraph, two cents per hundredweight of milk received from producers at plants of other complying handlers which was reported and collected for by such association; and

(3) Four cents per hundredweight of milk received from producers at plants operated by such association and, if, in addition to the other qualifications, such association has been determined by the Secretary to have sufficient plant capacity to receive all the milk of producers who are members and to be willing and able to receive milk from producers not members, four cents per hundredweight of milk received from producers which was caused by it to be delivered to any other complying handler and which is reported and collected for by such association.

(e) *Diversion payments.* Any handler may make claim, on forms supplied by the market administrator, for payments out of the producer-settlement fund, under the conditions set forth in this paragraph, with respect to milk which was received from producers at a plant not having any equipment other than that needed for the receiving and shipping of milk and which was moved to a second plant outside of the marketing area and there manufactured. The market administrator shall make payment to such handler, subject to audit, out of the producer-settlement fund, or issue credit against balances due by such handler to the producer-settlement fund, at the following rates and under the following conditions:

(1) Payments may be made only on milk which has been, pursuant to § 927.3, properly classified, for any month of the year in Classes III and IV-B.

(2) No claim shall be allowed if the milk on which the claim is made is manufactured at a second plant which is one-half mile or less from the first plant.

(3) Claims shall be paid at a rate for handling through the receiving plant of 17 cents per hundredweight, plus a hauling allowance at the rate of  $\frac{1}{4}$  cent per hundredweight per mile for 20 miles and  $\frac{1}{10}$  cent per hundredweight per additional mile for the shortest highway distance between the two plants: *Provided, however*, That no claim for a hauling allowance shall be paid for a haul greater than 65 miles.

(4) The market administrator shall from time to time cause inspections to be made of the buildings, facilities, and surroundings of plants, and shall notify handlers of his determination as to what constitutes the plant and its equipment for the purpose of this § 927.7 (e). Such

determination shall be ruling for all other purposes under this order.

(5) Diversion payments shall not be paid to any handler making claim therefor if, during the month for which such claim is made, such handler has a less proportion of milk received from producers in Class I than the proportion of total milk received from producers in Class I of all other handlers, and if such handler has refused to sell milk to other handlers who do not operate or control country receiving plants or has refused to sell to such handlers milk of a butterfat test nearest to that desired by the purchaser (if available in the seller's country plants which are eligible for diversion payments), provided the offer of purchase met the following conditions:

(i) Cash on delivery for a quantity of not less than 200 cans per shipment; method of delivery at the option of the buyer; and

(ii) Purchase price equal to the price applicable pursuant to § 927.4 (a) (1), subject to the differentials applicable pursuant to § 927.4 (b) and § 927.4 (c), plus not more than 23 cents per hundredweight for handling through the country plant, and plus the payments provided by § 927.8.

(f) *Storage cream payments.* With respect to butterfat in frozen cream held in one or more licensed cold storage warehouses for more than 28 days under the conditions set forth in § 927.3 (b) (3), the handler whose net pool obligations included such butterfat as Class II-B milk may make claim, on forms supplied by the market administrator, for payments out of the producer-settlement fund, if such butterfat was stored during the months of April to September, inclusive, and was used in Classes II-D, II-E, or II-F during the months of October to March, inclusive, or in Class IV-A during the months of January to March, inclusive. The market administrator shall, after investigation and audit of such claim, make payment to such handler out of the producer-settlement fund, or issue credit against balances due from such handler to the producer-settlement fund, in an amount equal to the difference between the Class II-B price and the class price for such utilization in effect for the month during which the milk was received from producers.

(g) *Producer-settlement fund.* The market administrator shall establish and maintain a separate fund known as "the producer-settlement fund" into which he shall deposit all payments made by handlers pursuant to paragraphs (h) and (j) of this section and out of which he shall make all payments to handlers pursuant to paragraphs (e), (f), and (j) of this section, and to cooperative associations of producers pursuant to paragraph (d) of this section: *Provided*, That the market administrator shall offset any such payment due to any handler against payments due from such handler. Immediately after computing the uniform

price for each month the market administrator shall compute the amount by which each handler's net pool obligation is greater or less than the amount obtained by multiplying the uniform price by the quantity of such handler's milk received from producers remaining after subtracting therefrom the Class I milk priced pursuant to § 927.4 (a) (4), and shall enter such amount on each handler's account as such handler's pool debit or credit, as the case may be, and render such handler a transcript of his account.

(h) *Payments to the producer-settlement fund.* On or before the 18th day of each month, each handler shall make full payment of any pool debit balance shown on the account rendered pursuant to paragraph (g) of this section, for the preceding month.

(i) *Payments out of producer-settlement fund.* On or before the 20th day of each month the market administrator shall remit to each handler the pool credit of such handler, if any, for the preceding month less any unpaid obligations. If, at such time, the balance in the producer-settlement fund is insufficient to make full payment due to each handler, the market administrator shall reduce uniformly the payments made to each handler and shall complete such payments as soon as the necessary funds are available. No handler who, on the 25th day of the month, has not received the balance of such reduced payment from the market administrator shall be deemed to be in violation of paragraph (a) of this section if he reduces his total payments to producers by not more than the amount of the reduction in payment from the producer-settlement fund.

(j) *Adjustments of errors in payments.* Whenever verification by the market administrator of reports or payments of any handler discloses errors made in payments to or from the producer-settlement fund, the market administrator shall promptly bill such handler for any unpaid amount, and such handler shall, within 5 days, make payment to the market administrator of the amount so billed. Whenever verification discloses that payment is due from the market administrator to any handler the market administrator shall, within 5 days, make such payment to such handler. Whenever verification by the market administrator of the payment to any producer for milk delivered to any handler discloses payment to such producer of less than is required by this section, the handler shall make up such payment to the producer not later than the time of making payment next following such disclosure.

§ 927.8 *Expense of administration—*

(a) *Payment by handlers.* As his pro-rata share of the expense of administration hereof, each handler shall, on or before the 20th day of each month, pay to the market administrator a sum not exceeding 2 cents per hundredweight on the total quantity of milk which was

received from producers at plants operated by such handler, directly or at the instance of a cooperative association of producers, and which was properly classified in Classes I, II-A, and II-B, the exact amount to be determined by the market administrator subject to review by the Secretary. This section shall not be deemed to duplicate any similar payment by any handler under an order issued by the Commissioner of Agriculture and Markets of the State of New York, with respect to the marketing area.

§ 927.9 *Suspension, termination, and liquidation—* (a) *Continuing obligation of handlers.* Unless otherwise provided by the Secretary in any notice of amendment, termination, or suspension of any or all of the provisions hereof, such amendment, termination, or suspension shall not affect, waive, or terminate any right, duty, obligation, or liability which shall have arisen or may thereafter arise in connection with any provision of this order; release or waive any violation of this order occurring prior to the effective date of such amendment, termination, or suspension; or affect or impair any rights or remedies of the Secretary or of any other person with respect to any such violations.

(b) *Continuing power and duty of market administrator.* The market administrator shall (1) continue in such capacity until discharged by the Secretary; (2) from time to time account for all receipts and disbursements and deliver all funds or property on hand, together with the books and records of the market administrator, to such person as the Secretary shall direct; and (3) if so directed by the Secretary, execute such assignments or other instruments necessary or appropriate to vest in such person full title to all funds, property, and claims vested in the market administrator pursuant hereto.

(c) *Liquidation.* Upon the termination or suspension hereof, the market administrator shall, if so directed by the Secretary, liquidate the business of the market administrator's office and dispose of all funds and property then in his possession or under his control, together with claims for any funds which are unpaid and owing at the time of such termination or suspension. Any funds collected for expenses, pursuant to the provisions hereof, over and above the amounts necessary to meet outstanding obligations and the expenses necessarily incurred by the market administrator in liquidating the business of the market administrator's office shall be distributed by the market administrator to handlers in an equitable manner.

Issued at Washington, D. C., this 26th day of March, 1942, to become effective on and after the 1st day of April, 1942. Witness my hand and the official seal of Department of Agriculture.

[SEAL]

CLAUDE R. WICKARD,  
Secretary of Agriculture.

[F. R. Doc. 42-2712; Filed, March 27, 1942; 11:48 a. m.]

[O-61]

## PART 961—MILK IN THE PHILADELPHIA, PENNSYLVANIA, MARKETING AREA

## ORDER REGULATING THE HANDLING OF MILK IN THE PHILADELPHIA, PENNSYLVANIA, MARKETING AREA

## Sec.

- 961.0 Findings.
- 961.1 Definitions.
- 961.2 Market administrator.
- 961.3 Classification of milk.
- 961.4 Minimum prices.
- 961.5 Reports of handlers.
- 961.6 Application of provisions.
- 961.7 Determination of uniform prices to producers.
- 961.8 Payments for milk.
- 961.9 Expense of administration.

Under the terms and provisions of Public Act No. 10, 73d Congress, as amended and as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, as amended, the Secretary of Agriculture of the United States is empowered, after due notice and opportunity for hearing, to enter into marketing agreements with processors, producers, associations of producers, and others engaged in such handling of any agricultural commodity or product thereof as is in the current of interstate or foreign commerce or which directly burdens, obstructs, or affects interstate or foreign commerce in such commodity or product thereof.

Under the terms and provisions of said act, the Secretary of Agriculture is empowered to issue orders applicable to processors, producers, associations of producers, and others engaged in the handling of any agricultural commodity or product thereof specified in subsection (2) of section 8c, such orders to regulate only such handling of such agricultural commodity or product thereof as is in the current of interstate or foreign commerce or which directly burdens, obstructs, or affects interstate or foreign commerce in such commodity or product thereof.

The Secretary, having reason to believe that the execution of a marketing agreement and the issuance of an order with respect to the handling of milk in the Philadelphia, Pennsylvania, milk marketing area would tend to effectuate the declared policy of the act, gave, on October 10, 1941, notice of a hearing, which hearing was held on October 28 through October 31, November 10 through November 14, November 17 through November 19, November 28, and December 1 through December 5, 1941, at Philadelphia, Pennsylvania, at which all interested parties were afforded an opportunity to be heard on the proposed marketing agreement and proposed order.

Following the tentative approval by the Secretary on March 6, 1942, of a marketing agreement regulating the handling of milk in the Philadelphia, Pennsylvania, marketing area in the same manner as this order, handlers of more than fifty (50) percent of the volume of milk covered by this order which is marketed within the marketing area,

refused or failed to sign such tentatively approved marketing agreement.

The Secretary determined on March 25, 1942, that the issuance of this order is approved or favored by at least three-fourths of the producers, as defined in the order, who during the month of December 1941 (said month having been determined by the Secretary to be a representative period) were engaged in the production of milk for sale in said marketing area.

The provision of the order providing for the payment to all producers delivering milk to the same handler of uniform prices for all milk delivered by them is approved or favored by at least three-fourths of the producers who during the month of December 1941 were engaged in the production for market of milk covered by such order, said approval being separate and apart from the approval of producers as set forth above.

The Secretary has found and proclaimed the period from August 1919 to July 1929 to be the base period to be used in connection with the ascertainment of the purchasing power of milk handled in the Philadelphia, Pennsylvania, milk marketing area.

The Secretary finds that the expenses which the market administrator will necessarily incur during any 12-month period of time for the maintenance and functioning of such agency for the administration of this order will be approximately \$160,000, and that the payment by each handler of 2 cents per hundredweight on all milk received from producers is a proper maximum prorata share of such expenses.

**AUTHORITY:** §§ 961.0 to 961.9, inclusive, issued under the authority contained in 48 Stat. 31, 670, 675 (1933); 49 Stat. 750 (1935); 50 Stat. 246 (1937); 7 U.S.C. and Sup. 601 et. seq.

§ 961.0 *Findings.* The Secretary finds, upon the evidence introduced at said hearings:

(a) That the prices calculated to give milk produced for sale in said marketing area a purchasing power equivalent to the purchasing power of such milk, as determined pursuant to section 2 and section 8 (e) of said act, are not reasonable in view of the price of feeds, available supplies of feeds, and other economic conditions which affect market supply of and demand for such milk, and that the minimum prices set forth in this order are such prices as will reflect the aforesaid factors, insure a sufficient quantity of pure and wholesome milk, and be in the public interest;

(b) That all handling of milk sold or disposed of by handlers as defined in section 1 (a) (5) of this order is in the current of interstate commerce or directly burdens, obstructs, or affects interstate commerce in milk or its products, and that handlers as defined in such section are engaged in the handling of milk which is in the current of interstate commerce or which directly burdens, obstructs, or affects interstate commerce in milk or its products;

(c) That the order regulates the handling of milk in the same manner as and is applicable only to handlers defined in a marketing agreement upon which a hearing has been held;

(d) That a prorata assessment on handlers as set forth in section 9 of this order at a rate not to exceed two cents per hundredweight on all milk received from producers or an association of producers or produced by them during each delivery period will provide funds necessary to pay such expenses while such order is in effect as will necessarily be incurred by the market administrator under such order for the maintenance and functioning of said market administrator's office; and

(e) That orderly conditions for milk flowing into the Philadelphia, Pennsylvania, milk marketing area are so disrupted as to result in the impairment of the purchasing power of such milk and that the issuance of this order, and all of its terms and conditions, will tend to effectuate the declared policy of the act.

The Secretary of Agriculture, pursuant to the authority vested in him by the act, hereby orders that such handling of milk in the Philadelphia, Pennsylvania, milk marketing area, as is in the current of interstate commerce, or as directly burdens, obstructs, or affects interstate commerce shall, from the effective date hereof, be in compliance with the following terms and conditions:

§ 961.1 *Definitions*—(a) *Terms.* The following terms shall have the following meanings:

(1) The term "act" means Public Act No. 10, 73d Congress, as amended and as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, as amended.

(2) The term "Secretary" means the Secretary of Agriculture of the United States.

(3) The term "Philadelphia, Pennsylvania, milk marketing area," hereinafter called "the marketing area," means all the territory in the Commonwealth of Pennsylvania situated within the following boundary line:

Beginning at a point in the Pennsylvania State line opposite the confluence of Pennypack Creek with the Delaware River thence along Pennypack Creek to the boundary of Montgomery County; thence northerly along the boundary of Montgomery County to the Bucks County line; thence westerly along the Bucks County line to the Trenton cut-off of the Pennsylvania Railroad; thence westerly along said railroad to the Upper Dublin Township line; thence first easterly, and then southerly along the Upper Dublin Township line, then northeasterly to the Whitmarsh Township line; thence southerly along the Whitmarsh Township line to the Schuylkill River; thence westerly along the Schuylkill River to West Conshohocken Borough; thence westerly along the southern border of West Conshohocken Borough to the Upper Marion Township line; thence along the Upper Merion Township line

as it runs to the Delaware County line; thence southeasterly along the Delaware County line as it runs to and along Brandywine Creek and the Delaware State line to the Delaware River; thence northeasterly along the Pennsylvania State line to the Delaware River to the point of beginning.

(4) The term "person" includes any individual, partnership, corporation, association, or any other business unit.

(5) The term "producer" means any person, irrespective of whether such person is also a handler, who produces milk which is received directly at (i) a plant at a location listed below, which is operated by a handler, except (a) during such period of time as any such plant has been stopped by the Pennsylvania Department of Health from shipping milk or cream for consumption as fluid milk or fluid cream, or (b) during any month when no milk or cream is disposed of in the marketing area from such a plant, if the handler has notified the market administrator 5 days or more prior to such month that it is no longer a part of his supply for the marketing area and if no milk or cream has been shipped from it to the marketing area for the three months next preceding such month; or (ii) a pasteurizing and bottling plant from which milk is disposed of as Class I milk in the marketing area; or (iii) any other plant of a handler from which milk is supplied to such a pasteurizing and bottling plant: *Provided*, That farmers delivering milk to a plant falling in this category for less than 20 days during any one of the months of October, November, December, and January, shall not for such month be included in this definition.

*Location:* Bedford, Pa., Boiling Springs, Pa., Brandtsville, Pa., Byers, Pa., Carlisle, Pa., Chambersburg, Pa., Clayton, Del., Coudersport, Pa., Curryville, Pa., Delta, Pa., Denton, Md., Easton, Md., Fairdale, Pa., Glenroy, Pa., Goldsboro, Md., Goshen, Pa., Hagerstown, Md., Harrington, Del., Honeybrook, Pa., Huntington, Pa., Hurlock, Md., Kelton, Pa., Kimberton, Pa., Leaman Place, Pa., Lewisstown, Pa., Mainland, Pa., Massey, Md., Mercersburg, Pa., Millville, Pa., Mt. Pleasant, Del., Nassau, Del., New Holland, Pa., Oxford, Pa., Fort Allegany, Pa., Pottstown, Pa., Princess Anne, Md., Quakertown, Pa., Richlandtown, Pa., Snow Hill, Md., Spring Creek, Pa., Sudlersville, Md., Townsend, Del., Waynesboro, Pa., Worton, Md.

This definition shall not be deemed to include any person defined as a producer under an order of the Secretary regulating the handling of milk in the New York metropolitan milk marketing area.

(6) The term "handler" means any person, irrespective of whether such person is also a producer or an association of producers, wherever located or operating, who engages in the handling of milk which is disposed of in the marketing area as milk, or skim milk.

(7) The term "market administrator" means the person designated pursuant to § 961.2 as the agency for the administration hereof.

§ 961.2 *Market administrator*—(a) *Designation.* The agency for the administration hereof shall be a market administrator, who shall be a person selected by the Secretary. Such person shall be entitled to such compensation as may be determined by, and shall be subject to removal at the discretion of, the Secretary.

(b) *Powers.* The market administrator shall have power:

(1) To administer the terms and provisions hereof; and

(2) To receive, investigate, and report to the Secretary complaints of violations of the terms and provisions hereof.

(c) *Duties.* The market administrator shall:

(1) Keep such books and records as will clearly reflect the transactions provided for herein and shall surrender the same to his successor or to such other person as the Secretary may designate;

(2) Submit his books and records to examination by the Secretary at any and all times;

(3) Furnish such information and verified reports as the Secretary may request;

(4) Within 45 days following the date upon which he enters upon his duties, execute and deliver to the Secretary a bond, conditioned upon the faithful performance of his duties, in an amount and with surety thereon satisfactory to the Secretary;

(5) Publicly disclose to handlers and to producers, unless otherwise directed by the Secretary, the name of any person who, within 15 days after the date upon which he is required to perform such acts, has not (i) made reports pursuant to § 961.5 (a), or (ii) made payments pursuant to § 961.8;

(6) Employ and fix the compensation of such persons as may be necessary to enable him to administer the terms and provisions hereof;

(7) Obtain a bond with reasonable surety thereon covering each employee who handles funds entrusted to the market administrator;

(8) Pay, out of the funds provided by § 961.9 (i) the cost of his bond and of the bonds of such of his employees as handle funds entrusted to the market administrator, (ii) his own compensation, and (iii) all other expenses which will necessarily be incurred by him for the maintenance and functioning of his office and the performance of his duties; and

(9) Promptly verify the information contained in the reports submitted by handlers.

§ 961.3 *Classification of milk*—(a) *Basis of classification.* Milk received by each handler, including milk produced by him, if any, shall be classified, in the classes set forth in paragraph (b) of this section, in accordance with its utilization by such handler, subject to paragraphs (c) and (d) of this section.

(b) *Classes of utilization.* The classes of utilization of milk shall be as follows:

(1) Class I milk shall be all milk (i) sold, distributed, or disposed of as or in milk, including sales of skim milk and

flavored milk drinks, containing not more than 18 percent butterfat, and (ii) all other milk not accounted for as Class II.

(2) Class II milk shall be (i) all milk disposed of in products other than those included in § 961.3 (b) (1) (i), and (ii) all milk accounted for as actual plant shrinkage but not to exceed 2 percent of the milk received from producers: *Provided*, That if milk or cream is received from producers, from other handlers, or from other plants, such actual shrinkage shall be prorated between the milk received from each source in proportion to the volume of milk and cream received from each.

(c) *Transfers of milk.* (1) Milk or skim milk received at a plant from another plant at both of which milk is received from producers shall be allocated to Class I milk: *Provided*, That if a different allocation is agreed upon in writing between such receiving handler and such selling handler and is submitted to the market administrator, then the milk or skim milk shall be allocated according to such written agreement: *And provided further*, That the amount so allocated to any class shall not be greater than the amount used in that class by the receiving handler after deduction of any milk pursuant to subparagraph (2) of this paragraph.

(2) Milk or skim milk received at a plant at which milk is received from producers from a plant at which no milk is received from producers shall be allocated to Class II, except that any of this milk in excess of the amount of Class II milk used by the receiving handler shall be Class I, and except as provided in subparagraph (3) of this paragraph.

(3) Milk or skim milk received at a plant at which milk is received from producers from a plant under another Federal milk marketing agreement or order shall be allocated to Class I milk or Class II milk in accordance with its classification as determined by the market administrator under the latter order.

(4) Milk or skim milk moved directly from a plant at which milk is received from producers to a plant at which no milk is received from producers shall be Class II milk if less than 20 percent of the milk received at the latter plant is moved therefrom as fluid milk, and Class I milk if more than 20 percent of the milk received is moved as fluid milk from the latter plant, except that any of this milk in excess of the amount of fluid milk moved from the latter plant during the month shall be allocated to Class II milk: *And provided further*, That all milk moved as fluid milk more than 400 miles directly from a plant at which milk is received from producers to a plant at which no milk is received from producers shall be allocated to Class I milk.

(5) Milk or skim milk disposed of from a handler's plant to retail establishments which dispose of milk for both fluid and other uses shall be Class I milk.

(d) *Transfers of cream.* Cream received or disposed of by a handler shall be considered Class II.

§ 961.4 *Minimum prices*—(a) *Class prices.* Except as set forth in subparagraph (d) of this section, each handler

shall pay, at the time and in the manner set forth in § 961.8, for milk received during each month from producers or an association of producers not less than the following prices, subject to the differentials set forth in paragraphs (b) and (c) of this section:

(1) Class I milk—\$3.58 per hundredweight during delivery periods prior to July 1, 1942, and thereafter \$3.70 per hundredweight.

(2) Class II milk—The price per hundredweight during each month shall be the sum of the respective values of butterfat and skim milk, calculated as follows by the market administrator:

(i) **Butterfat**—Add all market quotations (using midpoint of any weekly range as one quotation) of prices for a 40-quart can of sweet cream approved either for Pennsylvania only, or for Pennsylvania, Newark, and Lower Merion Township, in the Philadelphia, Pennsylvania, market, reported for each week ending within the month by the United States Department of Agriculture, divide by the number of quotations, subtract 28 cents, divide by 33.48, multiply by 4, and subtract 23½ cents: *Provided*, That for butterfat used to make butter, which butterfat is in excess of the pounds of butterfat contained in any cream received, plus 5 percent of the pounds of butterfat contained in milk received from producers, the price shall be 4.8 times the average of the highest prices for 92-score butter at wholesale in the New York market, reported daily by the United States Department of Agriculture, for the month for which payment is to be made, which shall be known as the "butter-value" for such butterfat.

(ii) **Skim milk**—Any plus amount which is equal to 7.5 times the average of all the hot roller process dry skim milk quotations for "other brands, animal feed" and for "other brands, human consumption," carlots, bags, or barrels, in both cases (using midpoint of any range as one quotation) as published for such month in the "Producers' Price Current," less 4.5 cents.

(b) **Butterfat differential.** The Class I and Class II prices shall be subject to a butterfat differential for each one-tenth of 1 percent variation above or below 4.0 percent calculated as follows: divide the average of the cream quotations used in calculating the Class II price by 334.8, and subtract 0.67 cent; or in the case of butterfat in Class II to which the "butter-value" is applicable, divide the "butter-value" by 40.

(c) **Differentials for place of receipt of milk.** In the case of milk received from producers by any handler at plants 31 miles or more from the City Hall in Philadelphia, there shall be deducted from the prices set forth in paragraph (a) of this section the following amounts:

(1) Class I milk—At plants 31 to 40 miles from the City Hall in Philadelphia, 31 cents per hundredweight, and for plants within each additional 10 miles in excess of 40 miles, an additional 1 cent,

provided the total amount does not exceed 64 cents per hundredweight. For the purposes of this subparagraph the Class I milk shall be considered to have been, first, that milk received from producers' farms at such handler's plant located less than 31 miles from the City Hall in Philadelphia, then that milk which was shipped from the nearest plant located 31 miles and farther from the City Hall in Philadelphia: *And provided*, That Class I milk moved directly from a plant at which milk is received from producers to a plant at which no milk is received from producers, both of which are outside the marketing area, and Class I milk distributed for fluid consumption from a plant at which milk is received from producers, shall be allocated to the plant at which it is received from producers.

(2) Class II milk—At plants 31 to 70 miles from the City Hall in Philadelphia, 4 cents per hundredweight, and for plants within each additional 70 miles an additional cent.

The distance of any plant from the City Hall in Philadelphia shall be that recognized by the Interstate Commerce Commission for rate-making purposes on highways over which the Highway Departments of the several States permit milk tank trucks to move, or if no such distance is recognized, the distance shall be that ascertained and announced by the market administrator.

(d) **Class I milk disposed of outside the marketing area.** The price to be paid by handlers for Class I milk disposed of outside the marketing area on any wholesale or retail routes from which no milk is disposed of in the marketing area on the same trip, in lieu of the price otherwise applicable pursuant to this section, shall be, as ascertained by the market administrator, such price as is being paid to farmers in the market where such milk was disposed of, for milk of equivalent use, less the applicable transportation allowance in such outside market, but in no case more than 64 cents: *Provided*, That Class I milk disposed of in markets where the market administrator is unable to determine such a price, and to Government institutions and establishments on a basis of bids, the Class I price plus or minus the applicable differentials specified in this order shall apply: *And provided further*, That when sold in an area regulated by another marketing order of the Secretary the price effective under such other order shall apply.

§ 961.5 **Reports of handlers**—(a) **Periodic reports.** On or before the 8th day after the end of each month each handler, with respect to milk or cream which was, during such month, (1) received from producers, handlers, or other sources; and (2) produced by such handler, shall report to the market administrator, in the detail and on forms prescribed by the market administrator, as follows:

(i) The receipts at each plant from producers who are not handlers;

(ii) The receipts at each plant from any other handler, including any handler who is also a producer;

(iii) The quantity, if any, produced by such handler;

(iv) The receipts at each plant from any other source;

(v) The respective quantities of milk and milk products disposed of or on hand, with the butterfat content thereof; and

(vi) The shipments of milk to the marketing area from each plant.

(b) **Reports of handlers who receive no milk from producers.** Handlers who receive no milk from producers shall make reports to the market administrator at such time and in such manner as the market administrator may require.

(c) **Reports as to producers.** Each handler shall report to the market administrator:

(1) Within 10 days after the market administrator's request, with respect to any producer for whom such information is not in the files of the market administrator, and with respect to a period or periods of time designated by the market administrator, (i) the name and address, (ii) the total pounds of milk received, (iii) the average butterfat test of milk received, and (iv) the number of days upon which milk was received; and

(2) As soon as possible after first receiving milk from any producer, (i) the name and address of such producer, (ii) the date upon which such milk was first received, and (iii) the plant at which such milk was received.

(d) **Reports of payments to producers.** Each handler shall submit to the market administrator on or before the 25th day after the end of each month his producer pay roll for such month which shall show for each producer (1) the net amount of such producer's payment with the prices, deductions, and charges involved, and (2) the total delivery of milk with the average butterfat test thereof.

(e) **Outside cream purchases.** Each handler shall report as requested by the market administrator his purchases, if any, of sweet cream showing the quantity and source of each such purchase and the cost thereof at Philadelphia.

(f) **Verification of reports.** Each handler shall permit the market administrator or his agent, or such other person as the Secretary may designate, during the usual hours of business, to (1) verify the information contained in reports submitted in accordance with this section, and (2) weigh milk received from each producer and sample and test milk for butterfat.

§ 961.6 **Application of provisions**—(a) **Handlers who receive no milk from producers.** The provisions hereof, except those set forth in § 961.5, shall not apply to a producer-handler who receives no milk from producers nor to a handler whose sole source of milk supply consists of receipts from other handlers.

§ 961.7 **Determination of uniform prices to producers**—(a) **Computation of the value of milk for each handler.** For each month the market administrator shall compute, subject to the provisions of § 961.6, the value of milk of produc-

ers disposed of by each handler, by (1) multiplying the hundredweight of such milk in each class, computed pursuant to § 961.3, by the prices applicable pursuant to § 961.4, plus or minus the applicable differentials in § 961.4; and (2) adding together the resulting values.

(b) *Computation and announcement of uniform price for each handler.* The market administrator shall compute and announce for each handler the uniform price per hundredweight of milk received by him at each plant from producers during each month as follows:

(1) Add to the value computed pursuant to paragraph (a) of this section the amount of the adjustment to be made pursuant to § 961.8 (d), and add or subtract the amount to be subtracted or added, respectively, by the handler pursuant to § 961.8 (c);

(2) Divide the amount computed in subparagraph (1) of this paragraph by the total quantity of milk received from producers, including milk of his own production; and

(3) On or before the 15th day after the end of each month, notify each handler and publicly announce the uniform price computed for each handler pursuant to this section with the differentials applicable pursuant to § 961.8.

§ 961.8 *Payments for milk*—(a) (1) *Semimonthly payments.* On or before the last day of each month each handler shall make a payment to producers for milk delivered during the first 15 days of such month at not less than a rate per hundredweight which he estimates will be his uniform price for such month.

(2) *Final payment.* On or before the 20th day after the end of each month, each handler shall make full payment, subject to paragraphs (c), (d), (e), (f), and (g) of this section, to each producer, for the total value of milk received from such producer during such month, at not less than the uniform price per hundredweight computed for such handler pursuant to § 961.7, after taking credit for payment made pursuant to § 961.8 (a) (1).

(b) *Errors in payment.* Errors in making payments for milk shall be corrected not later than the date for making payments next following the determination of such errors.

(c) *Butterfat differential.* If any handler has received from any producer, during the month, milk having an average butterfat content other than 4.0 percent, such handler, in making payments pursuant to paragraph (a) of this section, shall add to the uniform price for such producer for each one-tenth of 1 percent of average butterfat content in milk above 4.0 percent not less than, or shall deduct from the uniform price for such producer for each one-tenth of 1 percent of average butterfat content in milk below 4.0 percent not more than 4 cents per hundredweight.

(d) *Location differentials.* In making payments pursuant to paragraph (a) of

this section, each handler shall deduct, with respect to milk received from producers at a plant located 31–40 miles from City Hall in Philadelphia, 22 cents per hundredweight, and at plants within each additional 10 miles an additional 0.7 cent per hundredweight. Such deductions shall be computed on the same distance for each plant as that pursuant to § 961.4 (c).

(e) *Additional deductions.* In the case of milk received from producers at plants more than 11 miles from City Hall in Philadelphia, the handler may deduct from the payments otherwise specified in this section to be paid, 7 cents per hundredweight at plants 11 to 16 miles from the City Hall in Philadelphia, an additional 2 cents per hundredweight for plants within each additional 5 miles in excess of 16 miles but less than 31 miles, and 3 cents per hundredweight at plants 31 miles or more from the City Hall in Philadelphia.

(f) *Flat price payments.* Any handler may, in lieu of the requirements of paragraphs (a) and (b) of this section, elect to pay producers, not later than the 15th day of each month, at not less than the per quart equivalent (considering 46.5 quarts per hundredweight) of the Class I price for all milk delivered during the preceding month, in which event such handler may report only his total receipts from each producer and his total payment to each producer.

(g) *Premium for Grade A milk.* In addition to the uniform price and all other payments required pursuant to this section, each handler shall pay for milk, which is qualified under the Commonwealth of Pennsylvania Department of Health or the New Jersey Department of Health requirements for sale as Grade A milk and which is delivered to a plant similarly qualified (so long as such requirements are in effect as a separate grade), 40 cents per hundredweight of Grade A milk received from producers of 10,000 bacteria or less per c. c. and 25 cents per hundredweight of Grade A milk received from producers of more than 10,000 but less than 25,000 bacteria, times the ratio of Grade A milk sold either in fluid form or as products manufactured from Grade A milk to the total quantity of Grade A milk received from producers, plus 2 cents for each one-tenth of 1 percent that the butterfat content is above 3.7 percent.

§ 961.9 *Expense of administration*—

(a) *Payments by handlers.* As his prorata share of the expense of the administration hereof, each handler, on or before the 20th day after the end of each month shall pay to the market administrator, with respect to all milk received by him from producers or an association of producers, or produced by him during such month, an amount not exceeding 2 cents per hundredweight, the exact amount to be determined by the market administrator. Each handler, who is a cooperative association of producers shall pay such prorata share of expense only

on that milk received from producers at any plant of such association.

Issued at Washington, D. C., this 26th day of March 1942, to become effective on and after the 1st day of April 1942. Witness my hand and the official seal of the Department of Agriculture.

[SEAL] CLAUDE R. WICKARD,  
Secretary of Agriculture.

[F. R. Doc. 42-2714; Filed, March 27, 1942;  
11:50 a. m.]

## TITLE 10—ARMY: WAR DEPARTMENT

### Chapter VII—Personnel

#### PART 73—APPOINTMENT OF COMMISSIONED OFFICERS, WARRANT OFFICERS, AND CHAPLAINS<sup>1</sup>

##### § 73.218 *Waiver of physical defects.*

(a) Deviations from normal physical standards (§ 73.216) that will not interfere with nor prevent the full and satisfactory performance of the duty for which the individual is being appointed, or is being ordered to active duty, and that are not of a nature likely to be aggravated to a disabling degree by active military service, may be waived in the manner and under the conditions authorized in current War Department instructions applicable to members of the Officers' Reserve Corps ordered to extended active duty.

(b) The following will govern in regard to original appointments and assignment of officers to extended active duty:

(1) It will be the policy of the Secretary of War to approve for appointment or for extended active duty individuals qualified for limited assignments who have minor physical defects which would disqualify them under current physical standards but which will not interfere with the satisfactory performance of the duties contemplated, *provided the defects are stationary in character and are not likely to be aggravated as a result of active military service.* (In examining individuals for limited service great care will be exercised to elicit any history, symptoms, or objective evidence of constitutional disease, cardiovascular degeneration, or mental disorder which may be present.)

(2) Reports of Physical Examination (W.D., A.G.O. Form No. 63) of individuals examined for appointment or for assignment to extended active duty for limited service will have typed in capital letters immediately above the instructions near the top of the form the words "Limited Service" and will be accompanied by the following affidavit. In case a Reserve officer declines to sign an affidavit, the facts will be fully set forth on the report of physical exami-

<sup>1</sup> § 73.218 is amended.

nation and the report forwarded without affidavits.

I, -----  
(Name) (Grade)

-----  
(Component)

being desirous of entering upon active military service during the current emergency, and being aware of the fact that I have the following physical defects:

[Here insert a statement of the disqualifying physical defects, as noted on the report of physical examination, W.D., A.G.O. Form No. 63 or W.D., A.G.O. Form No. 64, if for the Army Air Forces]

do hereby acknowledge the existence of the above-mentioned physical defects, and request that I be placed upon extended active duty.

In witness whereof, I have hereunto set my hand and seal at -----

(Place, including State)  
this ----- day of -----, 194-----

-----  
(Name)

-----  
(Grade) (Component)

NOTE: The above document will be executed before an authority who is authorized to accomplish legal oaths. (Act of September 22, 1941, Public Law 252, 77th Congress) [Par. 28, AR 605-10, December 10, 1941, and Cir. 83, W.D., March 21, 1942]

[SEAL] J. A. ULIO,  
Major General,  
The Adjutant General.

[F. R. Doc. 42-2641; Filed, March 26, 1942; 1:56 p. m.]

TITLE 14—CIVIL AVIATION

Chapter II—Administrator of Civil Aeronautics, Department of Commerce

[Amendment 2 of Part 600]

PART 600—DESIGNATION OF CIVIL AIRWAYS<sup>1</sup>

REDESIGNATION OF BLUE CIVIL AIRWAY NO. 18

MARCH 25, 1942.

Acting pursuant to the authority vested in me by section 302 of the Civil Aeronautics Act of 1938, as amended, I hereby amend the Designation of Civil Airways which became effective March 1, 1942, as follows:

By amending § 600.10317 to read as follows:

§ 600.10317 *Blue civil airway No. 18 (Newark, N. J., to Burlington, Vt.)*. From the intersection of the center lines of the on course signals of the northeast leg of the Newark, N. J., radio range and the south leg of the New Hackensack, N. Y., radio range, via the New Hackensack, N. Y., radio range station; the intersection of the center lines of the on course signals of the west leg of the New Hackensack, N. Y., radio range and the southwest leg of the Albany, N. Y., radio range; and the Albany, N. Y., radio

<sup>1</sup> 7 FR. 1417, 1748.

range station; to the Burlington, Vt., radio range station.

This amendment shall become effective 0001 E. S. T., April 15, 1942.

C. I. STANTON,  
Acting Administrator.

[F. R. Doc. 42-2664; Filed, March 27, 1942; 10:28 a. m.]

TITLE 15—COMMERCE

Subtitle A—Office of the Secretary of Commerce

[Order No. 232]

PART 3—AWARD OF FELLOWSHIPS IN METEOROLOGY AND HURRICANE FORECASTING.

Pursuant to the authority contained in R. S. 161, 5 U.S.C. 22, and in Section 8 of the President's Reorganization Plan, IV, 5 U.S.C. 133t, and subject to appropriations available, the Secretary of Commerce of the United States of America will award fellowships in meteorology and hurricane forecasting to qualified applicants from other American republics, and in accordance with the following authority:

(a) Public No. 355, 76th Congress, approved August 9, 1939 (53 Stat. 1290) authorizing the President to utilize the services of the Departments, agencies and independent establishments of the Government of the United States for the purpose of rendering closer and more effective the relationship between the American republics; (See Resolution No. 81, adopted at the Eighth International Conference of American States held at Lima, Peru, December 9-27, 1938, recommending scientific and technical research by institutes, laboratories, and men of science officially recommended by the American Governments); and

(b) The Department of State Appropriation Act, 1942, approved June 28, 1941, appropriating funds for compensation, tuition, monthly allowances while not in travel status, and traveling expenses in the United States and abroad, in accordance with the Standardized Government Travel Regulations and the Act of June 3, 1926, as amended, of educational, professional, and artistic leaders, and professors, students, and internes, who are citizens of the United States or the other American republics.

Fellowships will be awarded as follows:

- Sec.
- 2.1 Type of fellowship
- 2.2 Qualifications
- 2.3 Award of fellowships
- 2.4 Benefits
- 2.5 Duration
- 2.6 Official notification.

AUTHORITY: §§ 2.1 to 2.6 inclusive, issued under the authority contained in R.S. 161, 5 U.S.C. 22; section 8 of the President's Reorganization Plan IV, 5 U.S.C. 133t; 53 Stat. 1290, 22 U.S.C. 249, 249a and the Department of State Appropriation Act, 1942, approved June 28, 1941, Public 135, 77th Congress.

§ 2.1 *Type of fellowship.* Fellowships shall be of the interne-training type, comprising instruction by the United States Weather Bureau in certain branches of meteorology, including the forecasting of tropical weather conditions and hurricanes, and the climatology of tropical regions.

§ 2.2 *Qualifications.* Applicants selected for these fellowships shall be:

(a) Bona fide citizens of any of the American republics other than the United States;

(b) In possession of a certificate of medical examination issued by a licensed physician within sixty days of the date of application, describing the applicant's physical condition, and stating that he is free from any communicable disease or disability that would interfere with the proper pursuit of studies or research or the performance of any activity incident to the fellowship;

(c) Able to speak, read, write and understand the English language; (These requirements are preferred but not mandatory.)

(d) Of good moral character and shall possess intellectual ability and suitable personal qualities; and shall have successfully completed their academic professional training in a recognized school in any one of the branches related to the science of meteorology, including among others, meteorology, climatology, physics, mathematics, engineering, physical geography, et cetera; and

(e) Preferably employees of the official meteorological services of the American republics from which selected.

§ 2.3 *Award of fellowships.* Fellowships will be awarded by the Secretary of Commerce upon the recommendation of the Chief of the Weather Bureau, and with the approval of the Secretary of State or his duly authorized representative. No applicant therefor shall be approved unless his application shall have been transmitted by the Government of the country of which he is a citizen through the diplomatic mission of the United States of America located in the Republic concerned.

§ 2.4 *Benefits.* Applicants awarded fellowships may be entitled to any or all of the following benefits upon recommendation of the Chief of the Weather Bureau:

(a) *Transportation expenses.* Transportation expenses from the home of the applicant to the place or places in the United States or its territories or possessions where the studies or research are to be pursued and return to the home of the applicant, including travel from the place of study or research to Washington, D. C., and return to that place or his home, in accordance with the Standardized Government Travel Regulations and the Act of June 3, 1926, as amended, in which connection claim for reimbursement may be made only for the following items:

(1) *Rail.* First class fare. If travel is performed on an extra fare train, expenses in excess of the first class fare

must be borne by the traveler. No receipts are necessary.

(2) *Pullman*. Lower berth or parlor car seat. No receipts are necessary if Government transportation requests are used. If purchased with cash, the Pullman stub must be attached to the reimbursement voucher.

(3) *Steamer*. Not exceeding the lowest minimum first class fare of the ship on which the travel is performed. American vessels must be used if available, (Section 901 of the Merchant Marine Act of 1936, 49 Stat. 2015). No receipts are necessary.

(4) *Airplane*. Transportation by air will be allowed regardless of the cost when authorized by the Chief of the Weather Bureau. When air travel has not specifically been authorized the traveler may proceed by air with the understanding that he may claim reimbursement therefor only in an amount not exceeding what it would have cost had the travel been performed by public conveyance over land or water. No receipts are necessary.

(5) *Taxicab*. At the beginning and termination of the journey and at all points where a change of conveyance is necessary while in a direct travel status. No receipts are necessary.

(6) *Excess baggage charges*. For personal effects (not household furniture) which are not carried free by the transportation company. Receipts are necessary and they should indicate that the traveler has availed himself of the free allowance, if such an allowance is granted.

(7) *Drayage or transfer of baggage*. For the hauling of the personal effects from the home to the station or dock, et cetera. Receipts are not necessary but should be submitted if possible. Charges by porters for handling the bags or baggage will not be allowed.

(8) *Steamer rug and steamer chair*. Receipts are necessary. Charges for steamer cushions will not be allowed.

(9) *Tips and gratuitous fees*. Will not be reimbursed.

In all cases round trip tickets must be purchased if possible. In the event the return portion of the ticket cannot be used, it should be returned to the United States Weather Bureau, Department of Commerce for collection of the refund.

(b) *Per diem while in a travel status*. Per diem in lieu of subsistence at not to exceed the following rates: \$5.00 overland or by air in and outside the continental limits of the United States; \$3.00 on vessels outside the United States.

(c) *Monthly allowance*. A monthly allowance of \$120.00 during the entire period of studies in the United States or its territories or possessions when the fellow is not in a travel status.

§ 2.5 *Duration of fellowships*. Fellowships will be awarded for periods of not to exceed six months each.

§ 2.6 *Official notification*. Applicants recommended for fellowships by the Chief of the Weather Bureau and approved by the Secretary of Commerce and the Secretary of State, or the duly

authorized representative of the Secretary of State, shall be notified of their award through diplomatic channels.

[SEAL] F. W. REICHELDERFER,  
Chief, Weather Bureau.

Approved:

JESSE H. JONES,  
Secretary of Commerce.

Approved:

CORDELL HULL,  
Secretary of State.

FEBRUARY 14, 1942.

[F. R. Doc. 42-2697; Filed, March 27, 1942;  
11:51 a. m.]

## TITLE 16—COMMERCIAL PRACTICES

### Chapter I—Federal Trade Commission

[Docket No. 4475]

#### PART 3—DIGEST OF CEASE AND DESIST ORDERS

##### IN THE MATTER OF BOYER BROTHERS

§ 3.99 (b) *Using or selling lottery devices—In merchandising*. In connection with offer, etc., in commerce, of candy, or any other merchandise, (1) selling, etc., any merchandise so packed or assembled that sales thereof to the public are to be made, or may be made, by means of a game of chance, gift enterprise, or lottery scheme; (2) supplying, etc., others with push or pull cards, punch boards, or other lottery devices, either with assortments of merchandise or separately, which said push or pull cards, punch boards, or other lottery devices are to be used, or may be used, in selling or distributing said merchandise to the public; and (3) selling, etc., any merchandise by means of a game of chance, gift enterprise, or lottery scheme; prohibited. (Sec. 5, 39 Stat. 719, as amended by sec. 3, 52 Stat. 112; 15 U.S.C., Sup. IV, sec. 45b) [Cease and desist order, Boyer Brothers, Docket 4475, March 23, 1942]

*In the Matter of William E. Boyer, and Robert J. Boyer, Individually and Trading as Boyer Brothers*

At a regular session of the Federal Trade Commission, held at its office in the City of Washington, D. C., on the 23rd day of March, A. D. 1942.

This proceeding having been heard by the Federal Trade Commission upon the complaint of the Commission, the answer of respondents, testimony and other evidence in support of and in opposition to the allegations of said complaint taken before an examiner of the Commission theretofore duly designated by it, and brief in support of the complaint, and the Commission having made its findings as to the facts and its conclusion that said respondents have violated the provisions of the Federal Trade Commission Act:

It is ordered, That respondent William E. Boyer, an individual, and respondent Robert J. Boyer, an individual, jointly or severally, their representatives,

agents, and employees, directly or through any corporate or other device, in connection with the offering for sale, sale, and distribution of candy or other merchandise in commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from:

(1) Selling or distributing any merchandise so packed or assembled that sales of such merchandise to the public are to be made, or may be made, by means of a game of chance, gift enterprise, or lottery scheme;

(2) Supplying to, or placing in the hands of, others push or pull cards, punch boards, or other lottery devices, either with assortments of merchandise or separately, which said push or pull cards, punchboards, or other lottery devices are to be used, or may be used, in selling or distributing said merchandise to the public.

(3) Selling or otherwise disposing of any merchandise by means of a game of chance, gift enterprise, or lottery scheme.

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

By the Commission.

[SEAL] OTIS B. JOHNSON,  
Secretary.

[F. R. Doc. 42-2676; Filed, March 27, 1942;  
11:15 a. m.]

## TITLE 26—INTERNAL REVENUE

### Subchapter C—Miscellaneous Excise Taxes

#### Chapter I—Bureau of Internal Revenue

[T. D. 5129]

#### PART 101—TAXES ON ADMISSIONS, DUES AND INITIATION FEES<sup>1</sup>

##### AMENDMENT

Regulations 43 (1941 Edition) [Part 101, Title 26, Code of Federal Regulations, 1941 Supp.], as amended by Treasury Decision 5096, approved November 1, 1941, relating to the taxes on admissions, dues, and initiation fees under Chapter 10 of the Internal Revenue Code, as amended, are hereby further amended as follows:

Paragraph (a) of § 101.5 is amended to read as follows:

§ 101.5 *Free and reduced rate of admissions—(a) General rule*. A person admitted free or at a reduced rate to any place at a time when and under circumstances under which an admission charge is made to other persons, is liable to tax (except as provided in paragraph (b) of this section), in an amount equivalent to the tax on the amount paid by such other persons for the same or similar accommodations.

Where persons in a certain group or class, such as students 12 years of age or

<sup>1</sup> 6 F.R. 5367, 5583.



over, women, or members of a particular organization, are admitted at a price less than the established price of admission to the public generally, they are liable for tax based on the established price of admission to other persons for the same or similar accommodations. Women admitted free or at reduced rates to dances or any other place are liable for tax based on the established price of admission to other persons.

If tickets or cards of admission are issued the tax should be collected at the time of the issuance of such tickets or cards, while if no tickets or cards are used tax should be collected when the persons are admitted. (Sec. 3791 of the Internal Revenue Code (53 Stat. 467; 26 U.S.C., 1940 ed., 3791))

[SEAL] NORMAN D. CANN,  
Acting Commissioner  
of Internal Revenue.

Approved: March 26, 1942.

JOHN L. SULLIVAN,  
Acting Secretary of the Treasury.

[F. R. Doc. 42-2675; Filed, March 27, 1942;  
11:06 a. m.]

## TITLE 32—NATIONAL DEFENSE

### Chapter VI—Selective Service System

[No. 61]

#### ORDER PRESCRIBING FORMS

#### LOCAL BOARD ACTION REPORT

By virtue of the Selective Training and Service Act of 1940 (54 Stat. 885) and the authority vested in me by the rules and regulations prescribed by the President thereunder and more particularly the provisions of § 605.51 of the Selective Service Regulations, I hereby prescribe the following change in DSS forms:

Addition of a new form designated as DSS Form 110, entitled "Local Board Action Report," effective immediately upon the filing hereof with the Division of the Federal Register.<sup>1</sup>

The foregoing addition shall, effective immediately upon the filing hereof with the Division of the Federal Register, become a part of the Selective Service Regulations.

LEWIS B. HERSHEY,  
Director.

[F. R. Doc. 42-2644; Filed, March 26, 1942;  
2:58 p. m.]

### Chapter IX—War Production Board

#### Subchapter B—Division of Industry Operations

#### PART 962—STEEL

#### AMENDMENT NO. 1 TO SUPPLEMENTARY ORDER M-21-d<sup>2</sup>—CORROSION AND HEAT RESISTANT CHROME STEEL

Supplementary Order M-21-d (§ 962.5) is hereby amended to read as follows, effective immediately:

<sup>1</sup> Filed with the original document.

<sup>2</sup> 6 F.R. 6795.

#### § 962.5 Supplementary Order M-21-d—

(a) *Restrictions on deliveries, use, etc.* Except pursuant to specific authorization or direction of the Director of Industry Operations, no person shall consume, use, process, fabricate, or deliver corrosion or heat resistant alloy iron or alloy steel containing 4 percent or more of chromium except in accordance with the following:

(1) The above prohibition shall not apply to material to be delivered by the holder on a preference rating of A-1-k or higher.

(2) The above prohibition shall not apply to fully fabricated articles. It shall apply to raw steel stock in the form received, or cut to size for further processing or fabrication.

(b) *Violations.* Any person who violates this Order may be deprived of priorities assistance or may be prohibited by the War Production Board from obtaining any further deliveries of materials subject to allocation. The War Production Board may also take any other action deemed appropriate, including the making of a recommendation for prosecution under Section 35A of the Criminal Code (18 U.S.C. 80).

(c) *Appeal.* Any person affected by this Order who considers that compliance herewith would work an exceptional and unreasonable hardship upon him, or would result in a serious problem of unemployment in the community, or would disrupt or impair a program of conversion from nondefense to defense work may appeal for relief by a letter addressed to War Production Board, Washington, D. C. Reference: M-21-d, setting forth the pertinent facts and the reasons such person considers that he is entitled to relief. The War Production Board may thereupon take such action as it deems appropriate.

(d) *Effective date.* This Order shall take effect immediately. (P.D. Reg. 1, 6 F.R. 6680; W.P.B. Reg. 1, Jan. 26, 1942, 7 F.R. 561, E.O. 9024, Jan. 16, 1942, 7 F.R. 329; E.O. 9040, Jan. 24, 1942, 7 F.R. 527; sec. 2 (a), Pub. Law 671, 76th Cong., as amended by Pub. Law 89, 77th Cong.)

Issued this 27th day of March 1942.

J. S. KNOWLSON,  
Director of Industry Operations.

[F. R. Doc. 42-2686; Filed, March 27, 1942;  
11:37 a. m.]

#### PART 989—DOMESTIC MECHANICAL REFRIGERATORS

#### AMENDMENT NO. 2 TO SUPPLEMENTARY GENERAL LIMITATION ORDER L-5-b<sup>1</sup>

Section 989.3 (*Supplementary General Limitation Order L-5-b*) is hereby amended in the following particulars:

Subparagraph (a) (4) is hereby amended by inserting therein the words "or The Panama Canal" after the words "United States Maritime Commission."

<sup>1</sup> 7 F.R. 1063, 1493, 1670.

Paragraph (a) is hereby further amended by adding thereto new subparagraphs (5) and (6) as follows:

(5) Any person may sell, lease, trade, deliver, ship or transfer any new domestic mechanical refrigerators to be physically incorporated into a defense project or defense housing project to which a preference rating of A-10 or higher has been assigned: *Provided*, That a written order or contract for such refrigerators was placed on or before February 13, 1942.

(6) Effective March 26, 1942, in addition to and without limiting the provisions of the foregoing subparagraphs, (i) any dealer, or any other person who is not a manufacturer or distributor, may sell, lease, trade, deliver, ship or transfer:

(a) Any new electric domestic mechanical refrigerators from his stock of new refrigerators to any person, and

(b) Any new gas or kerosene domestic mechanical refrigerators to a distributor or manufacturer;

(ii) Any Distributor may sell, lease, trade, deliver, ship or transfer (a) any new electric mechanical refrigerators:

To a manufacturer;

From his stock of new refrigerators in fulfillment of a contract or order bearing a Preference Rating of A-10 or higher;

From his stock of new refrigerators to any person that proportion of such stock which the number of new electric domestic mechanical refrigerators sold by him at retail during the year 1941 bears to the total number of new electric domestic mechanical refrigerators sold by him during the year 1941.

(b) Any new gas or kerosene domestic mechanical refrigerators to a manufacturer;

Paragraph (b) is hereby amended by adding thereto new subparagraphs (3), (4), (5), (6) and (7), as follows:

(3) "Manufacturer" means any person who manufactures or assembles completed new domestic mechanical refrigerators, excluding all factory branches and subsidiaries which qualify as distributors under the following subparagraph.

(4) "Distributor" means any person (including a factory branch or subsidiary of a manufacturer) engaged in the business of selling new domestic mechanical refrigerators to dealers for resale. A factory branch or subsidiary shall be considered a distributor only if it was performing the functions of a distributor prior to February 14, 1942.

(5) "Dealer" means any person (other than a Manufacturer) customarily engaged in the business of making sales at retail. A distributor shall be considered a dealer only if prior to February 14, 1942, he had a separate department or division through which he carried on his sales at retail, independent from his business as a distributor.

(6) "Retail sale" means any sale of not more than three domestic mechanical refrigerators to an ultimate consumer. Sales to builders, apartment house owners, institutions, governmental

agencies, or employees of the seller shall not be considered retail sales.

(7) "Stock of new refrigerators" means those new domestic mechanical refrigerators which were in the inventory of a person or in transit to him at 10 A. M. Eastern War Time, February 14, 1942. Any new Domestic mechanical refrigerators which were reported to the War Production Board as being in the inventory of a manufacturer at 10 A. M. Eastern War Time, February 14, 1942, shall not be considered part of the stock of new refrigerators of any person other than such manufacturer.

Paragraph (c) is hereby amended by adding a new subparagraph (3) as follows:

(3) Each person (including a department or agency of the United States) affected by this Order shall file with the War Production Board such reports and questionnaires as said Board shall from time to time prescribe. (P.D. Reg. 1, 6 F.R. 6680; W.P.B. Reg. 1, 7 F.R. 561, E.O. 9024, 7 F.R. 329; E.O. 9040, 7 F.R. 527; sec. 2 (a), Pub. Law 671, 76th Cong., as amended by Pub. Law 89, 77th Cong.)

This amendment shall take effect immediately. Issued this 26th day of March 1942.

J. S. KNOWLSON,  
Director of Industry Operations.

[F. R. Doc. 42-2651; Filed, March 26, 1942;  
4:21 p. m.]

PART 989—DOMESTIC MECHANICAL  
REFRIGERATORS

AMENDMENT NO. 2 TO SUPPLEMENTARY GENERAL LIMITATION ORDER L-5-C<sup>1</sup>

Subparagraph (g) (1) of Section 989.4 (Supplementary General Limitation Order L-5-c) is hereby amended by adding at the end thereof a new subparagraph (iii) as follows:

(iii) Raw materials, semi-processed delivered or otherwise transferred to Defense Supplies Corporation, Metals Reserve Company or any other corporation organized under section 5 (d) of the Reconstruction Finance Corporation Act as amended, or any person acting as agent for any such corporation. (P.D. Reg. 1, 6 F.R. 6680; W.P.B. Reg. 1, Jan. 26, 1942, 7 F.R. 561, E.O. 9024, Jan. 16, 1942, 7 F.R. 329; E.O. 9040, Jan. 24, 1942, 7 F.R. 527; sec. 2 (a), Pub. Law 671, 76th Congress, as amended by Pub. Law 89, 77th Congress.)

This Amendment shall take effect immediately.

Issued this 27th day of March 1942.

J. S. KNOWLSON,  
Director of Industry Operations.

[F. R. Doc. 42-2684; Filed, March 27, 1942;  
11:35 a. m.]

<sup>1</sup> 7 F.R. 1493, 1629.

PART 997—PRODUCTION AND DELIVERY OF  
MACHINE TOOLS, GAGES, AND CHUCKS

AMENDMENT NO. 1 TO GENERAL PREFERENCE ORDER NO. E-1-a,<sup>1</sup> REVISED

General Preference Order No. E-1-a, Revised, (§ 997.1) is hereby amended as follows:

1. The word "chucks" in paragraph (a) (1), Group I, is hereby amended to read "All types of chucks, except drill chucks".

2. Paragraph (d) (1) (iv) is amended to read as follows:

(iv) (a) No purchase order received after March 25, 1942 for any machine tool shall be given priority standing in production and delivery schedules unless a preference rating has been assigned thereto by either a Preference Rating Certificate PD-1A, by a Preference Rating Certificate PD-3A or by a Preference Rating Order P-19-h. Delivery of the Preference Rating Certificate itself to the Producer is no longer required but each purchase order must carry the proper endorsement thereon prescribed by such Certificate PD-1A, PD-3A or Preference Rating Order P-19-h.

(b) Purchase orders for gages and chucks shall be scheduled only upon receipt of a preference rating assigned thereto by a Preference Rating Certificate, or by any preference rating order of the P-Series, except Nos. P-90 and P-100.

3. Paragraph (d) (2) (ii) is amended by adding the following after the words "machine tools":

(ii) \* \* \* and accessories thereto specified in the same purchase order. \* \* \*

4. Paragraph (d) (2) (iii) is amended to read as follows:

(iii) Where two or more purchasers do not appear on the List, and their contracts or purchase orders for machine tools, gages or chucks have required delivery dates which conflict, and which bear the same preference rating, the sequence of deliveries shall be determined by the respective dates on which the producer received the application of the preference rating to the purchase orders for such deliveries. (P.D. Reg. 1, 6 F.R. 6680; W.P.B. Reg. 1, 7 F.R. 561, E.O. 9024, 7 F.R. 329; E.O. 9040, 7 F.R. 527; sec. 2 (a), Pub. Law 671, 76th Cong., as amended by Pub. Law 89, 77th Cong.)

This Order shall take effect immediately. Issued this 26th day of March 1942.

J. S. KNOWLSON,  
Director of Industry Operations.

[F. R. Doc. 42-2650; Filed, March 26, 1942;  
4:21 p. m.]

<sup>1</sup> 7 F.R. 221.

PART 1026—PRODUCTION OF CHEMICALS,  
MAINTENANCE, REPAIR AND OPERATING  
SUPPLIES

INTERPRETATION NO. 1 OF PREFERENCE RATING ORDER NO. P-89,<sup>1</sup> AMENDED

The following official interpretation is hereby issued by the Director of Industry Operations with respect to § 1026.1, General Preference Order No. P-89, amended:

The term "Operating Supplies" as defined in subparagraph (a) (6) of Preference Rating Order No. P-89, Amended, is hereby interpreted to include drums, containers and other packages, whether for intra or extra plant deliveries and whether such drums, containers and other packages are returnable or not. Also included are materials (not machinery or equipment, however) to be physically incorporated in such drums, containers and other packages or to be used for the sealing or fastening thereof. (P.D. Reg. 1, 6 F.R. 6680; W.P.B. Reg. 1, Jan. 26, 1942, 7 F.R. 561, E.O. 9024, Jan. 16, 1942, 7 F.R. 329; E.O. 9040, Jan. 24, 1942, 7 F.R. 527; sec. 2 (a), Pub. Law 671, 76th Cong. as amended by Pub. Law 89, 77th Cong.)

Issued this 27th day of March 1942.

J. S. KNOWLSON,  
Director of Industry Operations.

[F. R. Doc. 42-2680; Filed, March 27, 1942;  
11:33 a. m.]

PART 1031—MOLASSES

GENERAL PREFERENCE ORDER NO. M-54, AS  
AMENDED MARCH 27, 1942

Section 1031.1 (General Preference Order No. M-54) is hereby amended to read as follows:

The fulfillment of requirements for the defense of the United States has created a shortage in the supply of Molasses for defense, for private account and for export; and the following Order is deemed necessary and appropriate in the public interest and to promote the national defense:

§ 1031.1 General Preference Order M-54 — (a) Definitions. For the purposes of this Order:

(1) "Molasses" means any molasses, sirup, sugar solution, or any form of fermentative sugar including Hydrol (derived from sugar cane, sugar beets or corn) other than direct-consumption sugar (as defined in General Preference Order No. M-55 As Amended January 24, 1942) or sugar intended for and used for manufacture into direct-consumption sugar. Blackstrap molasses is any final molasses produced in the manufacture of sugar from sugar cane or from the refining of raw sugar and includes all beet molasses produced in the manufacture of sugar from sugar beets. Invert mo-

<sup>1</sup> 7 F.R. 541, 1640.

lasses is any molasses made from sugar cane without extraction of sugars. Hydrol is corn sugar molasses. For the purpose of this Order one gallon of invert molasses is to be construed as 1½ gallons of blackstrap molasses and one gallon of Hydrol is to be construed as one gallon of blackstrap molasses.

(2) "Producer" means any person engaged in the production of Molasses and includes any person who has Molasses produced for him pursuant to toll agreement.

(3) "Importer" means any person who transports Molasses in any manner into the continental United States. Release from the bonded custody of the United States Bureau of Customs shall be deemed a transportation.

(4) "Primary Distributor" means any person, other than an Importer or a Producer, who sells Molasses which he has acquired (other than as Broker) from an Importer or a Producer.

(5) "Secondary Distributor" means any person, other than an Importer, Producer or Primary Distributor, who sells Molasses which he has acquired (other than as Broker) from some person other than an Importer or Producer.

(6) A person may, at the same time, be an Importer, a Producer, a Primary Distributor and a Secondary Distributor. His classification, in a particular case, will be determined by the source of the Molasses involved; i. e., with respect to Molasses imported, he will be an Importer, with respect to Molasses acquired from a Producer, he will be a Primary Distributor, etc.

(7) "Broker" means any person who buys and sells Molasses on a fee basis as agent either for the buyer or the seller or both.

(8) "Class 1 Purchaser" means any person who requires Molasses in the manufacture of any one or more of the following products:

- (i) Insecticides.
- (ii) Lactic Acid.
- (iii) Graphite Paste.
- (iv) Printing Rollers.
- (v) Dye Stuffs.
- (vi) Ink.
- (vii) Ephedrine.
- (viii) Sugar for Human Consumption (Produced From Beet Molasses).
- (ix) Denatured Rum for Flavoring.
- (x) Biological and Pharmaceutical Products for Human and Veterinary Uses.

and any person who requires Molasses for any one or more of the following purposes:

- (xi) Dust Extraction.
- (xii) Leather Tanning.

(9) "Class 2 Purchaser" means any person who requires Molasses in the manufacture (including custom grinding) of mixed feeds (including Molasses treated beet pulp).

(10) "Class 3 Purchaser" means any person who requires Molasses in the manufacture of any one or more of the following products:

- (i) Yeast.
- (ii) Citric Acid.

(11) "Class 4 Purchaser" means any person who requires Molasses in the manufacture of vinegar and any person who requires Molasses for foundry purposes.

(12) "Class 5 Purchaser" means any person who requires Molasses in the manufacture (including blending and/or packaging) of any one or more of the following products:

- (i) Molasses (Edible).
- (ii) Sirup (Edible).

(13) "Class 6 Purchaser" means any person who requires Molasses in the manufacture of other products for human consumption (not specified above).

(14) "Class 7 Purchaser" means any person who requires Molasses for sale directly (without the intervention of any other handler) to persons who require the same for ensilage or direct feed.

(15) "Calendar Quarter" means the several three month periods of the year commencing January 1, April 1, July 1, and October 1.

(16) "Calendar Quarterly Supply" means a quantity of Molasses not in excess of the quantity used by a purchaser listed above during a corresponding Calendar Quarter in the twelve month period ended June 30, 1941. Purchasers shall determine a Calendar Quarterly Supply with respect to each use specified in the applicable subparagraph above. Quantity shall in all cases be computed on a blackstrap molasses basis.

(17) "30 Day Supply" means a quantity of Molasses not in excess of one-twelfth of the quantity used by a purchaser listed above during the twelve month period ended June 30, 1941. Purchasers shall determine a 30 Day Supply with respect to each use specified in the applicable subparagraphs above. Quantity shall in all cases be computed on a blackstrap molasses basis.

(18) "Calendar Year" means the twelve month period commencing January 1 and ending December 31.

(19) "Yearly Supply" means a quantity of Molasses not in excess of the quantity used by a purchaser listed above during the twelve month period ended June 30, 1941. Purchasers shall determine a Yearly Supply with respect to each use specified in the applicable subparagraph above. Quantity shall in all cases be computed on a blackstrap molasses basis.

(b) *Applicability of Priorities Regulation No. 1.* This Order and all transactions affected thereby are subject to the provisions of Priorities Regulation No. 1, as amended from time to time, except to the extent that any provisions hereof may be inconsistent therewith, in which case the provisions of this Order shall govern.

(c) *Restrictions on deliveries.* Anything in Priorities Regulation No. 1 to the contrary notwithstanding:

(1) No Class 1, 2, 3, 4, 5, 6 or 7 Purchaser shall, during any Calendar Quarter (Calendar Year in the case of a Class 3 or 5 Purchaser), accept deliveries of Molasses in excess of the quantity set forth below less any quantity in excess of a 30 Day Supply on hand on the first day of the Calendar Quarter (Calendar Year in the case of a Class 3 or 5 Purchaser) in which delivery is to be made:

(i) Class 1 Purchaser—during any Calendar Quarter, 100% of a Calendar Quarterly Supply.

(ii) Class 2 Purchaser—during the Calendar Quarter commencing January, 1942, 55% of a Calendar Quarterly Supply; during any Calendar Quarter thereafter, 50% of a Calendar Quarterly Supply.

(iii) Class 3 Purchaser—during a Calendar Year, 110% of a Yearly Supply.

(iv) Class 4 Purchaser—during any Calendar Quarter, 110% of a Calendar Quarterly Supply.

(v) Class 5 Purchaser—during a Calendar Year, 100% of a Yearly Supply.

(vi) Class 6 Purchaser—during any Calendar Quarter, 100% of a Calendar Quarterly Supply.

(vii) Class 7 Purchaser—during any Calendar Quarter, 100% of a Calendar Quarterly Supply.

(2) Prior to delivery of Molasses, within the limitations of subparagraph (c) (1) hereof, the prospective deliverer, if he be a Class 1, 2, 4, 6 or 7 Purchaser, shall submit to the deliveror a certificate in substantially the following form, properly filled out and manually signed by a duly authorized official:

The delivery, in the Calendar Quarter ended \_\_\_\_\_, of \_\_\_\_\_ gallons of Molasses (blackstrap molasses basis), in connection with which this certificate is furnished, will not, taking into consideration Molasses received and to be received during the same Calendar Quarter from all sources and inventory on hand on the first day of such Calendar Quarter, be in excess of \_\_\_\_\_ per cent of a Calendar Quarterly Supply to which the undersigned, as a Class \_\_\_\_\_ Purchaser, is entitled pursuant to General Preference Order No. M-54, amended, with the terms of which Order the undersigned is familiar.

Dated: \_\_\_\_\_  
 \_\_\_\_\_  
 (Name of purchaser)  
 By \_\_\_\_\_  
 (Duly authorized official)

Prior to delivery of Molasses, within the limitations of subparagraph (c) (1) hereof, the prospective deliverer, if he be a Class 3 or 5 Purchaser, shall submit to the deliveror a certificate in substantially the following form, properly filled out and manually signed by a duly authorized official:

The delivery of \_\_\_\_\_ gallons of Molasses (blackstrap molasses basis), in connection with which this certificate is furnished, will not, taking into consideration Molasses received and to be received during this Calendar Year from all sources and inventory on hand on the first day of this Calendar Year, be in excess of \_\_\_\_\_ per cent of a Yearly Supply to which the undersigned, as a Class \_\_\_\_\_ Purchaser, is entitled pursuant to General Preference Order No. M-54, amended, with the terms of which Order the undersigned is familiar.

Dated: \_\_\_\_\_  
 \_\_\_\_\_  
 (Name of purchaser)  
 By \_\_\_\_\_  
 (Duly authorized official)

(3) No person shall knowingly deliver Molasses to any Class 1, 2, 3, 4, 5, 6 or 7 Purchaser in violation of the terms of subparagraphs (c) (1) and (2) hereof.

(4) Except as otherwise provided in paragraph (d) hereof, on and after January 1, 1942, no deliveries of Molasses shall be made by any Producer, Primary

Distributor, or Importer unless the same shall have been specifically authorized by the Director of Industry Operations; and no person shall accept delivery of Molasses if such delivery would be made in violation of the foregoing clause. At the beginning of each Calendar Quarter the Director of Industry Operations will issue to all Producers, Primary Distributors and Importers specific directions covering deliveries of Molasses which may be made by such Producers, Primary Distributors and Importers during such Calendar Quarter. Such directions will be primarily to insure the satisfaction of all defense requirements and to provide an adequate supply for essential civilian uses, and they may be made at the discretion of the Director of Industry Operations without regard to any preference rating assigned to particular contracts or orders.

(d) *Unrestricted deliveries.* Subject to the provisions of Priorities Regulation No. 1, amended, (and more particularly the inventory provisions thereof) and paragraphs (f) and (g) hereof, the following deliveries of Molasses shall not be subject to the provisions of paragraph (c) (4) hereof:

(1) Within the limitations of subparagraphs (c) (1) and (2) hereof, deliveries to purchasers specified in paragraph (a) hereof.

(2) Deliveries to Secondary Distributors for purposes of resale.

(3) Deliveries by a Class 7 Purchaser (of Molasses to which he is entitled pursuant to subparagraph (c) (1) (vii) hereof) to persons who require Molasses for ensilage or direct feed. Such deliveries should be made as equitably as possible among the persons requiring Molasses in the area which such Class 7 Purchaser serves.

(4) Deliveries of any one of the products specified in subparagraph (a) (12) hereof which after manufacture (including blending and/or packaging) fall within the definition of Molasses.

(5) Deliveries originating, completed and for use outside of the continental United States.

(6) Deliveries to an Importer originating outside of the continental United States.

(e) *Restrictions on consumption.* Unless otherwise authorized by the Director of Industry Operations, no purchaser specified in paragraph (a) hereof shall, during any Calendar Quarter commencing with the month of January, 1942, use or consume more Molasses:

(1) Than he would be permitted to receive during such Calendar Quarter, in the case of a Class 1, 2, 4, 6 or 7 Purchaser (assuming that such purchaser had no Molasses on hand on the first day of the Calendar Quarter).

(2) Than 110% of a Calendar Quarterly Supply, in the case of a Class 3 Purchaser.

(3) Than a Calendar Quarterly Supply, in the case of a Class 5 Purchaser.

(f) *Restrictions with respect to beverage spirits.* Except as may be otherwise provided by the Director of Industry Operations, after January 15, 1942, no

person shall deliver, use, or accept delivery of Molasses for the manufacture of beverage spirits.

(g) *Restrictions on export.* No Molasses shall be exported by any person except upon express authorization of the Director of Industry Operations.

(h) *Intra-company transactions.* The prohibitions or restrictions contained in this Order with respect to deliveries shall, in the absence of a contrary direction, apply not only to deliveries to other persons, including affiliates and subsidiaries, but also to deliveries from one branch, division or section of the same or any other enterprise owned or controlled by the same person.

(i) *Prior authorizations.* Specific mail or telegraphic authorizations heretofore issued by the Director of Industry Operations by way of relief from the provisions of this Order as it existed prior to this Amendment shall not be prejudiced or in any manner affected hereby.

(j) *Reports.* Reports shall be made at such times, on such forms and with respect to such matters as shall be prescribed by the Chemicals Branch of the War Production Board.

(k) *Notification of customers.* Producers, Distributors and Importers shall, as soon as practicable, notify each of their regular customers of the requirements of this Order, but the failure to give such notice shall not excuse any person from the obligation of complying with the terms of this Order.

(l) *Violations or false statements.* Any person who violates this Order or who wilfully falsifies any records which he is required to keep by the terms of this Order, or by the Director of Industry Operations, or otherwise wilfully furnishes false information to the Director of Industry Operations or to the War Production Board may be deprived of priorities assistance or may be prohibited by the Director of Industry Operations from obtaining further deliveries of materials subject to allocation. The Director of Industry Operations may also take any other action deemed appropriate, including the making of a recommendation for prosecution under section 35 (A) of the Criminal Code (18 U.S.C. 80).

(m) *Appeals.* Any person affected by this Order who considers that compliance therewith would work an exceptional and unreasonable hardship upon him, or that it would result in a degree of unemployment which would be unreasonably disproportionate compared with the amount of Molasses conserved, or that compliance with this Order would disrupt or impair a program of conversion from non-defense to defense work, may appeal to the War Production Board, Reference: M-54, attention Chemicals Branch, setting forth the pertinent facts and the reason he considers he is entitled to relief. The Director of Industry Operations may thereupon take such action as he deems appropriate.

(n) *Effective date.* This Order shall take effect immediately and shall continue in effect until revoked by the Director of Industry Operations. (P.D. Reg. 1, 6 F.R. 6680; W.P.B. Reg. 1, Jan.

26, 1942, 7 F.R. 561, E.O. 9024, Jan. 16, 1942, 7 F.R. 329; E.O. 9040, Jan. 24, 1942, 7 F.R. 527; sec. 2 (a), Pub. Law 671, 76th Cong., as amended by Pub. Law 89, 77th Cong.)

J. S. KNOWLSON,  
Director of Industry Operations.

[F. R. Doc. 42-2682; Filed, March 27, 1942; 11:33 a. m.]

#### PART 1032—DIRECT-CONSUMPTION SUGAR

##### AMENDMENT NO. 2 TO GENERAL PREFERENCE ORDER M-55, AS AMENDED JANUARY 24, 1942, TO CONSERVE THE SUPPLY AND DIRECT THE DISTRIBUTION OF DIRECT-CONSUMPTION SUGAR

Section 1032.1 (General Preference Order M-55, as amended January 24, 1942), paragraph (d) (5) providing for "Deliveries not charged against quota" is hereby amended by the addition of two subparagraphs numbered (xi) and (xii) and reading as follows:

(xi) Any person requiring additional supplies for feeding bees when sufficient other suitable feed is not available, provided that such person must file with his supplier of sugar under this provision a written statement in substantially the following language, manually signed by a person authorized to make such representation.

I own or have charge of ----- colonies of bees, ----- nuclei and/or ----- packages of bees. I have in my possession or under my control ----- pounds of sugar or sugar syrup. To feed the above-mentioned bees within the next 30 days, ----- pounds of sugar are needed in addition to my inventory. I am able to obtain ----- pounds from ----- (Name)

of -----, my usual supplier, (Address)

based on my quota or on my equitable share of his normal supply. I will therefore need, in addition, ----- pounds of quota-exempt sugar and order it herewith. I shall use this sugar solely for bee feeding and will comply with any applicable War Production Board orders.

Firm Name -----  
Address -----  
By -----

A copy of such writing must be filed with the Director of Industry Operations. Such statement shall constitute a representation to the War Production Board and the supplier that the signer is entitled to receive the amount stated. The supplier shall be entitled to rely on such representation, unless he knows or has reason to believe it to be false.

(xii) The United Service Organizations. (P.D. Reg. 1, amended, 6 F.R. 6680; W.P.B. Reg. 1, 7 F.R. 561, E.O. 9024, 7 F.R. 329; E.O. 9040, 7 F.R. 527; sec. 2 (a), Pub. Law 671, 76th Cong., as amended by Pub. Law 89, 77th Cong.)

This Amendment shall take effect immediately. Issued this 26th day of March 1942.

J. S. KNOWLSON,  
Director of Industry Operations.

[F. R. Doc. 42-2649; Filed, March 26, 1942; 4:21 p. m.]

PART 1032—DIRECT-CONSUMPTION SUGAR  
SUPPLEMENTARY ORDER M-55-C

Pursuant to Order M-55, which this Order supplements:

§ 1032.4 *Supplementary Order M-55-c*—(a) *Restrictions on primary distributors.* Primary Distributors of Beet Sugar are hereby required to set aside for shipment as ordered by the Director of Industry Operations, 15% of the refined Direct-Consumption Sugar, derived from Sugar Beets, in their possession or control at any or all points on the effective date of this Order. Primary Distributors are further required to set aside at the end of each month for shipment and sale as the Director of Industry Operations may order, 15% of their production during such month, after the effective date of this Order, unless the Director of Industry Operations shall prescribe some greater or less percentage.

(b) *Reports.* Within fifteen (15) days after the effective date of this Order the Primary Distributors affected thereby shall notify the War Production Board in writing of the location and amount of Direct-Consumption Sugar set aside by them pursuant to this Order. Within five (5) days after the end of each calendar month each Primary Distributor affected by this Order shall similarly report to the Director of Industry Operations the amount and location of Direct-Consumption Sugar set aside by him out of production during such month.

(c) *Release.* If, within sixty (60) days after mailing of notification as prescribed in paragraph (b), the Director of Industry Operations shall not have instructed a Primary Distributor further with regard to the shipment and sale of such sugar or part thereof, such sugar shall be deemed released and may be disposed of or held by the Primary Distributor in any manner consistent with other laws, and orders and regulations of the War Production Board and the Office of Price Administration.

(d) *Effective date and termination.* This Order shall take effect immediately and unless sooner modified, amended, or revoked, shall continue in effect until December 31, 1942. (P.D. Reg. 1, 6 F.R. 6680; W.P.B. Reg. 1, Jan. 26, 1942, 7 F.R. 561, E.O. 9024, Jan. 16, 1942, 7 F.R. 329; E.O. 9040, Jan. 24, 1942, 7 F.R. 527; sec. 2 (a), Pub. Law 671, 76th Cong., as amended by Pub. Law 89, 77th Cong.)

Issued this 27th day of March, 1942.

J. S. KNOWLSON,  
Director of Industry Operations.

[F. R. Doc. 42-2690; Filed, March 27, 1942;  
11:38 a. m.]

PART 1032—DIRECT CONSUMPTION SUGAR  
SUPPLEMENTARY ORDER M-55-d

Pursuant to Order M-55, which this Order supplements:

§ 1032.5 *Supplementary Order M-55-d*—(a) *Definitions of zones.* (1) "Zone 1" means Maine, New Hampshire, and Vermont.

(2) "Zone 2" means Massachusetts, Rhode Island, and Connecticut.

(3) "Zone 3" means New York, New Jersey, Pennsylvania, Delaware, Maryland, Virginia, West Virginia, and the District of Columbia.

(4) "Zone 4" means North Carolina.

(5) "Zone 5" means South Carolina, Georgia, and Florida east of the Apalachicola River.

(6) "Zone 6" means Tennessee and Kentucky.

(7) "Zone 7" means Alabama, Mississippi, Louisiana, Arkansas, Oklahoma, Texas, Missouri, Illinois, Indiana, Ohio, and Florida west of the Apalachicola River.

(8) "Zone 8" means the balance of the continental United States excluding Alaska and the Canal Zone.

(b) *Shipments permitted.* Until further Order of the Director of Industry Operations Direct-Consumption Sugar derived from sugar cane may be shipped or sold for shipment only to destinations within zones as follows:

(1) From points in Zones 1 and 2, only to points in Zones 1 and 2.

(2) From points in Zone 3, only to points in Zones 2, 3, and 4.

(3) From points in Zone 4 only to points in Zone 4.

(4) From points in Zone 5, only to points in Zones 4, 5, and 6.

(5) From points in Zone 6, only to points in Zone 6.

(6) From points in Zone 7, only to points in Zones 6 and 7.

(7) From points in Zone 8, only to points in Zone 8, and Texas, Oklahoma, Missouri and Illinois.

(c) *Sugar shipped before date of Order.* Direct-Consumption Sugar refined by Primary Distributors in any of the zones set forth in paragraphs (a) and (b), and shipped to points outside the areas to which shipment is permitted by paragraph (b) prior to the effective date of this Order, but still owned or controlled by such Primary Distributors on such effective date, may be sold at or near the points to which they were shipped only within one month after the effective date of this Order.

(d) *Other restrictions.* Primary Distributors shall sell sugar equitably among their customers, and shall so far as possible not discriminate in favor of or against any area or class of customers open to them under this Order: *Provided, however,* That this Order shall not be construed to require any Primary Distributor to ship outside his normal trading area unless he is specifically so ordered by the Director of Industry Operations.

(e) *Applicability of Order.* This Order does not apply to raw, dry invert or liquid invert Direct-Consumption Sugar, or to soft Sugar in bulk or to confectioner's, brown, loaf, tablet, and other specialty Direct-Consumption Sugar, in one and two pound packages, or to Direct-Consumption Sugar refined or processed outside the continental United States.

(f) *Effective date and termination.* This Order shall take effect immediately

and unless sooner modified, amended, or revoked shall continue in effect until December 31, 1942. (P.D. Reg. 1, 6 F.R. 6680; W.P.B. Reg. 1, Jan. 26, 1942, 7 F.R. 561, E.O. 9024, Jan. 16, 1942, 7 F.R. 329; E.O. 9040, Jan. 24, 1942, 7 F.R. 527; sec. 2 (a), Pub. Law 671, 76th Cong., as amended by Pub. Law 89, 77th Cong.)

Issued this 27th day of March, 1942.

J. S. KNOWLSON,  
Director of Industry Operations.

[F. R. Doc. 42-2691; Filed, March 27, 1942;  
11:38 a. m.]

PART 1032—DIRECT-CONSUMPTION SUGAR  
SUPPLEMENTARY ORDER M-55-e

§ 1032.6 *Supplementary Order No. M-55-e.* (a) The Director of Industry Operations hereby determines that during the month of April, 1942, the quota of Direct-Consumption Sugar permitted Receivers under Paragraph (d) of Order M-55, as amended, shall be a minimum practicable working inventory not exceeding 80% of use or resale during the base period of 1941 as prescribed by the said Order No. M-55.

(b) During the said month of April 1942, no person, other than a Receiver, using sugar in the manufacture of any other product for resale, shall accept delivery of more Direct-Consumption Sugar than he would be permitted to accept if he were a Receiver, and no jobber or wholesaler shall sell or deliver Direct-Consumption Sugar to any person with knowledge or reason to believe that such person is prohibited from accepting delivery of such sugar by this paragraph. This paragraph does not apply to purchase or use of sugar for preparation of meals to be served in hotels or restaurants. (P.D. Reg. 1, 6 F.R. 6680; W.P.B. Reg. 1, Jan. 26, 1942, 7 F.R. 561, E.O. 9024, Jan. 16, 1942, 7 F.R. 329; E.O. 9040, Jan. 24, 1942, 7 F.R. 527; sec. 2 (a), Pub. Law 671, 76th Cong., as amended by Pub. Law 89, 77th Cong.)

Issued this 27th day of March 1942.

J. S. KNOWLSON,  
Director of Industry Operations.

[F. R. Doc. 42-2692; Filed, March 27, 1942;  
11:38 a. m.]

PART 1032—DIRECT-CONSUMPTION SUGAR  
RAW OR INVERT SUGAR

Pursuant to Order M-55, which this Order Supplements:

§ 1032.7 *Supplementary Order M-55-f*—(a) *Special quota for raw or invert direct-consumption sugar.* The term "Invert Direct-Consumption Sugar" includes such sugar whether partially inverted, fully inverted, or in liquid or congealed form. If any person used Raw or Invert Direct-Consumption Sugar in 1941 in the manufacture of any product other than refined Sugar, and customarily accepted delivery thereof in barrels, drums, or smaller containers, he may, at his election, accept delivery of a special annual quota of such Raw or

Invert Direct-Consumption Sugar at any time or times during the year 1942. Such quota shall be Seventy percent of his 1941 use, but not over 10,000 pounds of sugar content may be accepted in any one month. Any person so electing may accept delivery of Raw or Invert Direct-Consumption Sugar from a Primary Distributor, even though he accepts delivery of other types of Direct-Consumption Sugar from Secondary Distributors. Notice of such election shall be given by letter to the War Production Board on or before April 15, 1942, stating such person's use of such Sugar during each month of 1941 and the amount of such Sugar received during 1942. Thereafter, the periodic quotas of other types of Direct-Consumption Sugar, as provided for in Order M-55, as amended, or in regulations of the Office of Price Administration, shall, for any person so electing, be calculated on a basis excluding his 1941 use or resale of Raw or Invert Direct-Consumption Sugar during the base period.

(b) *Report.* Any person electing to accept delivery of a special quota as authorized by paragraph (a) shall report in writing to the War Production Board when he has accepted delivery of his entire quota.

(c) *Persons not electing.* Any purchase or acceptance of delivery of raw or invert Direct-Consumption Sugar by any Person not electing to accept delivery of the special quota as prescribed in paragraph (a) shall be governed by the general provisions and quota limitations of Order M-55 so far as they are applicable.

(d) *Effective date and termination.* This Order shall take effect immediately and unless sooner amended, modified, or revoked, shall expire on December 31, 1942. (P.D. Reg. 1, 6 F.R. 6680; W.P.B. Reg. 1, Jan. 26, 1942, 7 F.R. 561, E.O. 9024, Jan. 16, 1942, 7 F.R. 329; E.O. 9040, Jan. 24, 1942, 7 F.R. 527; sec. 2 (a), Pub. Law 671, 76th Cong. as amended by Pub. Law 89, 77th Cong.)

Issued this 27th day of March 1942.

J. S. KNOWLSON,  
Director of Industry Operations.

[F. R. Doc. 42-2693; Filed, March 27, 1942;  
11:39 a. m.]

#### PART 1150—HONEY

##### GENERAL PREFERENCE ORDER NO. M-118

The fulfillment of requirements for the defense of the United States has created a shortage in the supply of honey for defense, private account and for export; and the following Order is deemed necessary and appropriate in the public interest and to promote the national defense:

§ 1150.1 *General Preference Order M-118—(a) Applicability of Priorities Regulation No. 1.* This Order and all transactions affected thereby are subject to the provisions of Priorities Regulation No. 1 (Part 944), as amended from time to time, except to the extent that any provisions hereof may be inconsistent therewith, in which case the provisions of this Order shall govern.

(b) *Definitions for the purposes of this Order.* (1) "Person" means any individual, partnership, association, business trust, corporation, governmental corporation or agency, or any organized group of persons, whether incorporated or not.

(2) "Honey" means the exudations of plants gathered, modified and stored in the comb by honey-bees, and includes honey in any comb or extracted form and any syrup or compound in which the main ingredient is honey.

(c) *General restrictions.* (1) Except as permitted by this Order or as otherwise authorized by the Director of Industry Operations, no person may use honey in the manufacture of any other product.

(2) From the effective date of this Order to April 30, 1942, and during each month thereafter in 1942, any person may use, in the manufacture of any other product, either as much honey as he used in the corresponding month or other period of 1941 or one-third of the total amount of honey he used in the three-month period ending December 1941, whichever is greater.

(3) Notwithstanding the restrictions of subparagraph (c) (2), any person may use, in the manufacture of any product, not over sixty (60) pounds of honey from the effective date of this Order to April 30, 1942, and the same amount in each succeeding month of 1942.

(4) No person may accept delivery of honey, for use in manufacture of any other product, in excess of his minimum practicable working inventory needs in view of the foregoing restrictions.

(5) No person shall deliver honey to any other person with the knowledge or reason to believe that such person is not entitled to accept such delivery.

(6) Notwithstanding other provisions of this Order, any person may use any amount of honey in the manufacture of any product for use by or to fill actual orders by or contracts held by any person with:

(i) The War Department of the United States.

(ii) The Navy Department of the United States.

(iii) Any agency of the United States Government for materials, supplies, or equipment to be delivered to, or for the account of the government of any country pursuant to the Act of March 11, 1941, entitled "An Act to Promote the Defense of the United States." (Lend-Lease Act.)

(d) *Applicability of order.* This Order applies to use of domestic or imported honey in the continental United States (excluding Alaska and Panama).

(e) *Records.* Each person packing honey, selling honey at wholesale, or using more than sixty (60) pounds of honey per month in the manufacture of any other product shall keep and preserve for a period of not less than two (2) years accurate and complete records of his inventories, production, purchases, sales and use of honey.

(f) *Audit and inspection.* All records required to be kept by this Order shall, upon request, be submitted to audit and

inspection by duly authorized representatives of the War Production Board.

(g) *Reports.* Every person (other than the agencies specified in paragraph (c) (6)) who, at the opening of business on the effective date of this Order, has in his possession or under his control 1,200 pounds or more of honey shall, within thirty (30) days after that date, report to the War Production Board, on Form PD-392, the amount of honey in his possession or under his control, provided that no such report is required of any retailer who has in his possession or under his control honey only in packages of ten (10) pounds or less for retail sale. Failure to make such a report by any person shall be deemed a representation to the Government, subject to the penalties of Section 35 (A) of the United States Criminal Code (18 U.S.C. 80), that such person has in his possession or under his control less than 1,200 pounds of honey or is a retailer whose stock of honey is in containers of ten (10) pounds or less for retail sale. Every person (other than the agencies specified in paragraph (c) (6)) who hereafter purchases, at any one time, 10,000 pounds or more of honey, shall report each such purchase in writing to the War Production Board, specifying the seller, the amount purchased and the intended use of the honey. Every person participating in any transaction to which this Order applies shall also execute and file with the War Production Board such other reports and questionnaires as said office shall from time to time request.

(h) *Violations.* Any person who willfully violates any provision of this Order, or who by any act or omission falsifies records to be kept or information to be furnished pursuant to this Order, may be prohibited from receiving further deliveries of any Material subject to allocation, and such further action may be taken as is deemed appropriate, including a recommendation for prosecution under section 35 (A) of the Criminal Code (18 U.S.C. 80).

(i) *Appeal.* Any person affected by this Order who considers that compliance herewith would work an exceptional and unreasonable hardship upon him, may appeal to the War Production Board, setting forth pertinent facts and the reasons such person considers that he is entitled to relief. The Director of Industry Operations may thereupon take such action as he deems appropriate.

(j) *Communications to War Production Board.* All reports required to be filed hereunder, and all communications concerning this Order, shall, unless otherwise directed, be addressed to: War Production Board, Washington, D. C. Ref.: M-118.

(k) *Effective date.* This Order shall take effect immediately. (P.D. Reg. 1, 6 F.R. 6680; W.P.B. Reg. 1, 7 F.R. 561, E.O. 9024, 7 F.R. 329; E.O. 9040, 7 F.R. 527; sec. 2 (a), Pub. Law 671, 76th Cong., as amended by Pub. Law 89, 77th Cong.)

Issued this 26th day of March 1942.

J. S. KNOWLSON,  
Director of Industry Operations.

[F. R. Doc. 42-2652; Filed, March 26, 1942;  
4:22 p. m.]

**PART 1085—MAINTENANCE AND EXPANSION OF PLANTS CANNING FRUITS AND VEGETABLES**

INTERPRETATION NO. 1 OF PREFERENCE RATING ORDER NO. P-115<sup>1</sup>

The following official interpretation is hereby issued by the Director of Industry Operations with respect to Preference Rating Order No. P-115, dated February 11, 1942:

The ratings assigned by paragraph (b) of said Order may be applied by a Producer for Repair, Maintenance, Operation, Replacement, Addition or Expansion of machinery which is in his possession and is used in his plant, whether such machinery is owned by the Producer or is owned by another and leased to the Producer. (P.D. Reg. 1, 6 F.R. 6680; W.P.B. Reg. 1, Jan. 26, 1942, 7 F.R. 561, E.O. 9024, Jan. 16, 1942, 7 F.R. 329; E.O. 9040, Jan. 24, 1942, 7 F.R. 527; sec. 2 (a) Pub. Law 671, 76th Cong., as amended by Pub. Law 89, 77th Cong.)

Issued this 27th day of March 1942.

J. S. KNOWLSON,  
Director of Industry Operations.

[F. R. Doc. 42-2681; Filed, March 27, 1942; 11:33 a. m.]

**PART 1105—SUGAR**

SUPPLEMENTARY ORDER NO. M-98-a,<sup>2</sup> AMENDED

§ 1105.2 *Supplementary Order M-98-a.* (a) Pursuant to Paragraph (c) of General Preference Order No. M-98 no Refiner shall purchase, import, or accept Delivery of Raw Sugar produced in areas outside the continental United States in excess of the allotment hereby established for the period from January 1, 1942, to September 30, 1942, for him in the amount set forth below opposite his name. Such allotment may be changed or modified from time to time by the Director of Industry Operations. All such Raw Sugar purchased, imported, or received by him between January 1, 1942, and the date of this Order shall be charged against such allotment.

Short tons,  
raw value

American Sugar Refining Company.....	692,324
J. Aron & Company, Inc.....	24,108
California & Hawaiian Sugar Refining Corp.:	
West Coast.....	293,600
East Coast.....	99,577
Colonial Sugars, Inc.....	88,564
Godchaux Sugars, Inc.....	132,435
Henderson Sugar Refinery, Inc.....	50,007
Imperial Sugar Company.....	79,972
Liquid Sugars, Inc.....	4,802
W. J. McGahan Sugar Refining & Molasses Co.....	122,770
National Sugar Refining Company.....	444,797
Pennsylvania Sugar Company.....	160,055
Refined Syrups & Sugars, Inc.....	77,737
Revere Sugar Refinery.....	116,962
Savannah Sugar Refining Corp.....	48,073
South Coast Corporation.....	22,408
Sterling Sugars, Inc.....	13,995
Sucrest Corporation and Affiliates.....	70,875

<sup>1</sup> 7 F.R. 952.  
<sup>2</sup> 7 F.R. 1026.

Tea Garden Products Co.....	460
Western Sugar Refinery:	
West Coast.....	70,095
East Coast.....	45,756

(b) Purchases, importations, or acceptances of Delivery, within the allotment established in Paragraph (a) hereof, of Raw Sugar produced in any areas outside the continental United States (except the Territory of Hawaii) shall be made only upon the specific authorization of the Director of Industry Operations. (P.D. Reg. 1, 6 F.R. 6680; W.P.B. Reg. 1, Jan. 26, 1942, 7 F.R. 561, E.O. 9024, Jan. 16, 1942, 7 F.R. 329; E.O. 9040, Jan. 24, 1942, 7 F.R. 527; sec. 2 (a), Pub. Law 671, 76th Cong., as amended by Pub. Law 89, 77th Cong.)

This Order shall take effect immediately. Issued this 27th day of March 1942.

J. S. KNOWLSON,  
Director of Industry Operations.

[F. R. Doc. 42-2689; Filed, March 27, 1942; 11:37 a. m.]

**PART 1112—OFFICE MACHINERY**

AMENDMENT NO. 1 TO CONVERSION ORDER NO. L-54-a<sup>1</sup>

Section 1112.2 (*Conversion Order No. L-54-a*) is hereby amended as follows:

Paragraph (a) (4) of said section is hereby amended to read as follows:

§ 1112.2 *Conversion Order L-54-a—(a) Definitions. For the purpose of this order:*

(4) "Typewriter," unless expressly otherwise stated, includes non-portable typewriters, (including noiseless and electric types) and portable typewriters, and unless expressly otherwise stated, refers only to new typewriters. The term shall not include billing and continuous forms handling typewriters; shorthand writing machines; telegraphically controlled typewriters; Braille typewriters; toy typewriters; linotype machines or monotype machines. The term "new typewriter" means any typewriter which has not been delivered to any person acquiring it for use, but does not include rebuilt typewriters. The term "used typewriter" means any typewriter which at any time has been delivered to any person acquiring it for use, and includes rebuilt typewriters.

Paragraph (c) (2) is hereby amended to read as follows:

(c) *Authorized production quotas.*

(2) *Sets of parts for export.* Each Manufacturer may produce for export during the period commencing March 15, 1942 and ending May 31, 1942, and the month of June, 1942, respectively, a number of Sets of Parts for non-portable and portable typewriters, not in excess of the following percentages of the average monthly number of Sets of Parts for non-

<sup>1</sup> 7 F.R. 2130.

portable and portable typewriters, respectively, shipped from his factories during 1941:

Name of manufacturer	Nonportable production	
	March 15-May 31, 1942	June 1942
Underwood Elliott Fisher Co...	Percent 2½ times 75	Percent 53
Remington Rand, Inc.....	2½ times 75	53
Royal Typewriter Company, Inc.....	2½ times 75	53
L. C. Smith & Corona Typewriters, Inc.....	2½ times 75	53
International Business Machine Corp.....	2½ times 75	53
Woodstock Typewriter Co.....	2½ times 90	75

  

Name of manufacturer	Portable production	
	March 15-May 31, 1942	June, 1942
Underwood Elliott Fisher Co...	Percent 2½ times 36	Percent 11
Remington Rand, Inc.....	2½ times 36	11
Royal Typewriter Company, Inc.....	2½ times 36	11
L. C. Smith & Corona Typewriters, Inc.....	2½ times 36	11

The right to produce and export any such Sets of Parts shall not be construed to authorize the export of such Sets unless export licenses can be secured.

*Provided, however,* That any Manufacturer who is unable to ascertain the physical quantity of Sets of Parts for non-portable or portable typewriters which he shipped from factories during 1941 may produce for export a dollar value of such non-portable or portable Sets of Parts not in excess of the above-mentioned percentages of the average monthly dollar value of Sets of Parts for non-portable or portable typewriters, respectively, shipped from his factories during 1941.

The quantity of Sets of Parts for non-portable and portable typewriters so produced shall be over and above the production quotas for non-portable and portable typewriters. No Manufacturer so producing and exporting Sets of Parts shall, directly or indirectly, import any typewriters into the United States. (P.D. Reg. 1, 6 F.R. 6680; W.P.B. Reg. 1, Jan. 26, 1942, 7 F.R. 561, E.O. 9024, Jan. 16, 1942, 7 F.R. 329; E.O. 9040, Jan. 24, 1942, 7 F.R. 527; sec. 2 (a), Pub. Law 671, 76th Cong., as amended by Pub. Law 89, 77th Cong.)

Issued this 27th day of March 1942.

J. S. KNOWLSON,  
Director of Industry Operations.

[F. R. Doc. 42-2688; Filed, March 27, 1942; 11:37 a. m.]

**PART 1131—ROUGH DIAMONDS**

GENERAL PREFERENCE ORDER NO. M-109

It is essential that an adequate supply of Rough Diamonds be available to fulfill the war requirements of the United States, and that the distribution of

Rough Diamonds to consumers for industrial uses shall not be disturbed or retarded by hoarding or speculation; and the following Order is deemed necessary and appropriate in the public interest and to promote the defense of the United States.

§ 1131.1 *General Preference Order M-109*—(a) *Applicability of Priorities Regulation No. 1*. This Order and all transactions affected hereby are subject to the provisions of Priorities Regulation No. 1 (Part 944), as amended from time to time, except to the extent that any provision hereof may be inconsistent therewith, in which case the provisions of this Order shall govern.

(b) *Additional definitions*. As used in this Order:

(1) "Rough Diamonds" means any diamond material that has not been cut and polished as a gem stone, and shall include Rough Diamonds incorporated in an unused tool or other device.

(2) "Crushing Bortz" means the lowest grade of Rough Diamonds, useful only after having been crushed into powder.

(c) *Reports of stocks and inventories*. Every person who, on the 31st day of March 1942, or on the last day of any calendar quarter thereafter, has title to, or possession or control of, ten (10) or more carats of Rough Diamonds, including Rough Diamonds incorporated in any unused tool or other device, shall, on or before the close of business on the 15th day of the succeeding month, report to the War Production Board in duplicate on Form PD-376, the quantity and description of Rough Diamonds owned by him or in his possession or control, the business in which he is engaged, the name of any other person having any interest in such Rough Diamonds, and such other information as may be required. Failure on the part of any person to make such a report on or before the 15th day of April 1942, or the 15th day of the month following any calendar quarter thereafter, shall be deemed a representation to the Government, subject to the penalties of section 35 (a) of the United States Criminal Code, that such person did not have title to, or possession or control of, such quantity of Rough Diamonds on the last day of the preceding calendar quarter.

(d) *Reports of sales or transfers of loose rough diamonds in quantities greater than five (5) carats and of crushing bortz in quantities greater than fifty (50) carats*. After the effective date of this Order, any person purchasing or otherwise acquiring title to, or possession or control of, any Crushing Bortz in a quantity in excess of fifty (50) carats, or any other Rough Diamonds which have not been incorporated in a tool or other device in a quantity in excess of five (5) carats, in any calendar month, shall furnish to the seller or to the person from whom title to, or possession or control of such Rough Diamonds is acquired, a certificate, in quadruplicate, on Form PD-377, manually signed by the Purchaser or a responsible official, stating the name of

the person purchasing or otherwise acquiring such Rough Diamonds, a description of the Rough Diamonds to be acquired, the price or other consideration for the transfer, the business of the purchaser or transferee, the proposed use to be made of such Rough Diamonds, and such other information as may be required. The Seller's Certificate on such Form shall be signed by the seller, and one copy of the completed Form shall be returned to the purchaser, one copy shall be retained by the seller, and two copies shall be filed by the seller with the War Production Board within ten (10) days after the date of the sale or transfer to which such certificate relates. Such statement shall constitute a representation to the War Production Board by the purchaser of the facts stated in the purchaser's certificate, and by the seller of the facts stated in the seller's certificate appearing on said statement. No person shall transfer to any other person, Crushing Bortz in a quantity greater than fifty (50) carats, or any other Rough Diamonds which have not been incorporated in a tool or other device in a quantity greater than five (5) carats, in any calendar month, without obtaining from the purchaser or transferee, and forwarding to the War Production Board a signed certificate in the form prescribed by this paragraph, covering all transfers made to such Purchaser during such calendar month.

(e) *Reports of imports*. Imports of Rough Diamonds shall not be subject to the provisions of paragraph (d) hereof. Every person who, after the effective date of this Order, imports any Rough Diamonds, shall, within ten (10) days thereafter, file with the War Production Board, a report, on Form PD-377, manually signed by such importer, or a responsible official, giving all the information required thereby to be furnished by the purchaser. Such report shall give the name of, but need not be signed by, the person from whom such imported Rough Diamonds were acquired.

(f) *Reports of sales or transfers of rough diamonds in quantities less than five (5) carats, crushing bortz in quantities less than fifty (50) carats, and of rough diamonds in tools*. Every person who, after the effective date of this Order, makes any sale or transfer of loose Rough Diamonds in a quantity of five (5) carats or less, or Crushing Bortz in a quantity of fifty (50) carats or less, or of Rough Diamonds physically incorporated in an unused tool or other device, with respect to which no Certificate is required under paragraph (d) hereof, shall file with the War Production Board on or before the 15th day of the succeeding month, a report in duplicate on Form PD-378 of the total number of sales or transfers and the quantity of Rough Diamonds transferred during the preceding month not covered by certificates filed with the War Production Board in accordance with paragraph (d) hereof.

(g) *Appeals*. Any person affected by this Order who considers that compliance herewith would work an exceptional and unreasonable hardship upon him

may appeal to the War Production Board, setting forth the pertinent facts and the reasons such person considers that he is entitled to relief. The Director of Industry Operations may thereupon take such action as he deems appropriate.

(h) *Communications*. All reports required to be filed hereunder, and all communications concerning this Order, shall, unless otherwise directed, be addressed to: War Production Board Washington, D. C. Ref.: M-109.

(i) *Violations*. Any person who willfully violates any provision of this Order, or who by any act or omission falsifies records to be kept or information to be furnished pursuant to this Order may be prohibited from receiving further deliveries of any material subject to allocation, and such further action may be taken as is deemed appropriate, including a recommendation for prosecution under section 35 (A) of the Criminal Code (18 U.S.C. 80).

(j) *Effective date*. This Order shall take effect immediately. (P.D. Reg. 1, 6 F.R. 6680; W.P.B. Reg. 1, Jan. 26, 1942, 7 F.R. 561, E.O. 9024, Jan. 16, 1942, 7 F.R. 329; E.O. 9040, Jan. 24, 1942, 7 F.R. 527; sec. 2 (a), Pub. Law 671, 76th Cong., as amended by Pub. Law 89, 77th Cong.)

Issued this 27th day of March 1942.

J. S. KNOWLSON,  
Director of Industry Operations.

[F. R. Doc. 42-2685; Filed, March 27, 1942; 11:36 a. m.]

#### PART 1134—TEA

##### CONSERVATION ORDER M-111

The uncertainty of shipments of Tea from abroad, and the fulfillment of requirements for the defense of the United States has created a shortage in the supply of Tea for defense and for private account; and the following Order is deemed necessary and appropriate in the public interest and to promote the national defense:

§ 1134.1 *Conservation Order M-111*—(a) *Applicability of priorities Regulation No. 1*. This Order, and all transactions affected thereby, are subject to the provisions of Priorities Regulation No. 1 (Part 944) as amended from time to time, except to the extent that any provision hereof may be inconsistent therewith, in which case the provisions of this Order shall govern.

(b) *Definitions for the purpose of this Order*. (1) "Person" means any individual, partnership, association, business trust, corporation, governmental corporation or agency, or any organized group of persons, whether incorporated or not.

(2) "Packer" means any Person engaged in the packaging of Tea.

(3) "Receiver" means any person who buys or accepts delivery of Tea from any one or more Packers otherwise than at retail, or who has done so at any time since January 1, 1941.

(4) "Corresponding Quarter in 1941" means the one of the several three-month periods in the year 1941, com-



mencing January 1, April 1, July 1, and October 1, which includes the corresponding monthly period for which a quota is prescribed as provided for herein.

(5) "Inventory" of a Receiver shall include all Tea held or controlled by him or in transit to him in the continental United States; and shall include the inventory of affiliates and subsidiaries of such Receiver, and the inventory of others where such Inventory is under the control of, or in the common control with, or reserved for the use of such Receiver, but shall not include Tea held in any retail store or other retail outlet for sale at retail.

(6) "Normal Supply" means the average monthly deliveries of Tea accepted by a Receiver during the corresponding quarter in 1941.

(c) *General restrictions.* (1) No receiver shall buy or accept delivery of Tea from any source except as permitted by this Order.

(2) No Person shall sell or deliver Tea to any Receiver with knowledge or reason to believe that such Receiver is not entitled to accept delivery thereof pursuant to this Order.

(3) Receivers shall sell Tea equitably to purchasers, and shall not favor purchasers who purchase other products from them nor discriminate against purchasers who do not purchase other products from them.

(d) *Quota restrictions and exceptions thereto*—(1) *Receivers in business in corresponding period of 1941.* In any calendar month any Receiver may, subject to the inventory restrictions as provided for in paragraph (e), accept delivery of Tea up to his quota for such month which shall be such percentage of the average monthly deliveries of Tea accepted by him in the corresponding quarter of 1941, as the Director of Industry Operations may from time to time determine.

(2) *Receivers not in business in the corresponding period of 1941.* Any Receiver who was not in business during the whole of the corresponding quarter of 1941, but was in business during the whole of the months of October, November and December, 1941, may, subject to the inventory restrictions as provided for in paragraph (e), in any calendar month accept delivery of Tea up to his quota for such month, which shall be such percentage of the average monthly deliveries of Tea accepted by him in October, November and December, 1941, as the Director of Industry Operations may determine.

(3) *Packers not selling through own retail outlets.* No Packer shall in any calendar month sell, transfer or deliver to any Receiver a quantity of Tea in excess of such Packer's quota for such month, which shall be such percentage of his average monthly deliveries of Tea to such Receiver in the corresponding quarter of 1941, as the Director of Industry Operations may from time to time determine.

(4) *Packers selling through own retail outlets.* No Packer who sells Tea at retail directly to consumers through

retail stores or other retail sales outlets which he owns, operates or controls shall in any calendar month sell, transfer or deliver Tea in excess of his quota for such month, which shall be such percentage of his average monthly warehouse deliveries of Tea for sale through such retail stores or other retail sales outlets in the corresponding quarter period of 1941, as the Director of Industry Operations may from time to time determine.

(5) *Deliveries not charged against quota.* Notwithstanding the foregoing limitations, any Packer may deliver Tea to any Person, and any Receiver may accept delivery of Tea, without charging it against his quota, and may sell and deliver Tea to any Person, if such delivery or acceptance is specifically authorized by the Director of Industry Operations, or if such Tea is to be used or to be physically incorporated in materials to be used to fill actual orders by or contracts held by any person with:

(i) The War Department of the United States;

(ii) The Navy Department of the United States;

(iii) Any Agency of the United States Government for materials, supplies, or equipment to be delivered to, or for the account of the Government of any country pursuant to the Act of March 11, 1941, entitled "An Act to Promote the Defense of the United States" (Lend-Lease Act).

(e) *Restrictions relating to receiver's inventory.* Anything in this Order to the contrary notwithstanding:

(1) No Receiver shall accept deliveries of Tea which will increase such Receiver's Inventory of Tea to an amount in excess of his Normal Supply, as defined above.

(2) Except as specifically authorized by the Director of Industry Operations, or for the purpose of filling actual orders of contracts as provided in paragraph (d) (5) above, no Receiver having an Inventory of Tea in excess of his Normal Supply, as defined above, shall make resales or deliveries in any calendar month in excess of the quota provided for in paragraphs (d) (1) or (d) (2) for such month.

(f) *Limitation on size of packages.* (1) From and after the 15th day from the effective date of this Order no Packer shall pack Tea for sale at retail in a package or container containing more than one-fourth of one pound of Tea.

(2) From and after the 15th day from the effective date of this Order no Packer shall pack Tea bags or Tea balls (defined for purposes of this Order as a Tea bag or Tea ball containing 1/10 of one ounce or less of Tea) for sale at retail in a package or container containing more than 50 such Tea bags or Tea balls.

(g) *Existing contracts.* The fulfillment of existing contracts in violation of this Order is prohibited regardless of whether such contracts were entered into before or after the effective date of this Order.

(h) *Reports.* (1) Every Packer, Receiver and every Person who imports Tea

into the continental United States, having title, possession, or control of 500 or more pounds of Tea on the effective date of this Order (excluding Tea held in retail stores or other retail sales outlets for sale at retail) shall, on or before the close of business on the 10th day after the effective date of this Order, file with the War Production Board, Ref.: M-111, all the information required by Form No. PD-374. Failure to make such report on the part of any Packer, Receiver, or Person who imports Tea into the continental United States shall be deemed a representation to the Government, subject to the penalties of section 35 (A) of the United States Criminal Code, that such person does not have title to, possession or control of such quantities of Tea.

(2) Each person participating in any transaction to which this Order applies shall execute and file with the War Production Board such other reports and questionnaires as such Board may from time to time request.

(i) *Records.* Each Packer and Receiver participating in any transaction to which this Order applies shall keep and preserve for a period of not less than two years accurate and complete records of his inventories of the product to which such Order relates and of the details of all transactions in such product. Such records shall include the dates of all contracts or purchase orders accepted, the delivery dates specified in such contracts or purchase orders, and any preference rating certificates accompanying them, the dates of actual deliveries thereunder, description of the Tea covered by such contracts or purchase orders, description of deliveries by types, quantities and values, the parties involved in each transaction, the preference ratings, if any, assigned to deliveries under such contracts or purchase orders, details of Defense Orders and all other rated orders either accepted or offered and rejected, and other pertinent information.

(j) *Audit and inspection.* All records required to be kept by this Order shall, upon request, be submitted to audit and inspection by duly authorized representatives of the War Production Board.

(k) *Violations.* Any Person who willfully violates any provision of this Order, or who by any act or omission falsifies records to be kept or information to be furnished pursuant to this Order, may be prohibited from receiving deliveries of any Material subject to allocation, and such further action may be taken as is deemed appropriate, including a recommendation for prosecution under section 35 (A) of the Criminal Code (18 U.S.C. 80).

(l) *Appeal.* Any Person affected by this Order who considers that compliance herewith would work an exceptional and unreasonable hardship upon him, may appeal to the War Production Board, setting forth pertinent facts and the reasons such person considers that he is entitled to relief. The Director of Industry Operations may thereupon take such action as he deems appropriate.

(m) *Communications to the War Production Board.* All reports required to

be filed hereunder, and all communications concerning this Order, shall, unless otherwise directed, be addressed to: War Production Board, Washington, D. C. Ref.: M-111.

(n) *Effective date.* This Order shall take effect immediately. (P.D. Reg. 1, 6 F.R. 6680; W.P.B. Reg. 1, Jan. 26, 1942, 7 F.R. 561, E.O. 9024, Jan. 16, 1942, 7 F.R. 329; E.O. 9040, Jan. 24, 1942, 7 F.R. 527; sec. 2 (a), Pub. Law 671, 76th Cong., as amended by Pub. Law 89, 77th Cong.)

Issued this 27th day of March 1942.

J. S. KNOWLSON,  
Director of Industry Operations.

[F. R. Doc. 42-2694; Filed, March 27, 1942;  
11:39 a. m.]

#### PART 1134—TEA

##### SUPPLEMENTARY ORDER NO. M-111-a

§ 1134.2 *Supplementary Order M-111-a.* (a) The Director of Industry Operations hereby determines that for the period from March 27, to April 30th inclusive (which shall be considered as the month of April in determining quotas under Order No. M-111), and for each calendar month thereafter until further notice:

(i) The quota of Tea permitted a Receiver as provided for in paragraph (d) (1) and (d) (2) of Order No. M-111, shall be 50 percent.

(ii) The quota of Tea deliveries to Receivers permitted a Packer as provided for in paragraph (d) (3) of Order No. M-111 shall be 50 percent.

(iii) The quota of Tea sales and deliveries to retail stores or other retail sales outlets owned, operated or controlled by a Packer, as provided for in paragraph (d) (4) of Order No. M-111, shall be 50 percent.

(b) All quotas provided for herein shall be calculated quantitatively on the basis of pounds.

(c) This Order shall take effect immediately. (P.D. Reg. 1, 6 F.R. 6680; W.P.B. Reg. 1, Jan. 26, 1942, 7 F.R. 561, E.O. 9024, Jan. 16, 1942, 7 F.R. 329; E.O. 9040, Jan. 24, 1942, 7 F.R. 527; sec. 2 (a), Pub. Law 671, 76th Cong., as amended by Pub. Law 89, 77th Cong.)

Issued this 27th day of March 1942.

J. S. KNOWLSON,  
Director of Industry Operations.

[F. R. Doc. 42-2695; Filed, March 27, 1942;  
11:39 a. m.]

#### PART 1142—FLASHLIGHT CASES AND FLASHLIGHT BATTERIES

##### LIMITATION ORDER NO. L-71

The fulfillment of requirements for the defense of the United States has created a shortage in the supply of various materials for defense, for private account and for export; and the following Order is deemed necessary and appropriate in the public interest and to promote the national defense:

§ 1142.1 *General Limitation Order L-71—(a) Definitions.* For the purposes of this Order:

(1) "Flashlight case" means any portable device weighing not more than two and one-half pounds, specifically designed and produced for the purpose of holding a flashlight bulb and a Flashlight Battery or miniature dynamo so as to provide a portable light.

(2) "Flashlight battery" means any "dry cell" battery of a type used to furnish electric current for flashlights.

(b) *General restrictions.* (1) After March 31, 1942, no Person shall incorporate into Flashlight Cases or Flashlight Batteries any of the following materials:

- (i) Aluminum,
- (ii) Crude rubber,
- (iii) Chromium,
- (iv) Nickel,
- (v) Tin, except that contained in solder, or
- (vi) Brass or copper other than used in electrical contact fittings: *Provided*, That brass and copper may be used in electrical contact fittings only in the minimum quantities required to provide suitable electrical contact and practical operation.

(2) After May 31, 1942, no Person shall incorporate into Flashlight Cases and/or Flashlight Batteries any iron or steel other than that used in reflectors, contact fittings, battery top seals, battery outer jackets, eyelets, rivets, end caps or end ferrules.

(3) During the period from the effective date of this Order until April 1, 1942, no Person shall incorporate into Flashlight Cases and/or Flashlight Batteries any material in a quantity in excess of 1/24th of the quantity (by weight) of that material which he incorporated into Flashlight Cases and/or Flashlight Batteries during the calendar year 1940.

(4) In each period of three calendar months, beginning with the three months period which begins April 1, 1942, no Person shall incorporate into Flashlight Cases and/or Flashlight Batteries any material in a quantity greater (by weight) than one-fourth of the quantity of that material which was incorporated into Flashlight Cases and/or Flashlight Batteries by him during the calendar year 1940.

(5) Where, after December 31, 1940, a Person, in the production of Flashlight Cases and/or Flashlight Batteries, shall have substituted for any scarce material a material which is less scarce, that Person may, as between the two materials (the substituted material and the material for which the substitution has been made), adjust the permissible amounts of those materials to be used but, in such case, the total weight of those two materials which shall be incorporated into Flashlight Cases and/or Flashlight Batteries by that Person shall not exceed the total weight of those two materials which he is permitted to use by the terms of this Order exclusive of this subparagraph.

(6) Nothing in the Order shall limit, and every Person is specifically authorized to use, in addition to the quota set forth above, any amount of any materials required in the production of Flashlight Cases and/or Flashlight Batteries under specific contracts or orders placed by or for the account of, or to fulfill a contract with

(i) The Army or Navy of the United States, the United States Maritime Commission, the Panama Canal, the Coast and Geodetic Survey, the Coast Guard, the Civil Aeronautics Authority, the National Advisory Committee for Aeronautics, the Office of Scientific Research and Development;

(ii) The government of any of the following countries: The United Kingdom, Canada, and other Dominions, Crown Colonies and Protectorates of the British Empire, Belgium, China, Greece, The Kingdom of the Netherlands, Norway, Poland, Russia, and Yugoslavia; or

(iii) Any agency of the United States Government for delivery to, or for the account of, the government of any country listed above, or any other country, including those in the Western Hemisphere, pursuant to the Act of March 11, 1941, entitled "An Act to Promote the Defense of the United States" (Lend-Lease Act).

(c) *Avoidance of excessive inventories.* No Person shall accumulate, for use in the manufacture of Flashlight Cases and/or Flashlight Batteries, inventories of any materials (whether raw, semi-processed or processed) in excess of the minimum amounts necessary to maintain production of Flashlight Cases and/or Flashlight Batteries at the rates permitted by this Order.

(d) *Records.* All persons affected by this Order shall keep and preserve for not less than two years accurate and complete records concerning inventories, production and sales.

(e) *Audit and inspection.* All records required to be kept by this Order shall upon request, be submitted to audit and inspection by duly authorized representatives of the War Production Board.

(f) *Reports.* Each manufacturer to whom this Order applies shall execute and file with the War Production Board such reports and questionnaires as said Board shall from time to time require.

(g) *Violations or false statements.* Any person who violates this Order, or who wilfully falsifies any records which he is required to keep by the terms of this Order, or by the Director of Industry Operations, or otherwise wilfully furnishes false information to the Director of Industry Operations or to the War Production Board may be deprived of priorities assistance or may be prohibited by the Director of Industry Operations from obtaining any further deliveries of materials subject to allocation. The Director of Industry Operations may also take any other action deemed appropriate, including the making of a recommendation for prosecution under Section 35 (a) of the Criminal Code (18 U.S.C. 80).

(h) *Appeal.* Any person affected by this Order who considers that compliance therewith would work an exceptional and unreasonable hardship upon him, or that it would result in a serious problem of unemployment in the community, or that compliance with this Order would disrupt or impair a program of conversion from non-defense to defense work, may apply for relief by addressing a letter to the War Production Board setting forth the pertinent facts and the reasons why such person considers that he is entitled to relief. The Director of Industry Operations may thereupon take such action as he deems appropriate.

(i) *Applicability of Priorities Regulation No. 1.* This Order and all transactions affected thereby are subject to the provisions of Priorities Regulation No. 1, as amended from time to time, except to the extent that any provision hereof may be inconsistent therewith, in which case the provisions of this Order shall govern.

(j) *Applicability of other Orders.* Insofar as any other Order heretofore or hereafter issued by the Director of Priorities or the Director of Industry Operations limits the use of any material in the production of Flashlight Cases and/or Flashlight Batteries to a greater extent than the limits imposed by this Order, the restrictions in such other Order shall govern, unless otherwise specified therein.

(k) *Routing of correspondence.* All reports to be filed, appeals and other communications concerning this Order shall be addressed to the War Production Board, Washington, D. C., Ref: L-71.

(l) *Effective date.* This Order shall take effect on the date of its issuance and shall continue in effect until revoked by the Director of Industry Operations subject to such amendments or supplements thereto as may be issued from time to time by the Director of Industry Operations. (P.D. Reg. 1, 6 F.R. 6680; W.P.B. Reg. 1, Jan. 26, 1942, 7 F.R. 561, E.O. 9024, Jan. 16, 1942, 7 F.R. 329; E.O. 9040, Jan. 24, 1942, 7 F.R. 527; sec. 2 (a), Pub. Law 671, 76th Cong. as amended by Pub. Law 89, 77th Cong.)

Issued this 27th day of March 1942.

J. S. KNOWLSON,  
Director of Industry Operations.

[F. R. Doc. 42-2683; Filed, March 27, 1942; 11:35 a. m.]

PART 1155—OUTBOARD MOTORS AND PARTS

LIMITATION ORDER L-80

The fulfillment of requirements for the defense of the United States has created a shortage in the supply of iron and steel and other materials for defense, for private account and for export; and the following Order is deemed necessary and appropriate in the public interest and to promote the national defense:

§ 1155.1 *Limitation Order L-80*—(a) *Definitions.* For the purposes of this Order:

(1) "Outboard Motor" means any detachable motor (electric or internal combustion motor) for the propulsion of row-

boats, canoes, dinghies, or any other type of boat.

(2) "Person" means any individual, partnership, association, business trust, corporation, governmental corporation or agency, or any organized group of persons, whether incorporated or not.

(3) "Producer" means any person fabricating, processing, manufacturing or assembling any Outboard Motor or component part thereof.

(4) "Horse Power Rating" means the rating applied to Outboard Motors by the National Outboard Motor Association (Pittsburgh Testing Laboratories) or by the Society of Automotive Engineers.

(5) "Preferred Order" means any order or contract for Outboard Motors or Parts to be delivered to or for the account of the Army or Navy of the United States, U. S. Maritime Commission, the Panama Canal, the Coast and Geodetic Survey, the Coast Guard, the Civil Aeronautics Authority, the National Advisory Commission for Aeronautics, and the Office of Scientific Research and Development.

(b) *General restrictions.* (1) Except as provided in subparagraph (b) (2), from the effective date of this Order, no Producer shall process, fabricate, work on or assemble any materials for use in the production of Outboard Motors or Parts, nor shall any Producer manufacture or assemble any Outboard Motors or Parts except to the extent required to fill Preferred Orders.

(2) During the month of April and during each month thereafter, until otherwise ordered, no Producer shall manufacture more repair and replacement parts than 75% of his average monthly production of such repair and replacement parts for Outboard Motors during the calendar year 1941.

(3) From the effective date of this Order, no Producer shall lease, trade, lend, deliver, ship or transfer any Outboard Motors of 6 Horse Power Rating or more to any Person whatsoever, except pursuant to specific authorization of the Director of Industry Operations. The restrictions contained in this subparagraph shall not apply to any Outboard Motors which were actually in transit at the close of business on the effective date.

(c) *Records.* All persons affected by this Order shall keep and preserve for not less than two years accurate and complete records concerning inventories, production, and sales.

(d) *Audit and inspection.* All records required to be kept by this Order shall, upon request, be submitted to audit and inspection by duly authorized representatives of the War Production Board.

(e) *Violations.* Any person who willfully violates any provision of this Order, or who by any act or omission falsifies records to be kept or information to be furnished pursuant to this Order, may be prohibited from receiving further deliveries of any material subject to allocation, and such further action may be taken as is deemed appropriate including a recommendation for prosecution under Section 35 (A) of the Criminal Code (18 U.S.C. 80).

(f) *Reports.* All persons affected by this Order shall execute and file with the

War Production Board such reports and questionnaires as said Board shall from time to time request.

(g) *Appeal.* Any person affected by this Order, who considers that compliance therewith would work an exceptional and unreasonable hardship upon him, that it would result in a serious problem of unemployment in the community, or that compliance with this Order would disrupt or impair a program of conversion from non-defense to defense work may appeal to the War Production Board, Washington, D. C., Ref.: L-80, setting forth the pertinent facts and the reasons such person considers that he is entitled to relief. The Director of Industry Operations may thereupon take such action as he deems appropriate.

(h) *Communications to War Production Board.* All reports required to be filed hereunder and all communications concerning this Order shall, unless otherwise directed, be addressed to: War Production Board, Washington, D. C., Ref.: L-80.

(i) *Applicability of Priorities Regulation No. 1.* This Order and all transactions affected thereby are subject to the provisions of Priorities Regulation No. 1 (Part 944), as amended from time to time, except to the extent that any provisions hereof may be inconsistent therewith, in which case the provisions of this Order shall govern.

(j) *Effective date.* This Order shall take effect immediately. (P.D. Reg. 1, 6 F.R. 6680; W.P.B. Reg. 1, Jan 26, 1942, 7 F.R. 561, E.O. 9024, Jan. 16, 1942, 7 F.R. 329; E.O. 9040, Jan. 24, 1942, 7 F.R. 527; sec. 2 (a), Pub. Law 671, 76th Cong., as amended by Pub. Law 89, 77th Cong.)

Issued this 27th day of March 1942.

J. S. KNOWLSON,  
Director of Industry Operations.

[F. R. Doc. 42-2687; Filed, March 27, 1942; 11:37 a. m.]

Chapter XI—Office of Price Administration

PART 1307—RAW MATERIALS FOR COTTON TEXTILES

AMENDMENT NO. 2 TO REVISED PRICE SCHEDULE NO. 7<sup>1</sup>—COMBED COTTON YARNS AND THE PROCESSING THEREOF

A statement of the considerations involved in the issuance of this amendment has been prepared and is issued simultaneously herewith.<sup>2</sup>

Section 1307.12 (d) (4) (vii) is amended to read as follows and § 1307.11 (i), reading as follows, is added:

§ 1307.12 *Appendix A: Maximum prices for combed yarns and for mercerizing, bleaching, and/or gassing thereof.*

(d) *Maximum prices for combed yarns not covered by contract prior to*

<sup>1</sup> 7 F.R. 1221, 2277.

<sup>2</sup> Filed with the Division of the Federal Register; requests for copies should be addressed to the Office of Price Administration.

December 24, 1941, and for mercerizing, bleaching, and/or gassing.

(4) Premiums.

(vii) Other premium yarns; reports to be made in connection with sales thereof. (a) For plies or for put-ups other than, or for twist slacker than, those included in the definition of base-grade yarn, a premium not exceeding the additional cost, if any, over base-grade plies, put-ups, or twist, respectively, may be charged.

(b) For combed yarns which, in order to meet breaking-strength or other requirements reasonably related to the use to which they are to be put, are made with American cotton of staple lengths greater than those provided for in the definition of base-grade yarn or of Sea Island, SXP, Pima, or Egyptian cotton, a premium not in excess of 130 per cent of the additional cost (as hereinafter defined) may be charged.

As used herein, the term "additional cotton cost" means the difference in cents per pound, adjusted for waste,<sup>10</sup> between the market value<sup>11</sup> of the specific kind, grade, and staple of cotton used or to be used in the premium yarn, and the market value<sup>11</sup> of middling American cotton of the staple length specified for the same yarn number in the definition of base-grade yarn.<sup>12</sup>

<sup>10</sup>In adjusting for waste, the following net waste factors are to be used:

Cotton	Net waste factor
American:	
1 <sup>1</sup> / <sub>2</sub> "	1.26
1 <sup>1</sup> / <sub>16</sub> " and 1 <sup>3</sup> / <sub>2</sub> "	1.28
1 <sup>3</sup> / <sub>8</sub> " and 1 <sup>5</sup> / <sub>2</sub> "	1.31
1 <sup>5</sup> / <sub>16</sub> " and 1 <sup>7</sup> / <sub>2</sub> "	1.33
1 <sup>7</sup> / <sub>4</sub> " to 1 <sup>11</sup> / <sub>2</sub> ", incl.	1.36
1 <sup>3</sup> / <sub>8</sub> " and over	1.38
Sea Island	1.43
SXP and Pima	1.35
Egyptian	1.33

<sup>11</sup>As of the date the contract of sale of premium yarn is made.

<sup>12</sup>Determination of the market values referred to herein shall be made from such weekly quotations, appropriately adjusted for location, as are or may hereafter be published by the Agricultural Marketing Service, Department of Agriculture, or, in the case of kinds, grades, and staples of cotton for which such quotations are not published, from actual quotations or sales made by brokers, shippers, or dealers customarily acting as sources of supply for such cotton.

(c) In addition to the premium allowable under (b) above, a premium of not more than six per cent of the maximum price exclusive of said premium may be charged for combed yarn sold to a manufacturer or converter of thread for use solely in the manufacture of thread: *Provided*, That no premium may be charged hereunder unless the seller receives a written statement from the buyer (which the seller shall preserve for not less than two years) that the yarn is to be used solely in the manufacture of thread.

(d) On or before April 10, 1942, and on or before the 10th day of each month thereafter, every producer who during the preceding calendar month has sold 5,000 pounds or more of combed yarn at a premium under (a), (b), or (c) above, shall file with the Office of Price Administration a report of such sales on Form 107:3.

§ 1307.11 Effective dates of amendments.

(i) Amendment No. 2 (§ 1307.12 (d) (4) (vii)) to Revised Price Schedule No. 7 shall become effective March 28, 1942. (Pub. Law 421 77th Cong.)

Issued this 26th day of March, 1942.

JOHN E. HAMM,  
Acting Administrator.

[F. R. Doc. 42-2648; Filed, March 26, 1942; 3:54 p. m.]

PART 1315—RUBBER AND PRODUCTS AND MATERIALS OF WHICH RUBBER IS A COMPONENT

AMENDMENT NO. 1 TO MAXIMUM PRICE REGULATION NO. 107—USED TIRES AND TUBES

A statement of the considerations involved in the issuance of this Amendment No. 1 has been prepared and issued simultaneously herewith.<sup>1</sup>

Subparagraphs (9) and (11) of paragraph (a) of § 1315.1358 and the column headings in Table I-A of § 1315.1360 and in Table I-B of § 1315.1361 are amended to read as follows, and a new § 1315.1359a

<sup>1</sup> 7 F.R. 1838.

<sup>2</sup> Filed with the Division of the Federal Register. Requests for copies should be addressed to the Office of Price Administration.

and a new sub-paragraph (12) to paragraph (a) of § 1315.1358 are added.

§ 1315.1358 Definitions.

(a) \* \* \*

(9) "Tread design depth" means the thickness of that part of the tread depth only which includes the pattern impressed into the rubber on the running surface of the tire whether originally or in retreading or recapping, and does not include designs, patterns, or impresses made by regrooving or remolding.

(11) "Basic tire carcass" means a used rubber tire with a smooth tread or a regrooved or remolded non-skid pattern of not more than <sup>3</sup>/<sub>32</sub>" depth when measured at the shallowest point of such non-skid pattern;

(12) "Remolded tire" means a used rubber tire into the worn tread of which a new non-skid pattern has been impressed, or the old non-skid pattern made deeper, by any means other than regrooving, and on which the resulting non-skid pattern is greater than <sup>3</sup>/<sub>32</sub>" depth when measured at the shallowest point of the non-skid pattern, without exposing the breaker strip or fabric foundation.

§ 1315.1359a Effective dates of amendments. (a) Amendment No. 1 (§§ 1315.1358 (a) (9) (11) (12); 1315.1359a; 1315.1360; 1315.1361) to Maximum Price Regulation No. 107 shall become effective March 31, 1942. Until such date Maximum Price Regulation No. 107 continues in effect as if not amended by Amendment No. 1.

§ 1315.1360 Appendix A: Maximum prices for used passenger car tires and tubes.

TABLE I-A—Maximum prices for used passenger car tires

Tire size	Tires retaining <sup>3</sup> / <sub>32</sub> " or more tread design depth, when measured at the shallowest point	Tires retaining more than <sup>3</sup> / <sub>32</sub> " but less than <sup>1</sup> / <sub>2</sub> " tread design depth, when measured at the shallowest point	Tires retaining <sup>3</sup> / <sub>32</sub> " or less tread design depth, when measured at the shallowest point; regrooved tires; and remolded tires	Tires with smooth treads and other basic tire carcasses
* * *	* * *	* * *	* * *	* * *

§ 1315.1361 Appendix B: Maximum prices for used truck and bus tires and tubes.

TABLE I-B—Maximum prices for used truck and bus tires

Tire size plies	Tires retaining <sup>3</sup> / <sub>32</sub> " or more tread design depth, when measured at the shallowest point	Tires retaining more than <sup>3</sup> / <sub>32</sub> " but less than <sup>1</sup> / <sub>2</sub> " tread design depth, when measured at the shallowest point	Tires retaining <sup>3</sup> / <sub>32</sub> " or less tread design depth, when measured at the shallowest point; regrooved tires; and remolded tires	Tires with smooth treads and other basic tire carcasses
* * *	* * *	* * *	* * *	* * *

(Pub. Law 421, 77th Cong.)

Issued this 26th day of March 1942.

JOHN E. HAMM,  
Acting Administrator.

[F. R. Doc. 42-2647; Filed, March 26, 1942; 3:53 p. m.]

PART 1330—CONTAINERS

CORRECTION TO MAXIMUM PRICE REGULATION NO. 55<sup>1</sup>—SECOND HAND BAGS

The word "unprocessed" appearing in § 1330.58 (a) (3) should read "processed."

This correction shall become effective March 30, 1942. Issued March 26, 1942. (Pub. No. 421, 77th Cong.)

JOHN E. HAMM,  
Acting Administrator.

[F. R. Doc. 42-2677; Filed, March 27, 1942; 11:24 a. m.]

PART 1333—TIN

AMENDMENT NO. 1 TO REVISED PRICE SCHEDULE NO. 17<sup>2</sup>—PIG TIN

A statement of the considerations involved in the issuance of this Amendment No. 1 to Revised Price Schedule No. 17—Pig Tin—has been prepared and is issued simultaneously herewith.<sup>3</sup> A new paragraph (d) is added to § 1333.10, and a new § 1333.9A is added as set forth below:

§ 1333.10 Appendix A; maximum prices for pig tin.

(d) *Differentials for export sales.* (1) On all export sales, whether from dock, store, steamer with transshipment privileges, free port, or any other point, an amount not exceeding that set forth in the following table may be added by the exporter to the maximum prices set forth above:

For sales of pig tin in lots of:	There may be added to the maximum price
11,200 lbs. or more.....	1¢ per lb.
2,240 to 11,199 lbs.....	1½¢ per lb.
Less than 2,240 lbs.....	2¢ per lb.

Where export shipment requires packaging of pig tin, the actual cost to the exporter of such packaging may be added to the maximum prices set forth above.

Whenever Pig Tin is sold, offered for sale, delivered or transferred by the exporter at prices delivered buyer's receiving point under the terms of sale, the total delivered price on a per pound basis shall not exceed the maximum price established by this Schedule by an amount greater than the total of those of the following charges which are actually incurred by the exporter.

(i) Additional transportation charges which are actually incurred to effect delivery;

(ii) Those of the following additional standard charges under the terms of sale, which are actually incurred to effect delivery to foreign buyer's receiving point:

- (a) Consular forms and visa fees, including certificates of origin, bills of lading and commercial invoices.
- (b) Marine and War risk insurance.

<sup>1</sup> 7 F.R. 2300.

<sup>2</sup> 7 F.R. 1240.

<sup>3</sup> Filed with Division of the Federal Register; requests for copies should be addressed to the Office of Price Administration.

(iii) Foreign agent's commission, unless the foreign agent's commission or any part thereof is received by the exporter directly or indirectly for his own use.

All such additional charges must be shown as separate items upon records, bills and invoices.

(2) Any contract of sale or purchase, or other commitment entered into prior to March 30, 1942, for an export sale of pig tin from a steamer with transshipment privileges at prices higher than the maximum prices established in Revised Price Schedule No. 17 may be completed at contract prices provided that

(i) Full details of each such contract or commitment and such other pertinent information as may be requested shall be reported by the seller to the Office of Price Administration on or before April 13, 1942, and

(ii) All such deliveries at prices higher than the maximum prices established by Revised Price Schedule No. 17 shall be completed on or before April 27, 1942, or such later date as may be permitted upon application made to the Office of Price Administration with respect to each specific sale.

§ 1339.9a *Effective dates of amendments.* (a) Amendment No. 1 (§§ 1333.10 (d) and 1333.9a) to Revised Price Schedule No. 17 shall become effective March 30, 1942: *Provided*, That commitments entered into prior to March 30, 1942, for an export sale of pig tin from a steamer with transshipment privileges at prices higher than the maximum prices established by Revised Price Schedule No. 17 may be completed at contract prices: *Provided*, That full details of such commitments and such other pertinent information as may be requested shall be reported by the seller to the Office of Price Administration on or before April 13, 1942: *And provided further*, That all deliveries pursuant to such commitments shall be completed on or before April 27, 1942, or such later date as shall be permitted upon application made to the Office of Price Administration with respect to each specified sale.

(Pub. Law 421, 77th Cong.)

Issued this 26th day of March 1942.

JOHN E. HAMM,  
Acting Administrator.

[F. R. Doc. 42-2654; Filed, March 26, 1942; 5:04 p. m.]

PART 1347—PAPER, PAPER PRODUCTS, RAW MATERIALS FOR PAPER AND PAPER PRODUCTS

TEMPORARY MAXIMUM PRICE REGULATION NO. 16—STANDARD NEWSPRINT PAPER

In the judgment of the Price Administrator it is necessary and proper in order to effectuate the purposes of the Emergency Price Control Act of 1942 to establish temporarily as the maximum price for Standard Newsprint Paper the prices prevailing with respect thereto within

five days prior to the issuance of this Regulation.

Therefore, under the authority vested in me by the Emergency Price Control Act of 1942, and in accordance with Procedural Regulation No. 1,<sup>1</sup> issued by the Office of Price Administration, Temporary Price Regulation No. 16 is hereby issued.

AUTHORITY: §§ 1347.201 to 1347.211, inclusive, issued under the authority contained in Pub. Law 421, 77th Cong.

§ 1347.201 *Maximum prices for standard newsprint paper.* On and after April 1, 1942, to and including May 30, 1942, regardless of any contract, agreement, lease, or other obligation theretofore or thereafter entered into, no person shall sell or deliver Standard Newsprint Paper, and no person shall buy or receive Standard Newsprint Paper in the course of trade or business, at prices higher than the maximum prices set forth in Appendix A hereof, incorporated herein as § 1347.211; and no person shall offer, solicit, attempt or agree to do any of the foregoing. The provisions of this Section shall not be applicable to sales or deliveries of Standard Newsprint Paper to a purchaser if, prior to April 1, 1942, such had been received by a carrier other than a carrier owned or controlled by the seller, for shipment to such purchaser.

§ 1347.202 *Less than maximum prices.* Lower prices than those set forth in Appendix A (§ 1347.211) may be charged, demanded, paid, or offered.

§ 1347.203 *Conditional agreements.* No seller of Standard Newsprint Paper shall enter into an agreement permitting the adjustment of the prices to prices which may be higher than the maximum prices provided by Appendix A (§ 1347.211), in the event that this Temporary Maximum Price Regulation No. 16 is amended or is determined by a court to be invalid or upon any other contingency: *Provided*, That if a petition for amendment has been duly filed, and such petition requires extensive consideration, and the Administrator determines that an exception would be in the public interest pending such consideration, the Administrator may grant an exception from the provision of this section permitting the making of contracts adjustable upon the granting of the petition for amendment. Requests for such an exception may be included in the aforesaid petition for amendment.

§ 1347.204 *Evasion.* The price limitations set forth in this Temporary Maximum Price Regulation No. 16 shall not be evaded, whether by direct or indirect methods, in connection with an offer, solicitation, agreement, sale, delivery, purchase or receipt of or relating to Standard Newsprint Paper, alone or in conjunction with any other commodity or by way of commission, service, transportation, or other charge, or discount, premium or other privilege, or by tying-agreement or other trade understanding, or otherwise.

§ 1347.205 *Records and reports.* (a) Every person making a purchase or sale of Standard Newsprint Paper in the

<sup>1</sup> 7 F.R. 971.

course of trade or business, or otherwise dealing therein, on and after April 1, 1942, shall keep for inspection by the Office of Price Administration for a period of two years complete and accurate records of each such purchase or sale showing the date thereof, the name and address of the buyer or seller, the price paid or received, and the quantity of Standard Newsprint Paper purchased or sold in roll or sheet form.

(b) Such persons shall submit such reports to the Office of Price Administration as it may from time to time require.

§ 1347.206 *Enforcement.* (a) Persons violating any provision of this Temporary Maximum Price Regulation No. 16 are subject to the civil and criminal penalties provided for by the Emergency Price Control Act of 1942.

(b) Persons who have evidence of any violation of this Temporary Maximum Price Regulation No. 16 or any price schedule, regulation or order issued by the Office of Price Administration or of any acts or practices which constitute such a violation are urged to communicate with the nearest field or regional office of the Office of Price Administration or its principal office in Washington, D. C.

§ 1347.207 *Petitions for amendment.* Persons seeking any modification of this Temporary Maximum Price Regulation No. 16 or an adjustment or exception not provided for therein may file petitions for amendment in accordance with the provisions of Procedural Regulation No. 1, issued by the Office of Price Administration.

§ 1347.208 *Definitions.* (a) When used in this Temporary Maximum Price Regulation No. 16, the term:

(1) "Person" includes an individual, corporation, partnership, association, or any other organized group of persons, or legal successor or representative of any of the foregoing, and includes the United States or any agency thereof, or any other government, or any of its political subdivisions, or any agency of any of the foregoing.

(2) "Standard Newsprint Paper" includes the form, class, or standard of newsprint paper manufactured and sold, irrespective of its actual use, for use for printing newspapers, and conforming to the following specifications:

(i) *Weight.* 500 Sheets, each 24 x 36 inches, shall weigh not less than 30 pounds nor more than 35 pounds.

(ii) *Rolls.* The paper shall be in rolls not less than 16 inches wide and 28 inches in diameter.

(iii) *Sheets.* The sheets shall not be less than 20 x 30 inches in size.

(iv) *Stock.* The paper shall contain fiber consisting of not less than 70 per cent of groundwood, and the remainder unbleached chemical pulp.

(v) *Finish.* The average of five tests in machine direction and five tests in cross direction on both sides, moving the paper after each test, made with the Ingersoll Glarimeter, shall be not more than 50 per cent gloss.

(vi) *Ash.* The ash content of the paper shall be not in excess of 6.5 per cent.

(vii) *Degree of sizing.* The time of transudation of water shall not be more than 10 seconds by the groundglass method or five seconds by the alternate methods. (Valley Size tester or curl method.)

(viii) *Color.* The paper shall consist of such colors as are used in the publication of newspapers.

(ix) *Thickness.* The thickness of the paper shall not be in excess of 0.004 of an inch.

(3) "Manufacturer" includes any person who manufactures Standard Newsprint Paper, and any person who distributes or sells Standard Newsprint Paper as a del credere agent or other representative of a manufacturer.

(4) "Merchant or Distributor" includes any person who buys Standard Newsprint Paper in any quantity from a manufacturer or other seller and resells such paper but does not divide in any manner or degree with any manufacturer or other merchant or distributor the difference between the amount paid for the paper and the price at which it is sold.

(b) Unless the context otherwise requires, the definitions set forth in section 302 of the Emergency Price Control Act of 1942 shall apply to other terms used herein.

§ 1347.209 *Replacement of regulation.* This Temporary Maximum Price Regulation No. 16 may be replaced by a permanent Maximum Price Regulation or Order issued under the Emergency Price Control Act of 1942.

§ 1347.210 *Effective period.* This Temporary Maximum Price Regulation No. 16 (§ 1347.201 to § 1347.211, inclusive) shall become effective on April 1, 1942, and shall, unless earlier revoked or replaced, expire at midnight of May 30, 1942.

§ 1347.211 *Appendix A: Maximum prices for standard newsprint paper.* (a) (1) The maximum price<sup>1</sup> per ton of 2,000 pounds for a carload lot of white Standard Newsprint Paper, as defined in § 1347.208, to be shipped in rolls to destinations in Zone 4,<sup>2</sup> shall be \$51.00. The prices herein are the maximum prices f. o. b. mill, lowest carload rate of freight allowed to destination point. Lowest carload rate of freight means the lowest freight rate for shipment of carload quantities by the means of transportation available at the time of shipment.

(2) For shipments of white Standard Newsprint Paper in rolls to destinations in zones other than Zone 4, zone price differentials prevailing during the period from March 20, 1942 to March 24, 1942, inclusive, in the appropriate case, shall

<sup>1</sup> Newsprint paper varying only in dimensions above the minima stipulated in § 1347.208 for rolls or sheets shall be classified as Standard Newsprint Paper and subject to the maximum prices established herein.

<sup>2</sup> The zones referred to herein are the zones numbered and defined in the Zone Map referred to as "Schedule A" in the Recommendations by the Newsprint Code Authority to the Administrator of the National Recovery Administration.

be subtracted from or may be added to, \$51.00 per ton of 2,000 pounds.

(b) *Differentials for color and sheets.* There may be added to the maximum prices established herein price differentials for color, sheets, or special packing equivalent to the differentials actually charged in sales by the seller of Standard Newsprint Paper during the period from March 20, 1942 to March 24, 1942, inclusive. If no such sale was made during such period, there may be added to the maximum prices the price differentials which would have been charged during such period using such cost factors as would have been used to compute such differentials during the period from March 20, 1942 to March 24, 1942, inclusive.

(c) *Imports.* The maximum prices established herein are applicable to all imports of Standard Newsprint Paper.

(d) *Merchants' or distributors' maximum selling prices—(1) For sheets.* The maximum price at which a merchant or distributor may sell Standard Newsprint Paper in sheets shall not exceed the maximum price, established hereinabove for Standard Newsprint Paper in sheets, plus the following mark-ups:

Quantity	Percentage of Maximum Price <sup>4</sup> Established in paragraphs (a), (b), and (c)	
	(a)	(b)
1 ream <sup>5</sup> to less than 1 bundle <sup>6</sup> .....	100	100
1 bundle to less than 500 pounds.....	90	90
500 pounds to less than 2,000 pounds....	50	50
2,000 pounds to less than 5,000 pounds..	30	30
5,000 pounds to less than 10,000 pounds..	20	20
10,000 pounds to less than 40,000 pounds..	15	15
40,000 pounds or more.....	7	7

<sup>4</sup> All prices in quantities of less than 2,000 pounds may be computed to the nearest 25¢ per cwt., e. g. 12.5¢ per cwt. may be taken as 25¢ per cwt. In quantities of 2,000 pounds and over, prices may be computed to the nearest 5¢ per cwt., e. g. 2.5¢ per cwt. may be taken as 5¢ per cwt.

<sup>5</sup> Sales in lots of less than one ream may be made at a price not in excess of the one ream price per pound plus 50%. One ream of newsprint is a sealed or banded package containing 500 sheets of newsprint paper.

<sup>6</sup> One bundle of newsprint is a unit of measure of newsprint paper weighing approximately 125 pounds.

(2) *For rolls.* A merchant or distributor shall not sell Standard Newsprint Paper in rolls at a price in excess of the maximum price established in this paragraph for such paper in sheets less the differential for sheets as provided in paragraph (b) of this section.

(3) *For sales from a merchant's or distributor's warehouse stocks.* The maximum price at which a merchant or distributor may sell Standard Newsprint Paper from its warehouse stocks is the maximum price established in this paragraph (d) f. o. b. such seller's warehouse.

(4) *For sales involving shipment from the manufacturer to a person purchasing from a merchant or distributor.* The maximum price at which a merchant or distributor may sell Standard Newsprint Paper to be shipped by the manufacturer directly to the person purchasing from such merchant or distributor is the maximum price established hereinabove for

shipments by such manufacturer to such purchaser plus the merchants' or distributors' mark-up provided for herein above.

(5) For sales to other merchants or distributors. The maximum price at which a merchant or distributor may sell Standard Newsprint Paper to another merchant or distributor for resale shall not exceed the maximum prices established for sales by merchants or distributors hereinabove, less the following discounts:

Quantity	Discount (percent)
1 ream to less than 1 bundle	28
1 bundle to less than 500 pounds	25
500 pounds to less than 2,000 pounds	18
2,000 pounds to less than 5,000 pounds	12½
5,000 pounds to less than 10,000 pounds	9
10,000 pounds to less than 40,000 pounds	7
40,000 pounds or more	3½

(e) Exports. The maximum price of Standard Newsprint Paper, as defined in § 1347.208, to be exported shall not exceed the maximum price established in this Appendix for a destination at the port of export. Actual costs for packing, transportation, etc., incident to export may be added to the maximum prices established herein, provided that such costs are actually incurred and are set forth as separate items in the billing.

(Pub. Law 421, 77th Cong.)

Issued this 26th day of March 1942.

JOHN E. HAMM,  
Acting Administrator.

[F. R. Doc. 42-2645; Filed, March 26, 1942; 3:52 p. m.]

PART 1351—FOODS AND FOOD PRODUCTS  
ORDER NO. 2 UNDER REVISED PRICE SCHEDULE NO. 91<sup>1</sup>—TEA

For reasons set forth in an opinion issued simultaneously herewith and filed with the Division of the Federal Register, and under the authority vested in the Price Administrator by the Emergency Price Control Act of 1942, it is hereby ordered:

§ 1351.352 Exception granted to Volkart Brothers, Inc. (a) Volkart Brothers, Inc., 60 Beaver Street, New York, may sell and deliver, and agree, offer, solicit and attempt to sell and deliver, the kinds, grades, and quantities of tea set forth in paragraph (b), at prices not in excess of those stated therein. Any person may buy and receive, and agree, offer, solicit and attempt to buy and receive, such kinds, grades and quantities of tea at such prices from Volkart Brothers, Inc.

(b) The prices listed below shall be the maximum prices at which Volkart Brothers, Inc. may deliver the kind, grade and quantity of tea named:

<sup>1</sup> 7 F.R. 1378, 1857, 2153.

Quantity	Kind and grade	Price ex warehouse New York
136 cases	Ceylon Orange Pekoe Tea, Fine.	57½
16 cases	Darjeeling F. O. P. Tea, Fine.	54
19 cases	Darjeeling F. O. P. Tea, Fine.	60
58 cases	Darjeeling F. O. P. Tea, Fine.	59
9 H/cases	Darjeeling F. O. P. Tea, Fine.	55
18 cases	Darjeeling F. O. P. Tea, Fine.	55
10 cases	Darjeeling O. P. Tea, Fine.	57
28 H/cases	Darjeeling O. P. Tea, Fine.	57
158 cases	Darjeeling F. O. P. Tea, Fine.	57
2 cases	Darjeeling O. P. Tea, Fine.	57
43 cases	Ceylon Flowery Pekoe Tea, Fine.	60
15 cases	Ceylon Pekoe Tea, Fine.	60
100 cases	Ceylon B. O. P. Tea, Fine.	60
48 cases	Ceylon B. O. P. Tea, Fine.	58½
15 cases	Ceylon B. O. P. Tea, Fine.	61
9 cases	Ceylon Flowery B. O. P. Tea, Fine.	61
100 cases	Java O. P. No. 1 Tea, Fine.	56¼
48 cases	Java O. P. Tea, Fine.	55½
40 cases	Java O. P. Tea, Fine.	55½
124 cases	Java B. O. P. Tea, Fine.	56
60 cases	Java B. O. P. Tea, Fine.	58
214 cases	Sumatra F. O. P. Tea, Fine.	55½
65 cases	Darjeeling F. O. P. Tea, Fine.	75¼
162 H/cases	Darjeeling F. O. P. Tea, Fine.	75½
19 cases	Darjeeling B. O. P. Tea, Fine.	69¼
45 H/cases	Darjeeling B. O. P. Tea, Fine.	70
144 cases	Ceylon Pekoe Tea, Fine.	68½
21 cases	Ceylon Pekoe Tea, Fine.	68
40 cases	Ceylon Pekoe Tea, Fine.	67¾
100 cases	Ceylon B. O. P. Tea, Fine.	67
129 H/cases	Darjeeling O. P. Tea, Fine.	76
69 cases	Darjeeling O. P. Tea, Fine.	75½
16 H/cases	Darjeeling O. P. Tea, Fine.	75½
9 H/cases	Darjeeling F. B. O. P. Tea, Fine.	75
6 cases	Darjeeling B. O. P. Tea, Fine.	75
9 H/cases	Darjeeling B. O. P. Tea	75
30 H/cases	Darjeeling Pekoe Tea	75
5 cases	Darjeeling Pekoe Tea	75
12 cases	Darjeeling B. F. P. Tea	75
13 cases	Darjeeling Broken Pekoe Tea	75

(c) Unless the context otherwise requires, the definitions set forth in § 1351.359 of Revised Price Schedule No. 91 shall apply to terms used herein.

This Order No. 2 shall become effective March 26, 1942. (Pub. Law 421, 77th Cong.)

Issued this 26th day of March 1942.

JOHN E. HAMM,  
Acting Administrator.

[F. R. Doc. 42-2646; Filed, March 26, 1942; 3:52 p. m.]

PART 1410—WOOL

AMENDMENT NO. 2 TO MAXIMUM PRICE REGULATION NO. 106<sup>1</sup>—DOMESTIC SHORN WOOL

A statement of the considerations involved in the issuance of this amendment has been prepared and is issued simultaneously herewith.<sup>2</sup>

Section 1410.8 is hereby deleted, subparagraph (8) of § 1410.10 (c) is hereby

<sup>1</sup> 7 F.R. 1648, 2245.

<sup>2</sup> Filed with the Division of the Federal Register; requests for copies should be addressed to the Office of Price Administration.

amended and a new paragraph (b) to § 1410.9a is added to read as follows:

§ 1410.9a Effective dates of amendments.

(b) Amendment No. 2 (§§ 1410.8, 1410.9a (b), 1410.10 (c) (8)) to Maximum Price Regulation No. 106 shall become effective March 27, 1942.

§ 1410.10 Appendix A: Maximum prices for domestic shorn wool.

(c) Inferior wools.

(8) Wools tied with sisal or binder twine, 10¢ per lb. (Pub. No. 421, 77th Cong.)

Issued this 27th day of March 1942.

JOHN E. HAMM,  
Acting Administrator.

Approved:

CLAUDE R. WICKARD,  
Secretary of Agriculture.

[F. R. Doc. 42-2678; Filed, March 27, 1942; 11:24 a. m.]

PART 1410—WOOL

REVISED PRICE SCHEDULE NO. 58<sup>1</sup> AS AMENDED—WOOL AND WOOL TOPS AND YARNS

A statement of the considerations involved in the issuance of this Revised Price Schedule No. 58, as amended, has been prepared and is issued simultaneously herewith.<sup>2</sup>

Sections 1354.1 to 1354.13, inclusive, of Revised Price Schedule No. 58, formerly embraced under Part 1354—Wool and Wool Products, are amended and redesignated §§ 1410.51 to 1410.66, inclusive, as set forth below:

AUTHORITY: §§ 1410.51 to 1410.66, inclusive, issued pursuant to the authority contained in Pub. Law 421, 77th Cong.

§ 1410.51 Maximum prices for wool and wool tops and yarns. (a) On and after February 2, 1942, no person shall sell, offer to sell, deliver or transfer wool or wool tops or yarns at prices higher than the maximum prices established herein: *Provided*, That contracts entered into prior to December 18, 1941, calling for a price higher than the maximum prices may be carried out at the contract price.

(b) (1) The maximum price for wool and wool tops and yarns, except the types and grades enumerated in Appendices A, B, C, D, E and F hereof (incorporated herein as §§ 1410.61 to 1410.66, inclusive) shall be the highest price contracted for or received by the seller for the sale or delivery during the period between October 1, 1941 and December 15, 1941, in-

<sup>1</sup> 7 F.R. 1316, 1836, 2000, 2136.

clusive, of such wool or wool tops or yarns of the same class, kind, type, condition, and grade to a purchaser of the same general class: *Provided*, That if during said period no such sale or delivery were made, the maximum price shall be a price in line with the maximum prices for related kinds, types, conditions, and grades of such wool or wool tops or yarns, determined in accordance with this paragraph (b) (1), to a purchaser of the same general class.

(2) The maximum price for wool sold by the importer thereof shall be increased or decreased by an amount equal to the actual increase or decrease in war risk insurance rates and freight rates over those prevailing for wool of the same class, kind, type, condition and grade during said period: *Provided*, That in all cases where the price is so increased, the invoice or similar document delivered to the purchaser shall show the amount of such increase.

(c) On and after March 27, 1942, notwithstanding the provisions of paragraphs (a) and (b) above, no person shall sell, offer to sell, deliver or transfer wools or wool tops or yarns of the types and grades enumerated in Appendices A, B, C, D, E, and F hereof, incorporated herein as §§ 1410.61 to 1410.66, inclusive, and no person shall buy, offer to buy, or accept delivery or transfer of such wools or wool tops or yarns at prices higher than the maximum prices set forth in Appendices A, B, C, D, E, and F: *Provided*, That contracts entered into prior to December 18, 1941, calling for a price higher than the maximum prices may be carried out at the contract price.

(d) Sales at retail are exempted from the operation of Revised Price Schedule No. 58, as amended.

(e) The maximum prices determined in accordance with this Revised Price Schedule No. 58, as amended, shall be the maximum prices for all transactions except

(1) The maximum price for grease wool futures contracts traded on the Wool Associates of the New York Cotton Exchange, Inc. shall be 103.5 cents per pound, and

(2) The maximum price for wool top futures contracts on said Exchange shall be 140 cents per pounds; except that such maximum price shall be increased or decreased by one cent per pound for each 1% that the war risk insurance rate on wool imported from Australia prevailing on the date such contract is made is, respectively, above or below 7½%:

*Provided*, That contracts entered into prior to December 18, 1941, calling for a price higher than the maximum price may be carried out at the contract price.

§ 1410.52 *Less than maximum prices.* Lower prices than the maximum prices established by Revised Price Schedule No. 58, as amended, may be charged, demanded, paid or offered.

§ 1410.53 *Evasion.* The price limitations set forth in Revised Price Schedule No. 58, as amended, shall not be evaded whether by direct or indirect methods in

connection with a purchase, sale, delivery or transfer of wool or wool tops or yarns, alone or in conjunction with any other material, or by way of any premium, commission, service, transportation, or other charge, or by a tying-agreement or other trade understanding, or by any other means.

§ 1410.54 *Records and reports.* (a) Every person making purchases or sales of wool or wool tops or yarns in the course of trade or business after December 17, 1941, shall keep for inspection by the Office of Price Administration, for a period of not less than one year, complete and accurate records of each such purchase and sale, showing the date thereof, the name and address of the buyer and the seller, the price contracted for or received and the quantity of each class, kind, type, condition and grade of wool or wool tops or yarns sold.

(b) Such persons shall submit such reports to the Office of Price Administration and keep such other records in addition to or in place of the records required in paragraph (a) of this section as the Office of Price Administration may, from time to time, require or permit.

§ 1410.55 *Enforcement.* (a) Persons violating any provision of this Revised Price Schedule No. 58, as amended, are subject to the civil and criminal penalties provided for by the Emergency Price Control Act of 1942.

(b) Persons who have evidence of any violation of this Revised Price Schedule No. 58, as amended, or any price schedule, regulation or order issued by the Office of Price Administration or of any acts or practices which constitute such a violation are urged to communicate with the nearest field or regional office of the Office of Price Administration or its principal office in Washington, D. C.

§ 1410.56 *Petitions for amendment.* Persons seeking any modification of this Revised Price Schedule No. 58, as amended, or an adjustment or exception not provided for therein, may file petitions for amendment in accordance with the provisions of Procedural Regulation No. 1 (§§ 1300.1-1300.56) issued by the Office of Price Administration.

§ 1410.57 *Definitions.* (a) When used in Revised Price Schedule No. 58, as amended, the term:

(1) "Person" includes an individual, corporation, partnership, association, or any other organized group of persons, or legal successor or representative of any of the foregoing, and includes the United States or any agency thereof, or any other government, or any of its political subdivisions, or any agency of any of the foregoing.

(2) "Wool" means the fibers from the fleece of the sheep or lamb, or hair of the Angora or Cashmere goat or of the camel, alpaca, llama or vicuna, and shall include noils, wool waste, clips and rags and reworked wool of all grades and mixtures, except that sales of unscoured wool shorn from sheep or lambs in the continental United States are excepted

from the operation of this Revised Price Schedule No. 58, as amended.

(3) "Wool tops" means tops made wholly or in part of wool;

(4) "Yarns" means yarns containing 10% or more wool by fiber weight, except yarns dyed and converted for the hand knitting trade.

(5) "Sales at retail" means sales to the ultimate consumer: *Provided*, That no manufacturer, processor, purchaser for resale or commercial user shall be deemed to be an ultimate consumer.

(b) Unless the context otherwise requires, the definitions set forth in section 302 of the Emergency Price Control Act of 1942 shall apply to other terms used herein.

§ 1410.59 *Effective date of price schedule No. 58.* Price Schedule No. 58 (§§ 1354.1 to 1354.9, inclusive) shall become effective December 18, 1941.

§ 1410.60 *Effective dates of amendments.* (a) Revised Price Schedule No. 58, as amended, (§§ 1410.51-1410.66, inclusive) shall become effective March 27, 1942: *Provided*, That firm commitments entered into after December 17, 1941 and prior to March 27, 1942, for the sale of wool or wool tops or yarns at prices not exceeding the maximum prices established by Revised Price Schedule No. 58, may be completed at contract prices.

§ 1410.61 *Appendix A; Maximum prices for domestic pulled wools.* The prices set forth below are maximum prices for domestic pulled wools of average to good character. The maximum prices for wools of choice character, for off color wools and for inferior wools shall be determined in accordance with paragraphs (b), (c) and (d) of this section.

All maximum prices are prices per pound f. o. b. shipping point and shall include all commissions and other charges except as provided in paragraph (e) of this section. Terms of sale shall be cash less 1% up to 10 days or 60 days net cash.

(a) *Wools of average to good character—(1) Worsted type.*

Grade and lengths	Clean basis	Scoured
70s, 2 inches and longer.....	\$1.22	\$1.28
64s and finer:		
2½ inches and longer.....	1.20	1.26
1½ to 2½ inches.....	1.15	1.21
60s, 64s:		
2½ inches and longer.....	1.18	1.24
1½ to 2½ inches.....	1.12	1.18
60s:		
3 inches and longer.....	1.16	1.21
1½ to 3 inches.....	1.13	1.19
58s:		
3 inches and longer.....	1.12	1.17
2 to 3 inches.....	1.08	1.13
56s:		
3½ inches and longer.....	1.08	1.13
2 to 3½ inches.....	1.04	1.09
50s, 56s:		
3½ inches and longer.....	1.04	1.09
2 to 3½ inches.....	1.00	1.05
50s:		
4 inches and longer.....	1.02	1.07
2 to 4 inches.....	.95	1.00
48s:		
4 inches and longer.....	.98	1.03
46s:		
4 inches and longer.....	.94	.99
44s to 50s:		
4 inches and longer.....	.92	.97



(2) Woolen type.

Grade and lengths	Clean basis	Scoured
64s—Under 1½ inches.....	\$1.12	\$1.18
60s, 64s—Under 1½ inches.....	1.09	1.15
60s—Under 1½ inches.....	1.07	1.13
58s—Under 2 inches.....	1.04	1.10
56s—Under 2 inches.....	1.00	1.05
50s, 56s—Under 2 inches.....	.96	1.01
50s—Under 2 inches.....	.92	.97
48s—Under 4 inches.....	.93	.98
46s—Under 4 inches.....	.91	.96
44s to 50s—Under 4 inches.....	.90	.95

(b) Wools of choice character. The maximum prices for pulled wools of choice character shall be the maximum prices set forth above, plus the following amounts:

- (1) Grades 70s to 58s inclusive..... \$0.03
- (2) Grades 56s to 48s inclusive..... .05
- (3) Grades 46s and coarser..... .08

(c) Off color pulled wools, choice character.

Grade	Prices of Choice Wools	
	Clean basis	Scoured
<b>BLACK</b>		
60s, 64s.....	\$1.06	\$1.12
58s, 60s.....	1.02	1.07
56s, 58s.....	.97	1.02
<b>GRAY</b>		
60s, 64s.....	1.05	1.10
60s.....	1.02	1.07
56s, 58s.....	.95	1.00
56s, 50s.....	.88	.93
50s, 56s.....	.86	.91
48s, 50s.....	.84	.89
46s, 48s.....	.80	.85
46s, 44s.....	.58	.62
<b>SHANK</b>		
44s to 50s.....	.70	.75

The maximum prices for Gray and Black wools of average character shall be 3 cents per pound less than the applicable maximum price for off color pulled wools of choice character set forth above.

(d) Inferior pulled wools. The maximum prices for inferior pulled wools shall be determined by deducting from the applicable maximum price for pulled wools of good character, set forth in paragraph (a) of this section the following amounts:

- (1) Slightly tinged wools—2 cents per lb.
- (2) Yellow or heavily stained wools—5 cents per lb.

(3) Seedy or burry wools which, in accordance with established trade practice, do not require carbonizing—3 cents per lb., after adjustment has been made for color in accordance with subparagraphs (1) and (2) above.

(4) Seedy or burry wools which in accordance with established trade practice, require carbonizing, 10 cents per lb., after adjustment has been made for color in accordance with sub-paragraphs (1) and (2) above: *Provided*, That where such wools are sold in a carbonized state the actual carbonizing charges plus an allowance for actual shrinkage may be added to the maximum price so long as such charges and shrinkage allowance

are set forth in the invoice or similar document delivered to the purchaser.

(e) *Brokers' commissions.* In cases where a purchaser or a seller of domestic pulled wool employs a broker or other agent to make a purchase or sale on his behalf, a commission of not to exceed 1% of the applicable maximum price may be charged for such services and added to the applicable maximum price. A commission may not be charged to both buyer and seller on the same lot of wool. Such commission shall be payable only if (1) the wool is purchased at a price not exceeding the applicable maximum price, (2) it is shown as a separate charge on the invoice or similar document delivered to the purchaser, and (3) the commission is not split or divided with the seller or with an agent or an employee of the seller.

§ 1410.62 Appendix B: Maximum prices for wool tops and noils—(a) Wool

tops. The prices set forth below are maximum prices for oil combed wool tops (15% regain, 3¼% oil and grease). The maximum prices for dry combed tops shall be the maximum prices set forth below plus 2¼%.

The maximum prices set forth below shall be adjusted to take into account changes in war risk insurance rates in accordance with subparagraph (1) of this paragraph.

The maximum prices for wool tops made of blends of foreign and domestic wools or of different types of foreign wools shall be determined in accordance with subparagraph (2) of this paragraph.

All maximum prices are prices per pound f. o. b. combing plant and shall include all commissions and other charges except as provided in subparagraph (3) of this paragraph.

Terms of sale shall be cash less 1% up to 10 days or 60 days net cash.

WORSTED TOPS

Grades and staples	United States grown wool	Australian	Cape South Africa	Other foreign tops and blends	
				New Zealand, Montevideo, Punta Magallanes, Concordia, Corriente	Buenos Aires, San Julian, Santa Cruz, Chubut, Cordelera, Rio Negro, Deseado, Rio Gallegos, Brazilian, Chilean (Not Punta)
80s Average.....		\$1.54	\$1.54		
70s Warp.....		1.46	1.48		
64/70s.....		1.44	1.46		
70s Warp.....					
70s Average Texas.....	\$1.64				
70s French Combing Texas.....	1.60				
64s and Finer Warp.....	1.62	1.42	1.45	\$1.50	\$1.56
64s and Finer Average.....	1.60	1.40	1.43		1.54
64s French Combing.....	1.58	1.37	1.40	1.47	1.51
64s (6-8 months).....			1.37		
62s Warp.....	1.58	1.39	1.42	1.48	1.48
62s Average.....	1.56	1.37	1.40	1.46½	1.46½
62s French Combing.....	1.54	1.34	1.37	1.44	1.44
Fine Delaine.....	1.60				
60s Warp.....	1.55	1.35	1.38	1.45	1.46½
60s Average.....	1.52	1.33	1.36	1.43	1.45
58s Warp.....	1.46	1.27	1.30	1.40	1.40
58s Knitting.....	1.43	1.24	1.27	1.37	1.36
56s Warp.....	1.39	1.23	1.26	1.29	1.33
56s Knitting.....	1.36	1.21	1.23	1.26	1.30
50/56s Warp.....	1.31	1.20		1.27	1.28
50/56s Knitting.....	1.29			1.24	1.25
50s Warp.....	1.27	1.18		1.25	1.24
50s Knitting.....	1.25	1.15	1.18	1.22	1.21
46/50 Knitting.....				1.18	1.18
46/48 Warp.....	1.21	1.08		1.16	1.19
46/48 Knitting.....	1.20			1.13	1.16
Britch.....	1.08	1.01			
46s Warp.....				1.08	1.06
44s Knitting.....		.85		.96	.85
40/44s Knitting.....				.89	
44s Second Clip.....					.83
40s Warp.....				.85	.64
40s Second Clip.....					.63
36/40s Warp.....				.82	.63
36/40s Second Clip.....					.62

(1) Adjustments for increases or decreases in war risk insurance rates. (i) The maximum prices set forth above for tops made of South American wools of 56's grade or finer shall be increased or decreased by one cent per pound for each 1% that the war risk insurance rate prevailing on the date the contract of sale is made is, respectively, above or below 2½%.

(ii) The maximum prices set forth above for tops made of Australian or

New Zealand wools of 56's grade or finer shall be increased or decreased by one cent per pound for each 1% that the war risk insurance rate prevailing on the date the contract of sale is made is, respectively, above or below 7½%.

(iii) The maximum prices set forth above for tops made of South African wools of 56's grade or finer shall be increased or decreased by one cent per pound for each 1% that the war risk insurance rate prevailing on the date the

contract of sale is made is, respectively, above or below 4%. For grades coarser than 56's such adjustment shall be one-half cent per pound for each 1% increase or decrease in the war risk insurance rate.

(2) *Maximum prices for wool tops made of blends of foreign and domestic wools or of different types of foreign wools.* In cases where wool tops are made of blends of foreign and domestic wools or of different types of foreign wools, as classified by place of origin in the table above, the maximum prices for such blends shall be based upon the applicable maximum prices for the unblended wool tops set forth above weighted in proportion to the amounts of such different types of wools contained in the blended top.

(3) *Broker's commissions.* In cases where a purchaser or a seller of wool tops employs a broker or other agent to make a purchase or sale on his behalf, a commission of not to exceed 1% of the applicable maximum price may be charged for such service and added to the applicable maximum price. A commission may not be charged to both buyer and seller on the same lot of wool tops. Such commission shall be payable only if (i) the wool tops are purchased at a price not exceeding the applicable maximum price, (ii) it is shown as a separate charge on the invoice or similar document delivered to the purchaser, and (iii) the commission is not split or divided with the seller or with an agent or employee of the seller.

(b) *Wool noils.* The prices set forth below are maximum prices for wool noils in cents per pound ex combing plant or ex warehouse, and shall include all commissions and other charges except as provided in subparagraph (1) of this paragraph (b).

Terms of sale shall be cash less 1% up to 10 days or 60 days net cash.

GRADES	Noble	French
	Average to good	Average to good
70	78	
64	75	64
60	73	61
58	70	58
56	66	52
50	61	51
48	59	48
46	58	46
36/40/44	57	42
	Noble	French
NATURAL GREY		
60s to 70s	55	50
56s and lower	51	47
RECOMBED WHITE		
70s	95	83
60/64s	90	78
56/58	84	74
50/56	73	68
RECOMBED COLORED		
64/70s mixed shade	62	55
60s	57	51
56/58s	52	47
50/56s	50	42

The maximum prices for carbonized, neutralized or dusted noils shall be the applicable maximum price set forth above plus the charges actually paid for carbonizing, neutralizing or dusting.

The maximum prices for noils of choice character shall be the maximum prices set forth above plus the following amounts:

70s to 58s, inclusive	2¢
All other grades	3¢

(j) *Broker's commissions.* In cases where a purchaser or a seller of wool noils employs a broker or other agent to make a purchase or sale on his behalf, a commission of not to exceed 1% of the applicable maximum price may be charged for such service and added to the applicable maximum price. A commission may not be charged to both buyer and seller on the same lot of wool noils. Such commission shall be payable only if (i) the wool noils are purchased at a price not exceeding the applicable maximum price, (ii) it is shown as a separate charge on the invoice or similar document delivered to the purchaser and (iii) the commission is not split or divided with the seller or with an agent or employee of the seller.

§ 1410.63 *Appendix C: Maximum prices for scoured domestic shorn wools.* The maximum prices for scoured domestic shorn wools shall be the applicable maximum clean basis prices set forth in § 1410.10 of Maximum Price Regulation No. 106, Domestic Shorn Wool, for unscoured wool to which may be added the following conversion charges:

- (a) Actual charges paid for scouring;
- (b) Transportation charges to scouring plant actually paid but in no case in excess of \$0.50 per hundred weight of grease wool;
- (c) Actual charges paid for sorting but in no case in excess of \$1.00 per hundred weight of grease wool; and
- (d) Actual loss incurred for depreciation due to off-sorts but in no case in excess of \$1.50 per hundred weight of grease wool:

*Provided,* That the amount of each such charge shall be separately set forth in an invoice or similar document delivered to the purchaser.

§ 1410.64 *Appendix D: Maximum prices for wool yarns.* The maximum prices for Bradford weaving yarns, Bradford knitting yarns and French spinning yarns are set forth below in paragraphs (a), (b) and (c). In paragraphs (d) and (e) below there are set forth the provisions for determining the maximum prices for yarns spun from blended foreign and domestic wool, and for yarns spun from blended wool and other fibers.

17 F.R. 1648, 2245.

	44s	50s	50/56s	56s	58s	60s	62s	64s
Domestic		\$1.775	\$1.85	\$1.90	\$2.00	\$2.10	\$2.15	\$2.20
Foreign	\$1.425		1.75	1.825	1.85	1.925	1.95	2.00

(a) *Bradford weaving yarns.* The prices set forth below are maximum prices per pound, f. o. b. shipping point, for Bradford weaving yarns of the base count of 2/30s on Dresser spools or skeins. The maximum prices for yarns of other counts, for yarns on cones or cheeses, and for yarns sold in the dyed state shall be determined in accordance with subparagraphs (1), (2), and (3) below.

Terms of sale shall be cash less 2% up to 10 days or 60 days net cash.

*Base count 2/30s on dresser spools or skeins*

	70s	64s	62s	60s	58s	56s	50s
Domestic	\$2.375	\$2.325	\$2.275	\$2.25	\$2.15	\$2.05	\$1.875
Foreign	2.175	2.10	2.05	2.00	1.95	1.925	1.85

(1) (i) The maximum prices for Bradford weaving yarns of counts above 2/30s shall be the maximum prices set forth above to which shall be added:

- 1¼¢ per count for each count from 2/31s to 2/40s.
- 2¢ per count for each count from 2/41s to 2/50s.
- 2½¢ per count for each count from 2/51s to 2/60s.

(ii) For counts less than 2/30s, one cent per count shall be subtracted for each count from 2/29s to 2/20s; yarns of counts below 2/20s shall have the same maximum prices as 2/20s.

(2) For yarns delivered on cones or cheeses the maximum prices shall be two cents per pound less than the applicable maximum price for yarns delivered on Dresser spools or skeins.

(3) The maximum prices for yarns sold in the dyed state shall be the applicable maximum price set forth above plus the following premiums:

<i>Cents per lb.</i>	
Single combed black and white mixtures and solid colors	17½
Double combed fancy mixes and solid colors	25
Double combed double and twist	27½
Double combed uniform twists	27½

(b) *Bradford knitting yarns.* The prices set forth below are maximum prices per pound, f. o. b. shipping point, for Bradford knitting yarns of the base counts of 2/18s to 2/20s in skeins. The maximum prices for yarns of other counts, for yarns reeled to weight, for single yarns on cones, and for yarns sold in the dyed state shall be determined in accordance with subparagraphs (1), (2), (3), and (4) below.

Terms of sale shall be cash less 3% up to 10 days, 2% up to 30 days and net cash thereafter. Base counts 2/18s to 2/20s on skeins.

(1) (i) The maximum prices for Bradford knitting yarns of counts above 2/20s shall be the maximum prices set forth above to which shall be added:

1 1/4¢ per count for each count from 2/21s to 2/30s.

1 1/2¢ per count for each count from 2/31s to 2/40s.

2¢ per count for each count from 2/41s to 2/50s.

(ii) For counts less than 2/18s, one-half cent per count shall be subtracted for each count to 2/8s.

(2) The maximum prices for single yarns on cones shall be the maximum prices for 2 ply yarns of the same count.

(3) The following premiums may be added to the applicable maximum price for Bradford knitting yarns reeled to weight:

2 1/2¢ per pound for 2 oz. skeins.

5¢ per pound for 1 oz. skeins.

12¢ per pound for skeins under 1 oz.

(4) The maximum prices for yarns sold in the dyed state shall be the applicable maximum prices set forth above plus the following premiums:

17 1/2¢ per pound for 100% worsted yarns.

22 1/2¢ per pound for blended yarns.

(c) *French spinning yarns.* The prices set forth below are maximum prices per pound, f. o. b. shipping point, for French spinning yarns of the base count of 1/30s on cops. The maximum prices for yarns of other counts, for coning, for twisting and for yarns sold in the dyed state shall be determined in accordance with subparagraphs (1), (2), (3) and (4) below.

Terms of sale shall be as follows:

Underwear and hosiery yarns—cash less 2% up to 10 days E.O.M., net cash thereafter. Weaving yarns—cash less 2% up to 10 days or 60 days net cash.

Outerwear yarns—cash less 3% up to 10 days, 2% up to 70 days and net cash thereafter.

Base: 1/30s on cops.

	70s	64s	62s	60s	58s	56s	50s
Domestic	\$2.275	\$2.225	\$2.175	\$2.125	\$2.075	\$1.95	\$1.825
Foreign	2.075	2.00	1.95	1.90	1.85	1.825	1.875

(1) (i) The maximum prices for French spinning yarns of counts above 1/30s shall be the maximum prices set forth above to which shall be added:

1¢ per count for each count from 1/31s to 1/40s.

1 1/2¢ per count for each count from 1/41s to 1/50s.

2¢ per count for each count from 1/51s to 1/60s.

2 1/2¢ per count for each count from 1/61s to 1/70s.

(ii) For counts less than 1/30s, one-half cent per count shall be subtracted

for each count from 1/29s to 1/20s; yarns of counts below 1/20s shall have the same maximum price as 1/20s.

(2) The maximum prices for yarns sold on cones shall be the applicable maximum price set forth above plus the following premiums:

5¢ per pound for 1/20s or lower.

6¢ per pound for 1/21s to 1/30s.

7¢ per pound for 1/31s to 1/40s.

8¢ per pound for 1/41s to 1/50s.

10¢ per pound for 1/51s to 1/60s.

12 1/2¢ per pound for 1/61s to 1/70s.

(3) The maximum prices for twisted yarns shall be the applicable maximum price set forth above plus the following premiums:

11¢ per pound for 2/20s.

13¢ per pound for 2/21s to 2/24s.

14¢ per pound for 2/25s and 2/26s.

15¢ per pound for 2/27s to 2/30s.

17 1/2¢ per pound for 2/31s to 2/40s.

20¢ per pound for 2/41s to 2/50s.

(4) The maximum prices for French knitting yarns sold in the dyed state shall be the applicable maximum price set forth above plus the following premiums:

Cents

Single combed black and white mixtures and solid colors..... 17 1/2

Double combed fancy mixes and solid colors..... 25

Double combed double and twist..... 27 1/2

Double combed uniform twists..... 27 1/2

(d) *Yarns spun from blended foreign and domestic wool.* Where yarns are spun from blended foreign and domestic wool, the maximum price shall be a price reduced from the applicable maximum price for yarns spun from domestic wool toward the applicable maximum price for yarns spun from foreign wool, in proportion to the percentage of foreign wool in the blend.

(e) *Yarns spun from blended wool and other fibers.* Where yarns are spun from blended wool and other fibers, the maximum price shall be a price reduced from the applicable maximum price for yarns spun from wool by the amount thereby saved in raw material costs. In computing such costs, 10% of the cost of the raw materials shall be added to cover loss due to waste.

§ 1410.65 *Appendix E: Maximum prices for foreign wools—(a) South American wools.* The prices set forth below are maximum prices per pound for South American wools, of United States official standard grades, clean basis, cost and freight, in bond, delivered in warehouse eastern seaboard. When sold duty paid, an amount not exceeding the duty actually paid may be added to the applicable maximum price.

The maximum prices shall include commissions and all other charges except as provided in subparagraphs (5) and (6) below.

Terms of sale shall be cash less 1% up to 10 days, or 60 days net cash.

U. S. official standard grades	Montevideo, Punta, Magellanes, Entre Rios, Concordia, Corriente		
	Good combing fleeces (practically free)	Best pieces	Bellies and pieces
64s and finer.....	\$0.73	\$0.70	\$0.67
60s, 64s.....	.71	.68	.65
60s.....	.70	.67	.64
58s, 60s.....	.67	.64	.61
56s, 58s.....	.65	.62	.59
56s.....	.63	.60	.57
50s, 56s.....	.61	.57	.54
50s.....	.59	.55	.52
46s, 50s.....	.57	.52	.47
46s, 48s.....	.55	.50	.45
46s.....	.51	.45	.40
44s.....	.54	.48	.43
40s and lower.....	.49	.43	.38

U. S. official standard grades	Buenos Aires, Patagonia, Bahia Blanca, Pampa, San Julian, Santa Cruz, Rio Negro, Chubut, Tierra del Fuego, Cordellera, Deseado, Rio Gallegos, Brazilian		
	Good combing fleeces (practically free)	Best pieces	Bellies and pieces
64s and finer.....	\$0.73	\$0.68	\$0.65
60s, 64s.....	.68	.66	.63
60s.....	.67	.65	.62
58s, 60s.....	.64	.62	.59
56s, 58s.....	.62	.60	.57
56s.....	.60	.58	.55
50s, 56s.....	.58	.55	.52
50s.....	.56	.53	.50
46s, 50s.....	.53	.50	.47
46s, 48s.....	.51	.48	.45
46s.....	.46	.43	.40
44s.....	.45	.42	.39
40s and lower.....	.32	.30	.28

SOUTH AMERICAN SECOND CLIP AND LAMBS' WOOL

U. S. official standard grades	Montevideo, Punta, Magellanes, Entre Rios, Concordia, Corriente		Buenos Aires, Patagonia, Bahia Blanca, Pampa, San Julian, Santa Cruz, Rio Negro, Chubut, Tierra del Fuego, Cordellera, Deseado, Rio Gallegos, Brazilian
	Good combing fleeces (practically free)	Best pieces	
60s and finer.....	\$0.62		\$0.60
58s, 60s.....	.58		.57
56s, 58s.....	.56		.55
56s.....	.54		.52
50s, 56s.....	.52		.50
46s, 50s.....	.50		.48
46s.....	.48		.46
44s.....	.46		.45
40s and lower.....	.40		.32

CHILEAN WOOLS

U. S. Official standard grades	Valdivia, Orsono		Talcahuana, Concepcion
	Good combing fleeces (practically free)	Best pieces	
60s, 64s.....	\$0.68		
58s, 60s.....	.61		\$0.53
56s, 58s.....	.58		.55
50s, 56s.....	.56		.53
48s, 50s.....	.53		.51
46s, 48s.....	.46		.46

## PERUVIAN WOOLS

U. S. Official standard grades:	Improved Peruvian
64s.....	\$0.71
60s, 64s.....	.68
56s, 60s.....	.62
56s, 58s.....	.58
50s, 56s.....	.53
46s, 48s.....	.49
U. S. Official standard grades:	Ordinary Peruvian
Merino 60s, 64s.....	\$0.64
No. 1, 58s, 60s.....	.60
No. 2, 46s, 56s (Kempy).....	.44
Gray.....	.44

(1) *Inferior wools.* The maximum prices for inferior wools shall be determined by deducting from the applicable maximum prices for shorn foreign wools imported in the greasy or washed condition, set forth in this paragraph (a), the following amounts:

- (i) Slightly Stained Wools, 2¢ per lb.
- (ii) Yellow or Heavily Stained Wools, 5¢ per lb.
- (iii) Seedy or Burry Wools not Requiring Carbonizing, and cotts, 3¢ per lb., after adjustment has been made for color in accordance with (i) and (ii) above.

(iv) Seedy or Burry Wools Requiring Carbonizing, 10¢ per lb., after adjustment has been made in accordance with (i) and (ii) above: *Provided*, That where such wools are sold in a carbonized state the actual carbonizing charges plus an allowance for actual shrinkage may be added to the maximum price so long as such charges and shrinkage allowance are set forth in the invoice or similar document delivered to the purchaser.

(2) *Wools of choice character.* Maximum prices for wools of choice character shall be the maximum prices set forth above plus the following amounts:

- (i) Grades 70s to 58s, 60s, inclusive, 3¢ per lb.

*Provided*, That the wools show good marino character in fully skirted super fleeces, freedom from burrs or other deleterious vegetable matter, freedom from kempy or hairy fibers, freedom from tender wools, evenness of grade and length, and good strength.

- (ii) Grades 56s, 58s to 46/48s, inclusive, 5¢ per lb. and

- (iii) Grades 46s to 40s and below, inclusive, 8¢ per lb.

*Provided*, That wools of the grades enumerated in paragraphs (ii) and (iii) show good medium or coarse crossbred or Lincoln character, unusual length and evenness in length and grade in fully skirted super fleeces, freedom from burrs and other deleterious vegetable matter, freedom from hairy or kempy fibers, freedom from tender wool, good strength and a high degree of lustre.

(3) *South American wools imported in the scoured state.* Maximum prices for shorn foreign wools imported in the scoured state shall be 2¢ per pound scoured above the applicable clean basis prices listed for shorn wools imported in the greasy or washed condition.

(4) *South American wools scoured in the United States.* The maximum prices for South American wools scoured in the

United States shall be the applicable maximum clean basis prices set forth above for unscoured wool to which may be added the following conversion charges:

Actual charges paid for scouring; Transportation charges to scouring plant actually paid but in no case in excess of \$0.50 per hundredweight of grease wool;

Actual charges paid for sorting but in no case in excess of \$1.00 per hundredweight of grease wool; and

Actual loss incurred for depreciation due to off-sorts but in no case in excess of \$1.50 per hundredweight of grease wool:

*Provided*, That the amount of each such charge shall be separately set forth in an invoice or similar document delivered to the purchaser.

(5) *Maximum prices for sales of South American wools by dealers.* For the purposes of this Section, the term "dealer" shall be restricted to persons who purchase wool before it is landed in the United States and either resell it to a topmaker, spinner, or manufacturer for his own consumption, after it has been shipped from the country of origin, or resell it after it has been landed in the United States.

When South American wools are sold by a dealer, the applicable maximum price set forth above may be increased by an amount not exceeding 10% of the applicable in bond maximum price or 5 cents per lb. clean basis, whichever is greater, plus charges actually paid for marine and war risk insurance on the wool sold: *Provided*, That an invoice or similar document delivered to the purchaser shall show separately (i) the applicable maximum price of the wool, (ii) the dealer's markup per pound, (iii) the charges actually paid for marine insurance and (iv) the charges actually paid for war risk insurance. Persons buying any such wool after it has once been sold by a dealer may resell it at a price not higher than the maximum price applicable to the sale by the dealer under this paragraph.

(6) *Brokers' commissions.* In cases where a purchaser or a seller of South American wool employs a broker or other agent to make a purchase or sale on his behalf, a commission of not to exceed 1% of the applicable in bond maximum price may be charged for such services and added to the applicable maximum price. Such a commission may not be added to the increased maximum price applicable to sales by dealers provided for in paragraph (5) above. A commission may not be charged to both buyer and seller on the same lot of wool. Such commission shall be payable only if (i) the wool is purchased at a price not exceeding the applicable maximum price (ii) it is shown as a separate charge in the invoice or similar document delivered to the purchaser and (iii) the commission is not split or divided with the seller or an agent or an employee of the seller.

(b) *Australian, New Zealand, South African and other British wool control wool—(1) Maximum prices for sales by dealers.* For the purposes of this Section, the term "dealer" shall be restricted to persons who purchase wool before it is landed in the United States and either resell it to a topmaker, spinner, or manufacturer for his own consumption, after it has been shipped from the country of origin, or resell it after it has been landed in the United States.

The maximum prices for sales of such wools by dealers shall be the actual cost thereof landed in bond in the United States, plus an amount not exceeding 10% of such cost or 5 cents per pound, clean basis, whichever is greater, plus charges actually paid for marine and war risk insurance on the wool sold: *Provided*, That an invoice or similar document delivered to the purchaser shall show separately (i) such actual cost of the wool, (ii) the dealer's markup per pound, (iii) the charges actually paid for marine insurance, and (iv) the charges actually paid for war risk insurance. Persons buying any such wool after it has once been sold by a dealer may resell it at a price not higher than the maximum price applicable to the sale by the dealer under this paragraph.

(2) *British wool control wools scoured in the United States.* The maximum prices for wools scoured in the United States shall be the applicable dealer's maximum price set forth above for unscoured wool to which may be added the following charges:

- (i) Actual charges paid for scouring;
- (ii) Transportation charges to scouring plant actually paid, but in no case in excess of \$.50 per hundredweight of grease wool;

(iii) Actual charges paid for sorting but in no case in excess of \$1.00 per hundredweight of gease wool; and

(iv) Actual loss incurred for depreciation due to off-sorts but in no case in excess of \$1.50 per hundredweight of grease wool:

*Provided*, That the amount of each such charge shall be separately set forth in an invoice or similar document delivered to the purchaser.

(3) *British wool control wools sold duty paid.* When British Wool Control wools are sold on a duty paid basis, the applicable maximum price may be increased by the amount of duty actually paid.

§ 1410.66 Appendix F: *Maximum prices for foreign pulled wools.* The prices set forth below are maximum prices per pound for foreign pulled wools of average to good character, duty paid, f. o. b. warehouse, pullery or scouring plant. Such prices do not include marine and war risk insurance charges which may be added as set forth in paragraph (e) below. Terms of sale shall be cash less 1% up to 10 days, or 60 days net cash.

(a) *Worsted type*

Grades and lengths	Pulled abroad			Pulled in U. S. A.	
	Clean basis	Scoured abroad	Scoured in U. S. A.	Clean basis	Scoured in U. S. A.
70s, 1½ inches and longer.....	\$1.08	\$1.10	\$1.13	\$1.11	\$1.16
64s, and finer:					
2½ inches and longer.....	1.06	1.08	1.11	1.09	1.14
1½ to 2½ inches.....	1.03	1.05	1.08	1.06	1.11
60s, 64s:					
2½ inches and longer.....	1.05	1.07	1.10	1.08	1.13
1½ to 2½ inches.....	1.00	1.02	1.05	1.03	1.08
60s:					
3 inches and longer.....	1.03	1.05	1.08	1.05	1.10
1½ to 3 inches.....	.99	1.01	1.04	1.01	1.06
58s:					
3 inches and longer.....	1.00	1.02	1.05	1.02	1.07
2 to 3 inches.....	.97	.99	1.02	.99	1.04
56s:					
3½ inches and longer.....	.97	.99	1.02	.99	1.04
2 to 3½ inches.....	.94	.96	.99	.96	1.01
50s, 56s:					
3½ inches and longer.....	.95	.97	1.00	.97	1.02
2 to 3½ inches.....	.92	.94	.97	.94	.99
48s, 50s:					
4 inches and longer.....	.91	.93	.96	.93	.98
2½ to 4 inches.....	.89	.91	.94	.91	.96
46s, 48s:					
4 inches and longer.....	.87	.89	.92	.89	.94
2½ to 4 inches.....	.84	.86	.89	.86	.91
44s:					
5 inches and longer.....	.68	.70	.72	.70	.74
3 to 5 inches.....	.66	.68	.70	.68	.72
36s, 40s:					
5 inches and longer.....	.58	.60	.62	.60	.64
3 to 5 inches.....	.56	.58	.60	.58	.62

(b) *Woolen type*

Grades and lengths	Pulled abroad			Pulled in U. S. A.	
	Clean basis	Scoured abroad	Scoured in U. S. A.	Clean basis	Scoured in U. S. A.
70s—Under 1½ inches.....	\$0.98	\$1.00	\$1.03	\$1.01	\$1.06
64s and finer—Under 1½ inches.....	.96	.98	1.01	.99	1.04
60s, 64s—Under 1½ inches.....	.95	.97	1.00	.98	1.03
60s—Under 1½ inches.....	.93	.95	.98	.96	1.01
58s—Under 2 inches.....	.90	.92	.95	.92	.97
56s—Under 2 inches.....	.87	.89	.92	.89	.94
50s, 56s—Under 2 inches.....	.85	.87	.90	.87	.92
48s, 50s—Under 2½ inches.....	.81	.83	.86	.83	.88
46s, 48s, Under 2½ inches.....	.77	.79	.82	.79	.84
44s—Under 3 inches.....	.58	.60	.62	.60	.64
36s, 40s—Under 3 inches.....	.48	.50	.52	.50	.54

(c) *Foreign pulled wools of choice character.* The maximum prices for foreign pulled wools of choice character shall be the maximum prices set forth above plus the following amounts:

- (1) Grades 70s to 58s, inclusive, 3¢ per lb.
- (2) Grades 56s to 48s, inclusive, 5¢ per lb.
- (3) Grades 46s and coarser, 8¢ per lb.

(d) *Inferior wools.* The maximum prices for inferior foreign pulled wools shall be determined by deducting from the applicable maximum price for such wools of average to good character, set forth in paragraphs (a) and (b) above, the following amounts:

- (1) Slightly tinged wools, 2¢ per lb.
- (2) Yellow or heavily stained wools, 5¢ per lb.
- (3) Seedy or burry wools which, in accordance with established trade practice, do not require carbonizing, 3¢ per lb., after adjustment has been made for color in accordance with subparagraphs (1) and (2) above.
- (4) Seedy or burry wools which, in accordance with established trade prac-

...tice, require carbonizing, 10¢ per lb., after adjustment has been made for color in accordance with subparagraphs (1) and (2) above: *Provided*, That where such wools are sold in a carbonized state the actual carbonizing charges plus an allowance for actual shrinkage may be added to the maximum price so long as such charges and shrinkage allowance are set forth in an invoice or similar document delivered to the purchaser.

(e) *Adjustment for marine and war risk insurance charges.* Actual charges paid for marine insurance and war risk insurance on the wool sold may be added to the applicable maximum price for foreign pulled wool determined in accordance with this section: *Provided*, That the amounts of such marine and war risk insurance shall be separately set forth in an invoice or similar document delivered to the purchaser.

Issued this 27th day of March 1942.  
 JOHN E. HAMM,  
*Acting Administrator.*

[F. R. Doc. 42-2679; Filed, March 27, 1942; 11:25 a. m.]

Chapter XV—Defense Communications Board

[Order No. 3]

PART 1702—SECURITY OF MILITARY AND NAVAL MESSAGES

Whereas The Defense Communications Board has, by Executive Order No. 8964 of December 10, 1941 and Executive Order No. 9089 of March 6, 1942, been authorized, if the national security and defense and the successful conduct of the war so demand, to prescribe classes and types of radio stations and stations for wire communications and facilities or portions thereof which shall be subject to the use, control, supervision, inspection, or closure in accordance with such prescription, by the Department of War, Department of Navy, or other agency of the United States Government, designated by the Board;

And whereas it is necessary in the interest of the national security and defense, and for the successful prosecution of the war that the Government of the United States safeguard the security of all military and naval messages handled by means of radio communication and wire communication, as defined in the Communications Act of 1934, under the jurisdiction of the United States;

And whereas The Defense Communications Board has determined that the national security and defense and the successful conduct of the war so demand;

Now, therefore, By virtue of authority vested in the Board under the aforementioned Executive Orders, the Board hereby authorizes:

§ 1702.1 *Authorization of the Secretary of War and the Secretary of the Navy to take appropriate measures to safeguard the security of military and naval messages handled by means of radio communication and wire communication.* The Secretary of War and the Secretary of the Navy, acting jointly or severally, to take such steps, institute such measures, and issue such regulations and orders as shall be necessary to safeguard all military and naval messages handled by means of radio communication and wire communication under the jurisdiction of the United States in order to ensure that all such communications be transmitted rapidly, securely, and inviolate and further to ensure that no communication of spurious origin, purporting to be a military or naval communication, be transmitted by means of radio or wire communication. (E.O. Nos. 8964, 9089; 6 F.R. 6367, 7 F.R. 1777.)

Subject to such further order as the Board may deem appropriate.

By the Defense Communications Board.

JAMES LAWRENCE FLY,  
*Chairman.*

Attest:

HERBERT E. GASTON,  
*Secretary.*

MARCH 25, 1942.

[F. R. Doc. 42-2674; Filed, March 27, 1942; 10:28 a. m.]

**TITLE 33—NAVIGATION AND NAVIGABLE WATERS**

**Chapter II—Corps of Engineers,  
War Department**

**PART 203—BRIDGE REGULATIONS<sup>1</sup>**

§ 203.434 *Dead River, Fla.; bridge of Seaboard Air Line Railway Co. near Tavares, Fla.* (a) The owner of, or agency controlling, the bridge will not be required to keep a draw tender in attendance at the above-named bridge between the hours of 10:00 p. m. and 6:00 a. m., daily.

(b) Whenever a vessel unable to pass under the closed bridge desires to pass through the draw between the hours of 10:00 p. m. and 6:00 a. m., notice of the desire to pass shall be given to the draw tender, who lives immediately adjacent to the bridge.

(c) Upon receipt of such notice, the said draw tender, or an authorized representative of the owner of, or agency controlling, the bridge, in compliance therewith, shall arrange for the prompt opening of the draw.

(d) The owner of, or agency controlling, the bridge shall keep conspicuously posted on both the upstream and downstream sides of the bridge, in a manner that it can easily be read at any time, a copy of these regulations, together with a notice stating exactly how the representative specified in paragraph (b) of this section may be reached. (Sec. 5, River and Harbor Act, Aug. 18, 1894, 28 Stat. 362; 33 U.S.C. 499) [Regs. March 16, 1942 (E.D. 6371 (Seaboard Air Line R. R.—Dead R.)—4)]

[SEAL]

J. A. ULIO,  
Major General,  
The Adjutant General.

[F. R. Doc. 42-2642; Filed, March 26, 1942; 1:56 p. m.]

**PART 204—DANGER ZONE REGULATIONS<sup>2</sup>**  
**PROVING GROUND AT ABERDEEN, MD.**

Pursuant to the provisions of Chapter XIX of the Army Act approved July 9, 1918 (40 Stat. 892; 33 U.S.C. 3), the restricted area defined in § 204.30 (a) (1) is hereby redefined; the description of the restricted area being amended as follows:

§ 204.30 *Chesapeake Bay*—(a) *United States Army Proving Ground Reservation, Aberdeen, Md.*—(1) *Restricted area defined.* The following indicates the limits of the waters of or adjacent to the Aberdeen Proving Ground, Maryland, and inside of which boundaries will lie the restricted area known as the Aberdeen Proving Ground, Maryland:

Beginning at a point on the westerly side of Chesapeake Bay, at the south side of the mouth of Swan Creek, Harford County, Maryland, the most northerly point of the reservation known as Plum Point; thence southeasterly along the low water mark on the shore of Chesapeake Bay to the westerly landing of the ferry across Spesutie Narrows;

<sup>1</sup> § 203.434 is added.

<sup>2</sup> § 204.30 (a) (1) is amended.

thence due southeast to a point in the center line of Spesutie Narrows; thence southerly along the center line of Spesutie Narrows to a point approximately 325 yards S. 30° E. from the outer end of the wharf at Mulberry Point; thence approximately 2,500 yards S. 27° 12' E. to a point in Chesapeake Bay about 1,250 yards southwesterly from Bear Point; thence approximately 9,275 yards S. 51° 04' W. to a point in Chesapeake Bay about 1,700 yards due east from Taylor Island Point; thence southwesterly in a straight course, except such variations as may be necessary to include all of Poole's Island to the southwesterly point of Poole's Island, thence in a northwesterly direction to the most southwesterly point of Sprys Island, including all of Sprys Island; thence northwesterly in a straight line to extreme southerly island off Lower Island Point; thence northwesterly in a straight line through Brier Point to a point in Seneca Creek where this line intersects a straight line which passes through monuments No. 124 and No. 125 on westerly part of Carroll Island; thence northeasterly in a straight line passing through Marshy Point, at the junction of Dundee Creek and Salt-petre Creek, to the intersection of the center line of Reardon Inlet with Gunpowder River, except such variations as may be necessary to exclude any and all parts of the point of land on the westerly side of Gunpowder River about one mile south of Oliver Point; thence northerly along the center line of Reardon Inlet to its intersection with the southeasterly line of the right of way of the Pennsylvania Railroad; thence northeast along the Pennsylvania Railroad following the reservation boundary line to shore of Bush River, and along its western shore to Fairview Point; thence northeast in a straight line across Bush River to concrete monument No. 64, located on the eastern shore of Bush River, south of Chelsea; thence along the eastern shore of Bush River northerly to the mouth of Sod Run; thence by a broken line along the boundary of the reservation to Swan Creek; and thence in a straight line to Plum Point. (The above description may be traced on Coast and Geodetic Chart No. 1228.)

(Chapter XIX Army Act July 9, 1918, 40 Stat. 892, 33 U.S.C. 3) [Regs. March 9, 1942 (C.E. 7195 (Chesapeake Bay)—12/6)]

[SEAL]

J. A. ULIO,  
Major General,  
The Adjutant General.

[F. R. Doc. 42-2656; Filed, March 27, 1942; 10:26 a. m.]

**TITLE 46—SHIPPING**

**Chapter I—Bureau of Marine  
Inspection and Navigation**

Subchapter O—Regulations Applicable to Certain Vessels and Shipping During Emergency

**PART 152—MARINE ENGINEERING; REGULATIONS DURING EMERGENCY**

MARCH 5, 1942.

Pursuant to the authority of Executive Order No. 9083, dated February 28, 1942 (7 F.R. 1609), § 152.2 is amended to read as follows:

§ 152.2 *Degaussing of ocean and coastwise vessels of 2,000 gross tons or over.* Effective immediately, every vessel of the United States of 2,000 gross tons

or over mentioned in §§ 33.2-1, 33.2-3, 59.1, 60.1, or 63.1a of this chapter shall be degaussed in accordance with the requirements of, and at such time as may be fixed by, the War Shipping Administration. (R.S. 4405, 4417, 4417a, as amended, 49 Stat. 1544; 46 U.S.C. 375, 391, 391a, 367)

R. R. WAESCHE,  
Commandant,  
United States Coast Guard.

Approved:

J. V. FORRESTAL,  
Acting Secretary of the Navy,

MARCH 23, 1942.

[F. R. Doc. 42-2653; Filed, March 26, 1942; 4:41 p. m.]

**TITLE 49—TRANSPORTATION AND  
RAILROADS**

**Chapter I—Interstate Commerce  
Commission**

[Ex Parte No. 54]

**PART 320—COMPETITIVE BIDS**

SUPPLEMENTARY REGULATIONS RELATIVE TO BIDS OF CARRIERS SUBJECT TO THE CLAYTON ANTITRUST ACT FOR SECURITIES, SUPPLIES, OR OTHER ARTICLES OF COMMERCE

At a session of the Interstate Commerce Commission, Division 4, held at its office in Washington, D. C., on the 25th day of March, A. D. 1942.

It appearing, that the Commission's order herein dated October 6, 1919, as amended, October 4, 1920, and still in force, (56 ICC 847-850) (Title 49, Part 8, Code of Federal Regulations), which prescribed regulations to govern bids subject to section 10 of the Clayton Antitrust Act, for securities, supplies, or other articles of commerce, applied to all carriers subject to the Act to regulate commerce;

And it further appearing, that by order entered the 29th day of January 1938, the said regulations were made applicable on and after January 29, 1938, to all carriers subject to Part II of the Interstate Commerce Act;

And it further appearing, That under the provisions of Part III of the Interstate Commerce Act common carriers by water which are engaged in interstate or foreign commerce, as those terms are defined in section 302, now are subject to the Commission's jurisdiction;

It is ordered, That the following regulation shall take effect and be in force from and after the first day of May, 1942:

§ 320.1 *Bids required by section 10 of Clayton Antitrust Act.* The regulations prescribed in sec. 8.1 to 8.5, inclusive, of sub-chapter A of this chapter, (which prescribed regulations to govern bids subject to section 10 of the Clayton Antitrust Act, for securities, supplies, or other articles of commerce) shall apply, on and after the first of May, 1942, to all common carriers subject to Part III of the Interstate Com-

merce Act. (Secs. 1, 10, 38 Stat. 730, 734; 15 U.S.C. 12, 20).

And it is further ordered, That notice of this order be given to all common carriers subject to Part III of the Interstate Commerce Act and to the public by publishing it in the FEDERAL REGISTER, and by depositing copies of the order in the office of the Secretary of the Commission, Washington, D. C.

By the Commission, division 4.

[SEAL] W. P. BARTEL,  
Secretary.

[F. R. Doc. 42-2706; Filed, March 27, 1942;  
11:56 a. m.]

### Notices

#### WAR DEPARTMENT.

[Public Proclamation No. 2.]

HEADQUARTERS WESTERN DEFENSE COMMAND AND FOURTH ARMY PRESIDIO OF SAN FRANCISCO, CALIFORNIA

ESTABLISHMENT OF MILITARY AREAS 3, 4, 5, AND 6

MARCH 16, 1942.

To: The people within the States of Washington, Oregon, California, Montana, Idaho, Nevada, Utah and Arizona, and the Public Generally.

Whereas by virtue of orders issued by the War Department on December 11, 1941, that portion of the United States lying within the States of Washington, Oregon, California, Montana, Idaho, Nevada, Utah and Arizona and the Territory of Alaska has been established as the Western Defense Command and designated as a Theatre of Operations under my command; and

Whereas by Executive Order No. 9066,<sup>1</sup> dated February 19, 1942, the President of the United States authorized and directed the Secretary of War and the Military Commanders whom he may from time to time designate, whenever he or any such designated commander deems such action necessary or desirable, to prescribe military areas in such places and of such extent as he or the appropriate Military Commander may determine, from which any or all persons may be excluded, and with respect to which the right of any persons to enter, remain in, or leave shall be subject to whatever restrictions the Secretary of War or the appropriate Military Commander may impose in his discretion; and

Whereas the Secretary of War on February 20, 1942, designated the undersigned as the Military Commander to carry out the duties and responsibilities imposed by said Executive Order for that portion of the United States embraced in the Western Defense Command; and

Whereas the Western Defense Command by its geographical location is particularly subject to attack, to attempted invasion by the armed forces of nations with which the United States is now at war, and, in connection therewith, is subject to espionage and acts of sabo-

tage, thereby requiring the adoption of military measures necessary to establish safeguards against such enemy operations:

Now therefore, I, J. L. DeWitt, Lieutenant General, U. S. Army, by virtue of the authority vested in me by the President of the United States and by the Secretary of War and my powers and prerogatives as Commanding General of the Western Defense Command, do hereby declare that:

1. The present situation requires as a matter of military necessity the establishment in the territory embraced by the Western Defense Command of Military Areas and Zones in addition to those established in Public Proclamation No. 1, this headquarters, dated March 2, 1942.

2. Pursuant to the determination and statement of military necessity in paragraph 1 hereof, there are hereby designated and established the following Military Areas:

Military Area No. 3, embracing the entire State of Idaho.

Military Area No. 4, embracing the entire State of Montana.

Military Area No. 5, embracing the entire State of Nevada.

Military Area No. 6, embracing the entire State of Utah.

3. Within Military Areas Nos. 1 and 2 as designated and established in Public Proclamation No. 1, above mentioned, and within Military Areas Nos. 3, 4, 5 and 6, as defined herein, there are hereby established, pursuant to paragraph 1 hereof, Zones A-100 to A-1033, inclusive, all as more particularly described and defined in Exhibit 1, hereto attached, and as generally shown on the maps attached hereto and marked Exhibits 2, 3, 4, 5, 6, 7, 8 and 9.<sup>2</sup>

4. Such persons or classes of persons as the situation may require will by subsequent proclamation be excluded from Zones A-100 to A-1033, inclusive.

The designation of Military Areas Nos. 3, 4, 5, and 6 as such does not contemplate any prohibition, regulation or restriction except with respect to the Zones established therein, and except as provided in paragraph 5 hereof.

5. Any Japanese, German or Italian alien, or any person of Japanese ancestry now resident in the states of the Western Defense Command, namely, Washington, Oregon, California, Montana, Idaho, Nevada, Utah and Arizona, who changes his place of habitual residence is hereby required to obtain and execute a "Change of Residence Notice" at any United States Post Office within any of the states mentioned. Such notice must be executed at any such Post Office not more than five nor less than one day prior to any such change of residence. Nothing contained herein shall be construed to affect the existing regulations of the U. S. Attorney General which require aliens of enemy nationalities to obtain travel permits from U. S. Attorneys and to notify the Federal Bureau of Investigation and

the Commissioner of Immigration of any change in permanent address.

6. The duty and responsibility of the Federal Bureau of Investigation with respect to the investigation of alleged acts of espionage and sabotage are not altered by this proclamation.

[SEAL] J. L. DEWITT,  
Lieutenant General, U. S. Army,  
Commanding.

Confirmed:

J. A. ULIO,  
Major General,  
The Adjutant General.

[F. R. Doc. 42-2673; Filed, March 27, 1942;  
10:29 a. m.]

#### INFORMATION GOVERNING TRANSFERS FROM CANADIAN ARMED FORCES TO ARMED FORCES OF THE UNITED STATES

Paragraph 4 of information governing transfers from the Canadian armed forces to the armed forces of the United States, published in the FEDERAL REGISTER March 24, 1942, (7 F.R. 2248), is amended to read as follows:

\* \* \* \* \*  
4. *When to apply.* Immediately, if possible, and *not later than* April 20, 1942. Applications filed after April 20, 1942, will not be considered. (R.S. 161; 5 U.S.C. 22) [Circular, W.D., March 9, 1942, as amended by C-1, March 25, 1942]

[SEAL] J. A. ULIO,  
Major General,  
The Adjutant General.

[F. R. Doc. 42-2655; Filed, March 27, 1942;  
10:26 a. m.]

#### DEPARTMENT OF THE INTERIOR.

Bituminous Coal Division.

[Docket No. A-1262]

PETITION OF DISTRICT BOARD No. 8, FOR THE ESTABLISHMENT OF PRICE CLASSIFICATIONS AND MINIMUM PRICES FOR THE COALS OF CERTAIN MINES IN DISTRICT No. 8 PURSUANT TO SECTION 4 II (d) OF THE BITUMINOUS COAL ACT OF 1937

#### ORDER MODIFYING RELIEF

An order in the above-entitled matter dated January 24, 1942, 7 F.R. 1001, granted temporary relief and conditionally provided that the relief should become final in sixty (60) days. Subsequently, on March 10, 1942, the original petitioner moved that the relief therein granted in respect to the Red Jacket Mine (Mine Index No. 5246) of the Red Jacket Coal Corporation be continued as temporary relief until August 1, 1942.

The classifications established for Mine Index No. 5246 in the Order dated January 24, 1942, were those of coals in the Powellton seam alleged to be comparable to the coals of Mine Index No. 5246. It appears that subsequent investigation by petitioner indicates that the coals of Mine Index No. 5246 may be comparable to the coals of certain mines

<sup>1</sup> 7 F.R. 1407.

<sup>2</sup> Filed as part of the original document.

in the Campbells Creek seam and that a change, therefore, in the classifications of the coals of Mine Index No. 5246 may be necessary, but that a definitive determination of this question must await further sampling of the coals from Mine Index No. 5246 to be made after the mine enters into commercial production about June 1, 1942.

It appears that a reasonable showing of necessity has been made for the granting of the motion of the original petitioner. No petitions of intervention have been filed with the Division in the above-entitled matter, and the following action is deemed necessary in order to effectuate the purposes of the Act.

*Now, therefore, it is ordered,* That the order dated January 24, 1942, in the above-entitled proceeding be amended and that the price established therein for the coals of the Red Jacket Mine (Mine Index No. 5246) of the Red Jacket Coal Corporation remain temporary unless it shall otherwise be ordered.

*It is further ordered,* That in all other respects the said Order of January 24, 1942, in the above-entitled proceeding, be and it hereby is, continued in full force and effect unless otherwise ordered.

Dated: March 25, 1942.

[SEAL] DAN H. WHEELER,  
Acting Director.

[F. R. Doc. 42-2666; Filed, March 27, 1942;  
10:47 a. m.]

[Docket No. 1540-FD]

IN THE MATTER OF COSTANZO COAL MINING COMPANY, REGISTERED DISTRIBUTOR, REGISTRATION NO. 1897, RESPONDENT

ORDER APPROVING AND ADOPTING WITH MODIFICATION THE PROPOSED FINDINGS OF FACT, PROPOSED CONCLUSIONS OF LAW, AND RECOMMENDATIONS OF THE EXAMINER AND SUSPENDING REGISTRATION

This proceeding having been instituted by the Bituminous Coal Division pursuant to the provisions of the Bituminous Coal Act of 1937, in order to investigate and determine whether the Costanzo Coal Mining Company, a registered distributor (Registration No. 1897), of Wheeling, West Virginia, had violated certain provisions of the Rules and Regulations for the Registration of Distributors promulgated pursuant to section 4 II (h) of the Act;

A Notice of and Order for Hearing having been issued and duly served on the Respondent on April 26, 1941, and the Respondent having filed an answer on May 6, 1941;

A hearing in this matter having been held on June 9, 10, 11, 12, 13, 16, and 17 and July 1, 1941, before W. A. Cuff, a duly designated Examiner of the Division, at hearing rooms thereof in Pittsburgh, Pennsylvania, and Washington, D. C., at which all interested persons were afforded an opportunity to be present, adduce evidence, cross-examine witnesses, and

otherwise be heard and at which the Respondent appeared;

The Examiner having filed his Report, Proposed Findings of Fact, Proposed Conclusions of Law, and Recommendations in this matter on November 19, 1941, in which he recommended that the registration of the Respondent as a registered distributor be revoked;

The Respondent having filed exceptions thereto on December 27, 1941, and requested an oral argument thereon;

An oral argument having been held on these exceptions before the undersigned on January 14, 1942;

The undersigned having made Findings of Fact and Conclusions of Law herein and having rendered an Opinion in this matter, which are filed herewith;

*Now, therefore, it is ordered,* That the exceptions of the Respondent, Costanzo Coal Mining Company, to the Proposed Findings of Fact, Proposed Conclusions of Law, and Recommendations of the Examiner be and they hereby are severally overruled except as otherwise indicated in the Findings of Fact, Conclusions of Law, and Opinion of the undersigned filed herewith.

*It is further ordered,* That the Proposed Findings of Fact and Proposed Conclusions of the Examiner be and they hereby are modified as indicated in the Findings of Fact, Conclusions of Law, and Opinion of the undersigned filed herewith.

*It is further ordered,* That the Proposed Findings of Fact and Proposed Conclusions of Law of the Examiner, as modified, be and they hereby are approved and adopted as the Findings of Fact and Conclusions of Law of the undersigned.

*It is further ordered,* That the registration of the Respondent, Costanzo Coal Mining Company, registered distributor (Registration No. 1897) be and it hereby is suspended for a period of nine months, effective 15 days from the date of this Order: *Provided, however,* That if the Respondent shall not have complied with the provisions of § 304.15 of the Rules and Regulations for the Registration of Distributors at least five days prior to the expiration of said suspension period, said suspension shall continue in full force and effect until five days after the affidavit required by said § 304.15 shall have been filed with the Division: *And provided further,* That the Respondent be required to return to the producers all sales agent's commissions and distributor's discounts collected by it on sales made by the Respondent in violation of the Act, the rules and regulations and Orders thereunder, or the Agreement, and that a statement by the Respondent that such refunds have been made shall be included in the aforesaid affidavit.

Dated: March 26, 1942.

[SEAL] DAN H. WHEELER,  
Acting Director.

[F. R. Doc. 42-2667; Filed, March 27, 1942;  
10:47 a. m.]

## DEPARTMENT OF AGRICULTURE.

### Agricultural Marketing Administration

DETERMINATION PURSUANT TO SECTIONS 608c (9) AND (17), TITLE 7, U.S.C. 1940 EDITION, WITH RESPECT TO THE ISSUANCE OF ORDER NO. 27, AS AMENDED REGULATING THE HANDLING OF MILK IN THE NEW YORK METROPOLITAN MARKETING AREA<sup>1</sup>

Pursuant to the powers conferred upon the Secretary of Agriculture by Public Act No. 10, 73d Congress, as amended and as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, as amended, there was issued, effective May 1, 1940, "Order No. 27, As Amended" regulating the handling of milk in the New York metropolitan marketing area.

A marketing agreement regulating the handling of milk in the New York metropolitan marketing area was tentatively approved on March 30, 1940.

Subsequently, three different amendments to "Order No. 27, As Amended" were made effective on March 1, 1941, July 1, 1941, and October 1, 1941, respectively.

There being reason to believe that the execution of amendments to the tentatively approved marketing agreement and of further amendments to the order regulating the handling of milk in the New York metropolitan marketing area would tend to effectuate the declared policy of said act, notice was given, on December 29, 1941, of a public hearing, which was held on January 7, 8, and 9 at New York City, on January 12, 13, and 14 at Utica, New York, on January 15, 16, and 17 at Binghamton, New York, on January 19 and 20 at Utica, New York, and on January 21, 22, 23, 26, 27, and 28 at New York City, on certain proposals to effectuate such further amendments. At such times and places all interested parties were afforded an opportunity to be heard on these proposals.

After such hearing, and after the tentative approval by the Secretary of Agriculture of the said amendments to the tentatively approved marketing agreement, handlers of more than fifty (50) percent of the volume of milk covered by the order refused or failed to sign the marketing agreement.

It is hereby determined, pursuant to the powers conferred upon the Secretary of Agriculture by Public Act No. 10, 73d Congress, as amended and as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, as amended, that:

1. The refusal or failure of said handlers to sign said marketing agreement tends to prevent the effectuation of the declared policy of the act;

2. The issuance of a new Order No. 27, as amended, is the only practical means pursuant to such policy of advancing the interests of the producers of milk which

<sup>1</sup>See Title 7, Chapter IX, *supra*.



is produced<sup>1</sup> for sale in the New York metropolitan marketing area; and

3. The issuance of said new Order No. 27, as amended, is approved or favored by over two-thirds of the producers who, during the month of February 1942, said month having been determined by the Secretary to be a representative period, were engaged in the production of milk for sale in said area and who voted in a referendum concluded on March 21, 1942.

Done at Washington, D. C., this 25th day of March 1942. Witness my hand and the seal of the Department of Agriculture.

[SEAL] CLAUDE R. WICKARD,  
Secretary of Agriculture.

Approved:

FRANKLIN D. ROOSEVELT,  
The President of the United States.

Dated: March 25, 1942.

[F. R. Doc. 42-2710; Filed, March 27, 1942;  
11:48 a. m.]

**DETERMINATION PURSUANT TO SECTIONS 608c (9) AND (17), TITLE 7, U.S.C., 1940 EDITION, WITH RESPECT TO THE ISSUANCE OF ORDER NO. 61 REGULATING THE HANDLING OF MILK IN THE PHILADELPHIA, PENNSYLVANIA, MARKETING AREA<sup>1</sup>**

Claude R. Wickard, 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, as amended, having reason to believe that the execution of a marketing agreement and an order regulating the handling of milk in the Philadelphia, Pennsylvania, marketing area would tend to effectuate the declared policy of said act, notice was given, on October 10, 1941, of a public hearing which was held in Philadelphia, Pennsylvania, on October 28 through October 31, November 10 through November 14, November 17 through November 19, November 28, and December 1 through December 5, 1941, on a proposed marketing agreement and order, and at such time and place all interested parties were afforded an opportunity to be heard on the proposed marketing agreement and order.

After such hearing and after the tentative approval on March 6, 1942, of the marketing agreement regulating the handling of milk in the Philadelphia, Pennsylvania, marketing area, handlers of more than fifty (50) percent of the volume of milk covered by this order, which is marketed within the Philadelphia, Pennsylvania, marketing area, refused or failed to sign such tentatively approved marketing agreement relating to milk.

It is hereby determined, pursuant to the powers conferred upon the Secretary of Agriculture by Public Act No. 10, 73d Congress, as amended and as reenacted

and amended by the Agricultural Marketing Agreement Act of 1937, as amended, that:

1. The refusal or failure of said handlers to sign said tentatively approved marketing agreement tends to prevent the effectuation of the declared policy of the act;

2. The issuance of Order No. 61, regulating the handling of milk in the Philadelphia, Pennsylvania, marketing area, is the only practical means pursuant to such policy of advancing the interests of the producers of milk which is produced for sale in the Philadelphia, Pennsylvania, marketing area;

3. The issuance of such order is approved or favored by over two-thirds of the producers who participated in a referendum conducted by the Secretary and who, during the month of December 1941, said month having been determined by the Secretary to be a representative period, were engaged in the production of milk for sale in said area; and

4. The provision of such order providing for the payment to all producers delivering milk to the same handler of uniform prices for all milk delivered by them is approved or favored by at least three-fourths of the producers who, during the month of December 1941, were engaged in the production for market of milk covered by such order, said approval being separate and apart from the approval of producers as set forth above.

Done at Washington, D. C., this 25th day of March 1942. Witness my hand and the seal of the Department of Agriculture.

[SEAL] CLAUDE R. WICKARD,  
Secretary of Agriculture.

Approved:

FRANKLIN D. ROOSEVELT,  
The President of the United States.

Dated: March 25, 1942.

[F. R. Doc. 42-2709; Filed, March 27, 1942;  
11:49 a. m.]

**PROCLAMATION CONCERNING THE BASE PERIOD TO BE USED IN CONNECTION WITH THE EXECUTION OF A MARKETING AGREEMENT AND THE ISSUANCE OF AN ORDER REGULATING THE HANDLING OF MILK IN THE PHILADELPHIA, PENNSYLVANIA, MILK MARKETING AREA<sup>1</sup>**

Pursuant to the powers conferred by the terms and provisions of Public Act No. 10, 73d Congress, as amended and as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, it is hereby found and proclaimed that, in connection with the execution of a marketing agreement and the issuance of an order regulating the handling of milk in the Philadelphia, Pennsylvania, milk marketing area, the purchasing power of such milk during the base period August, 1909-July 1941 cannot be satisfactorily determined from available statistics of the Department of Agriculture, but that the purchasing power of such milk can be satisfactorily determined from available

statistics in the Department of Agriculture for the period August 1919-July 1929; and the period August 1919-July 1929 is hereby found and proclaimed to be the base period to be used in connection with ascertaining the purchasing power of milk handled in the Philadelphia, Pennsylvania, milk marketing area, for the purpose of the execution of a marketing agreement and the issuance of an order regulating the handling of milk in that area.

Done at Washington, D. C., this 26th day of March 1942.

[SEAL] CLAUDE R. WICKARD,  
Secretary of Agriculture.

[F. R. Doc. 42-2711; Filed, March 27, 1942;  
11:50 a. m.]

**Rural Electrification Administration.**

[Administrative Order No. 686]

**ALLOCATION OF FUNDS FOR LOANS**

MARCH 20, 1942.

By virtue of the authority vested in me by the provisions of section 4 of the Rural Electrification Act of 1936, as amended, I hereby allocate, from the sums authorized by said Act, funds for a loan for the project and in the amount as set forth in the following schedule:

Project designation:	Amount
Florida 2026B1 Hardee.....	\$62,000

[SEAL] HARRY SLATTERY,  
Administrator.

[F. R. Doc. 42-2707; Filed, March 27, 1942;  
11:49 a. m.]

[Administrative Order No. 687]

**ALLOCATION OF FUNDS FOR LOANS**

MARCH 21, 1942.

By virtue of the authority vested in me by the provisions of section 4 of the Rural Electrification Act of 1936, as amended, I hereby allocate, from the sums authorized by said Act, funds for a loan for the project and in the amount as set forth in the following schedule:

Project designation:	Amount
Texas 2111C1 Austin.....	\$12,000

[SEAL] HARRY SLATTERY,  
Administrator.

[F. R. Doc. 42-2708; Filed, March 27, 1942;  
11:49 a. m.]

**CIVIL AERONAUTICS BOARD.**

[Docket Nos. 436 and 722]

**APPLICATIONS OF WEST COAST AIRLINES, INC., AND SOUTHWEST AIRWAYS COMPANY FOR CERTIFICATES OF PUBLIC CONVENIENCE AND NECESSITY AUTHORIZING SCHEDULED AIR TRANSPORTATION OF MAIL AND PROPERTY BY THE PICK-UP METHOD**

**NOTICE OF HEARING**

Notice is hereby given, pursuant to the Civil Aeronautics Act of 1938, as

<sup>1</sup> See Title 7, Chapter IX, *supra*.  
No. 61—6

amended, particularly sections 401 and 1001 of said Act, in the above-entitled proceeding, that hearing is hereby assigned to be held on April 6, 1942, at 10 a. m. (eastern standard time) in Conference Room A, Departmental Auditorium, Constitution Avenue, between 12th and 14th Streets NW., Washington, D. C., before an examiner of the Board.

Dated Washington, D. C., March 26, 1942.

By the Civil Aeronautics Board.

[SEAL] DARWIN CHARLES BROWN,  
Secretary.

[F. R. Doc. 42-2665; Filed, March 27, 1942;  
10:31 a. m.]

#### INTERSTATE COMMERCE COMMISSION

[Ex Parte No. MC-20]

#### TRUNK LINE TERRITORY MOTOR CARRIER RATES

##### NOTICE TO THE PARTIES

MARCH 26, 1942.

The order<sup>1</sup> in the above-entitled proceeding provides that parties may show cause on or before April 27, 1942, why the effectiveness of the orders prescribing minimum rates in the proceeding should not be suspended. Provision is also made for the filing of replies to such statements of fact and argument on or before May 7, 1942.

It is not contemplated that there will be any extension of the time for filing of such statements or replies thereto, and it is not contemplated that the matter will be assigned for hearing or for oral argument. The order does not call for the service upon the parties of record of any of the responses or replies thereto.

[SEAL] W. P. BARTEL,  
Secretary.

[F. R. Doc. 42-2699; Filed, March 27, 1942;  
11:56 a. m.]

[Ex Parte No. MC-20]

#### TRUNK LINE TERRITORY MOTOR CARRIER RATES

Order at a session of the Interstate Commerce Commission, Division 2, held at its office in Washington, D. C., on the 26th day of March, A. D. 1942.

It appearing, that on August 14, 1940, Division 5 entered its report, 24 M.C.C. 501, and order in the above-entitled proceeding in which minimum reasonable class and commodity rates, classifications, exceptions thereto, and rules and regulations were prescribed for the transportation of property, with certain exceptions, by common carriers by motor vehicle between certain points in New York, New Jersey, Pennsylvania, Delaware, Maryland, District of Columbia, Virginia, West Virginia, and North Carolina, which order was modified in part by orders subsequently entered from time to time;

<sup>1</sup> *Infra*.

It further appearing, that by order of the Commission of February 10, 1942, the proceeding was reassigned to Division 2;

It further appearing, that the principal reasons, among others, for the entry of the minimum rate order were to halt destructive rate cutting and to place all respondents on one general minimum rate level;

And it further appearing, that there has been a substantial accomplishment of the purposes for which the minimum rate order was entered, and that respondents should be permitted to propose necessary changes in their rates without waiting for a modification of the minimum rate order upon petition:

*It is ordered*, That the parties to the proceeding be, and they are hereby, required to show cause in writing on or before April 27, 1942, why the effectiveness of the orders heretofore entered in the proceeding prescribing minimum rates should not be suspended.

*It is further ordered*, That any party desiring to reply to the response of any other party to this order may do so in writing on or before May 7, 1942.

*It is further ordered*, That the responses to this order and the replies thereto shall be divided into two parts, one to contain the statements of the facts relied upon, properly verified by someone having knowledge of those facts, and the other to contain argument based upon the facts.

*It is further ordered*, That six copies of such responses and the replies thereto shall be filed in the Office of the Secretary of the Commission, of which only the original need be verified.

*And it is further ordered*, That a copy of this order be sent to all counsel in the proceeding and that notice of this order be given to all other interested parties and to the general public by publishing it in the FEDERAL REGISTER, and by depositing copies thereof in the office of the Secretary of the Commission in Washington, D. C.

By the Commission, division 2.

[SEAL] W. P. BARTEL,  
Secretary.

[F. R. Doc. 42-2698; Filed, March 27, 1942;  
11:56 a. m.]

[Ex Parte No. MC-21]

#### CENTRAL TERRITORY MOTOR CARRIER RATES

##### NOTICE TO THE PARTIES

MARCH 26, 1942.

The order<sup>1</sup> in the above-entitled proceeding provides that parties may show cause on or before April 27, 1942, why the effectiveness of the orders prescribing minimum rates in the proceeding should not be suspended. Provision is also made for the filing of replies to such statements of fact and argument on or before May 7, 1942.

It is not contemplated that there will be any extension of the time for filing of such statements or replies thereto, and it is not contemplated that the mat-

ter will be assigned for hearing or for oral argument. The order does not call for the service upon the parties of record of any of the responses or replies thereto.

[SEAL] W. P. BARTEL,  
Secretary.

[F. R. Doc. 42-2701; Filed, March 27, 1942;  
11:57 a. m.]

#### CENTRAL TERRITORY MOTOR CARRIER RATES

[Ex Parte No. MC-21]

Order at a Session of the Interstate Commerce Commission, Division 3, held at its office in Washington, D. C., on the 26th day of March, A. D. 1942.

It appearing, that on August 3, 1938, division 5 entered its report, 8 M. C. C. 233, and order in the above-entitled proceeding in which minimum reasonable class and commodity rates, classifications, exceptions thereto, and rules and regulations were prescribed for the transportation of property, with certain exceptions, by common carriers by motor vehicle between points in Illinois, Indiana, Iowa, Kentucky, Michigan, Missouri, New York, Ohio, Pennsylvania, West Virginia, and Wisconsin, which order was modified in part by orders subsequently entered from time to time;

It further appearing that by order of the Commission of February 10, 1942, the proceeding was reassigned to division 2;

It further appearing that the principal reasons, among others, for the entry of the minimum rate order were to halt destructive rate cutting and to place all respondents on one general minimum rate level;

And it further appearing that there has been a substantial accomplishment of the purposes for which the minimum rate order was entered, and that respondents should be permitted to propose necessary changes in their rates without waiting for a modification of the minimum rate order upon petition;

*It is ordered*, That the parties to the proceeding be, and they are hereby, required to show cause in writing on or before April 27, 1942, why the effectiveness of the orders heretofore entered in the proceeding prescribing minimum rates should not be suspended.

*It is further ordered*, That any party desiring to reply to the response of any other party to this order may do so in writing on or before May 7, 1942.

*It is further ordered*, That the responses to this order and the replies thereto shall be divided into two parts, one to contain the statements of the facts relied upon, properly verified by someone having knowledge of those facts, and the other to contain argument based upon the facts.

*It is further ordered*, That six copies of such responses and the replies thereto shall be filed in the office of the Secretary of the Commission, of which only the original need be verified.

*And it is further ordered*, That a copy of this order be sent to all counsel in the proceeding and that notice of this order

be given to all other interested parties and to the general public by publishing it in the FEDERAL REGISTER, and by depositing copies thereof in the office of the Secretary of the Commission in Washington, D. C.

By the Commission, division 3.

[SEAL] W. P. BARTEL,  
Secretary.

[F. R. Doc. 42-2700; Filed, March 27, 1942;  
11:57 a. m.]

[Ex Parte No. MC-22]

NEW ENGLAND MOTOR CARRIER RATES  
NOTICE TO THE PARTIES

MARCH 26, 1942.

The order<sup>1</sup> in the above-entitled proceeding provides that parties may show cause on or before April 27, 1942, why the effectiveness of the orders prescribing minimum rates in the proceeding should not be suspended. Provision is also made for the filing of replies to such statements of fact and argument on or before May 7, 1942.

It is not contemplated that there will be any extension of the time for filing of such statements or replies thereto, and it is not contemplated that the matter will be assigned for hearing or for oral argument. The order does not call for the service upon the parties of record of any of the responses or replies thereto.

[SEAL] W. P. BARTEL,  
Secretary.

[F. R. Doc. 42-2703; Filed, March 27, 1942;  
11:57 a. m.]

[Ex Parte No. MC-22]

NEW ENGLAND MOTOR CARRIER RATES

Order at a session of the Interstate Commerce Commission, Division 2, held at its office in Washington, D. C., on the 26th day of March, A. D. 1942.

It appearing, that on August 3, 1938, Division 5 entered its report, 8 M. C. C. 287, and order in the above-entitled proceeding in which minimum reasonable class and commodity rates, classifications, exceptions thereto, and rules and regulations were prescribed for the transportation of property, with certain exceptions, by common carriers by motor vehicle (1) between points in New England and (2) between points in New England, on the one hand, and points in eastern New York and northeastern New Jersey on the other, which order was modified in part by orders subsequently entered from time to time;

It further appearing, that by order of the Commission of February 10, 1942, the proceeding was reassigned to Division 2;

It further appearing, that the principal reasons, among others, for the entry of the minimum rate order were to halt destructive rate cutting and to place all respondents on one general minimum rate level;

<sup>1</sup> *Infra.*

And it further appearing that there has been a substantial accomplishment of the purposes for which the minimum rate order was entered, and that respondents should be permitted to propose necessary changes in their rates without waiting for a modification of the minimum rate order upon petition;

*It is ordered,* That the parties to the proceeding be, and they are hereby, required to show cause in writing on or before April 27, 1942, why the effectiveness of the orders heretofore entered in the proceeding prescribed minimum rates should not be suspended.

*It is further ordered,* That any party desiring to reply to the response of any other party to this order may do so in writing on or before May 7, 1942.

*It is further ordered,* That the responses to this order and the replies thereto shall be divided into two parts, one to contain the statements of the facts relied upon, properly verified by someone having knowledge of those facts, and the other to contain argument based upon the facts.

*It is further ordered,* That six copies of such responses and the replies thereto shall be filed in the Office of the Secretary of the Commission, of which only the original need be verified.

*And it is further ordered,* That a copy of this order be sent to all counsel in the proceeding and that notice of this order be given to all other interested parties and to the general public by publishing it in the FEDERAL REGISTER, and by depositing copies thereof in the office of the Secretary of the Commission in Washington, D. C.

By the Commission, division 2.

[SEAL] W. P. BARTEL,  
Secretary.

[F. R. Doc. 42-2702; Filed, March 27, 1942;  
11:57 a. m.]

[Ex Parte No. MC-23]

MIDWESTERN MOTOR CARRIER RATES  
NOTICE TO THE PARTIES

MARCH 26, 1942.

The order<sup>1</sup> in the above-entitled proceeding provides that parties may show cause on or before April 27, 1942, why the effectiveness of the orders prescribing minimum rates in the proceeding should not be suspended. Provision is also made for the filing of replies to such statements of fact and argument on or before May 7, 1942.

It is not contemplated that there will be any extension of the time for filing of such statements or replies thereto, and it is not contemplated that the matter will be assigned for hearing or for oral argument. The order does not call for the service upon the parties of record of any of the responses or replies thereto.

[SEAL] W. P. BARTEL,  
Secretary.

[F. R. Doc. 42-2704; Filed, March 27, 1942;  
11:57 a. m.]

[Ex Parte No. MC-23]

MIDWESTERN MOTOR CARRIER RATES

Order at a session of the Interstate Commerce Commission, Division 3, held at its office in Washington, D. C., on the 26th day of March, A. D. 1942.

It appearing, that on January 2, 1941, division 5 entered its report, 27 M. C. C. 297, and order in the above-entitled proceeding in which minimum reasonable class and commodity rates, classifications, exceptions thereto, and rules and regulations were prescribed for the transportation of property, with certain exceptions, by common carriers by motor vehicle between points in Iowa and to and from certain points in Illinois, Indiana, Iowa, northeastern Kansas, northern Missouri, and eastern Nebraska, which order was modified in part by orders subsequently entered from time to time;

It further appearing, that by order of the Commission of February 10, 1942, the proceeding was reassigned to division 2;

It further appearing, that the principal reasons, among others, for the entry of the minimum rate order were to halt destructive rate cutting and to place all respondents on one general minimum rate level;

And it further appearing, that there has been a substantial accomplishment of the purposes for which the minimum rate order was entered, and that respondents should be permitted to propose necessary changes in their rates without waiting for a modification of the minimum rate order upon petition;

*It is ordered,* That the parties to the proceeding be, and they are hereby required to show cause in writing on or before April 27, 1942, why the effectiveness of the orders heretofore entered in the proceeding prescribing minimum rates should not be suspended.

*It is further ordered,* That any party desiring to reply to the response of any other party to this order may do so in writing on or before May 7, 1942.

*It is further ordered,* That the responses to this order and the replies thereto shall be divided into two parts, one to contain the statements of the facts relied upon, properly verified by someone having knowledge of those facts, and the other to contain argument based upon the facts.

*It is further ordered,* That six copies of such responses and the replies thereto shall be filed in the Office of the Secretary of the Commission, of which only the original need be verified.

*And it is further ordered,* That a copy of this order be sent to all counsel in the proceeding, and that notice of this order be given to all other interested parties and to the general public by publishing it in the FEDERAL REGISTER, and by depositing copies thereof in the office of the Secretary of the Commission in Washington, D. C.

By the Commission, division 3.

[SEAL] W. P. BARTEL,  
Secretary.

[F. R. Doc. 42-2705; Filed, March 27, 1942;  
11:58 a. m.]

## SECURITIES AND EXCHANGE COMMISSION.

[File No. 37-55]

## IN THE MATTER OF D. E. ACKERS, NORTH AMERICAN LIGHT &amp; POWER COMPANY AND KANSAS POWER AND LIGHT COMPANY

## NOTICE OF AND ORDER FOR HEARING

At a regular session of the Securities and Exchange Commission held at its office in the City of Philadelphia, Pa., on the 26th day of March, A. D. 1942.

D. E. Ackers having filed an application for exemption from the provisions of section 13 (a) of the Public Utility Holding Company Act of 1935 with respect to the following transaction setting forth that:

(1) D. E. Ackers is presently president of and drawing compensation from Kansas Power and Light Company, a subsidiary of North American Light & Power Company, a registered holding company and a subsidiary of The North American Company, a registered holding company;

(2) Said D. E. Ackers has been a director of said North American Light & Power Company for the past nine months and it is now proposed that he become president of said company;

(3) As president of said North American Light & Power Company it is proposed that said D. E. Ackers will be compensated for services rendered on a per diem basis by said North American Light & Power Company and that at the same time he will continue as president of said Kansas Power and Light Company drawing compensation from the latter company; the aggregate compensation not to exceed the present rate of compensation from said Kansas Power and Light Company;

(4) The Commission on December 30, 1941, entered an order under section 11 (b) (2) of said Act requiring said North American Light & Power Company to liquidate and terminate its existence;

(5) Said D. E. Ackers states that he is generally familiar with the business and activities of said North American Light & Power Company and for that reason is able to expedite compliance by said North American Light & Power Company with said order of December 30, 1941, and by virtue thereof substantial economies will be effected in connection with said liquidation;

(6) The office of said president of North American Light & Power Company is presently vacant, Mr. Allen Van Wyck, its former president, having recently resigned;

It appearing to the Commission that a hearing should be held for the purpose of determining whether the proposed transaction under which Kansas Power and Light Company will pay D. E. Ackers a salary for rendering services to Kansas Power and Light Company while said D. E. Ackers may be president of North

American Light & Power Company should be exempted from the provisions of section 13 (a) of said Act pursuant to the provisions thereof;

*It is ordered,* That a hearing for the purpose hereinafter provided be held on April 6, 1942, at 10:00 o'clock in the forenoon of that day at the offices of the Securities and Exchange Commission, 18th and Locust Streets, Philadelphia, Pennsylvania. On that day the hearing room clerk in Room 318 will advise as to where such hearing will be held.

*It is further ordered,* That at such hearing there shall be determined whether the proposed transaction, hereinabove described involves special or unusual circumstances or is not in the ordinary course of business, so as to make it necessary or appropriate in the public interest or for the protection of investors or consumers that the Commission by order conditionally or unconditionally exempt said transaction pursuant to the provisions of section 13 (a) of said Act.

*It is further ordered,* That Edward C. Johnson or any other officer or officers of the Commission designated by it for that purpose shall preside at the hearing ordered herein. 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.

*It is further ordered,* That notice of said hearing be and hereby is given to Kansas Power and Light Company and North American Light & Power Company, such notice to be given by service of a copy of this order by registered mail, and that notice is hereby given to all other persons whose participation in these proceedings may be in the public interest or for the protection of investors or consumers, such notice to be given by publication in the FEDERAL REGISTER. It is requested that any person desiring to be heard or to be admitted as a party in said proceedings shall file notice to that effect with the Commission on or before April 4, 1942.

By the Commission.

[SEAL] FRANCIS P. BRASSOR,  
Secretary.

[F. R. Doc. 42-2657; Filed, March 27, 1942;  
10:26 a. m.]

[File No. 70-518]

## IN THE MATTER OF FEDERAL WATER AND GAS CORPORATION

## NOTICE REGARDING FILING

At a regular session of the Securities and Exchange Commission held at its office in the City of Philadelphia, Pa., on the 26th day of March, A. D. 1942.

Notice is hereby given that a declaration or application (or both), has been filed with this Commission pursuant to the Public Utility Holding Company Act

of 1935 by the above named party or parties; and

Notice is further given that any interested person may, not later than April 11, 1942, at 5:30 P. M., E. W. T., or 1:00 P. M., E. W. T., if such date be a Saturday, request the Commission in writing that a hearing be held on such matter, stating the reasons for such request and the nature of his interest, or may request that he be notified if the Commission should order a hearing thereon. At any time thereafter such declaration or application, as filed or as amended, may become effective or may be granted, as provided in Rule U-23 of the Rules and Regulations promulgated pursuant to said Act or the Commission may exempt such transaction as provided in Rules U-20 (a) and U-100 thereof. Any such request should be addressed: Secretary, Securities and Exchange Commission, Philadelphia, Pennsylvania.

All interested persons are referred to said declaration or application, which is on file in the office of said Commission, for a statement of the transactions therein proposed, which are summarized below:

Federal Water and Gas Corporation proposes to purchase from time to time, but prior to December 31, 1942, all or part of a maximum of \$400,000 principal amount of its 5½% Gold Debentures, due May 1, 1954, either in the open market or pursuant to tenders, at prices not to exceed the call price in effect at the date of purchase.

By the Commission.

[SEAL] FRANCIS P. BRASSOR,  
Secretary.

[F. R. Doc. 42-2662; Filed, March 27, 1942;  
10:28 a. m.]

[File No. 70-517]

## IN THE MATTER OF FEDERAL WATER AND GAS CORPORATION

## NOTICE REGARDING FILING

At a regular session of the Securities and Exchange Commission, held at its office in the City of Philadelphia, Pa. on the 26th day of March, A. D. 1942.

Notice is hereby given that a declaration or application (or both), has been filed with this Commission pursuant to the Public Utility Holding Company Act of 1935 by the above named party or parties; and

Notice is further given that any interested person may, not later than April 11, 1942, at 5:30 P. M., E. W. T., or 1:00 P. M., E. W. T., if such date be a Saturday, request the Commission in writing that a hearing be held on such matter, stating the reasons for such request and the nature of his interest, or may request that he be notified if the Commission should order a hearing thereon. At any time thereafter such declaration or application, as filed or as amended, may be

come effective or may be granted, as provided in Rule U-23 of the Rules and Regulations promulgated pursuant to said Act or the Commission may exempt such transaction as provided in Rules U-20 (a) and U-100 thereof. Any such request should be addressed: Secretary, Securities and Exchange Commission, Philadelphia, Pennsylvania.

All interested persons are referred to said declaration or application, which is on file in the office of said Commission, for a statement of the transactions therein proposed, which are summarized below:

Federal Water and Gas Corporation proposes to purchase from time to time, but prior to December 31, 1942, all or part of a maximum of 45,000 shares of common stock of Southern Natural Gas Company in the open market, at prices not to exceed \$12.50 a share.

By the Commission.

[SEAL] FRANCIS P. BRASSOR,  
Secretary.

[F. R. Doc. 42-2661; Filed, March 27, 1942;  
10:27 a. m.]

[File No. 812-239]

IN THE MATTER OF THE CELOTEX CORPORATION AND PHOENIX SECURITIES CORPORATION

NOTICE OF AND ORDER FOR HEARING

At a regular session of the Securities and Exchange Commission, held at its office in the City of Philadelphia, Pennsylvania, on the 26th day of March, A. D. 1942.

Application having been duly filed by the above named applicants for an order of the Commission under and pursuant to the provisions of section 17 (b) of the Investment Company Act of 1940 exempting from the provisions of section 17 (a) the sale by Phoenix Securities Corporation of 93,100 shares of the common capital stock of the South Coast Corporation to the applicant Celotex Corporation, an affiliated person of Phoenix Securities Corporation.

*It is ordered*, That a hearing on the matter of this application be held on April 8, 1942 at 10:00 o'clock in the forenoon of that day in the hearing room of the Securities and Exchange Commission Building, 18th and Locust Streets, Philadelphia, Pennsylvania.

*It is further ordered*, That Charles S. Lobingier, or any officer or officers of the Commission designated by it for that purpose, shall preside at such hearing on such application. The officer so designated to preside at any such hearing is hereby authorized to exercise all the powers granted to the Commission under sections 41 and 42 (b) of the Investment Company Act of 1940 and to trial ex-

aminers under the Commission's Rules of Practice.

Notice of such hearing hereby is given to the above named applicants and to any other person or persons whose participation in such proceedings may be in the public interest or for the protection of the investors.

By the Commission.

[SEAL] FRANCIS P. BRASSOR,  
Secretary.

[F. R. Doc. 42-2663; Filed, March 27, 1942;  
10:28 a. m.]

[File No. 54-46]

IN THE MATTER OF LONE STAR GAS CORPORATION, LONE STAR GAS COMPANY, COMMUNITY NATURAL GAS COMPANY, TEXAS CITIES GAS COMPANY, THE DALLAS GAS COMPANY, COUNCIL BLUFFS GAS COMPANY, AND LONE STAR GASOLINE COMPANY

ORDER GRANTING REQUEST TO INTERVENE

At a regular session of the Securities and Exchange Commission, held at its office in the City of Philadelphia, Pa. on the 26th day of March, A. D. 1942.

The above named parties having filed applications and declarations pursuant to the Public Utility Holding Company Act of 1935, including a plan pursuant to section 11 (e) of said Act for the purpose of complying with the provisions of section 11 (b) of said Act; the Commission having instituted a proceeding under section 11 (b) (1) of said Act involving said parties, and having consolidated such proceeding with that first above mentioned;

The City of Dallas, Texas, having filed a written request that it be permitted to intervene and become a party, and it appearing to the Commission that such request shall be granted;

*It is ordered*, That the City of Dallas be, and it hereby is admitted as a party to said consolidated proceeding.

By the Commission.

[SEAL] FRANCIS P. BRASSOR,  
Secretary.

[F. R. Doc. 42-2658; Filed, March 27, 1942;  
10:26 a. m.]

[File No. 70-490]

IN THE MATTER OF ILLINOIS IOWA POWER COMPANY

ORDER PERMITTING DECLARATION TO BECOME EFFECTIVE

At a regular session of the Securities and Exchange Commission, held at its office in the City of Philadelphia, Pa., on the 25th day of March, A. D. 1942.

Illinois Iowa Power Company, a registered holding company, having filed a declaration pursuant to the Public Utility

Holding Company Act of 1935, particularly section 12 (d) thereof and Rule U-44 promulgated thereunder with regard to the sale by said declarant to Commonwealth Edison Company, a non-affiliate, of all the real estate and personal property constituting the substation site known as the Oglesby Substation located near Oglesby, Illinois and all 132 kv. switching and accessory equipment connected therewith except (a) the 33 kv. substation structure, transformer and accessory equipment, and (2) the 2.3 kv. substation structure, transformer and accessory equipment, for and in consideration of the payment by said purchaser of an amount equivalent to the original cost to the declarant of the property to be transferred less depreciation plus the purchaser's pro rata share of current annual real estate and property taxes; and

Said declaration having been filed on January 29, 1942, and notice of said filing having been duly given in the form and manner prescribed by Rule U-23 promulgated pursuant to said Act and the Commission not having received a request for a hearing with respect to said declaration within the period specified in said notice or otherwise and not having ordered a hearing thereon; and the declarant having requested that the effective date of said declaration be postponed until this date; and

The Commission deeming it appropriate in the public interest and in the interest of investors and consumers to permit said declaration to become effective, and finding with respect to said declaration that the requirements of section 12 (d) of said Act and of Rule U-44 promulgated thereunder are satisfied;

*It is hereby ordered*, Pursuant to said Rule U-23 and the applicable provisions of said Act and subject to the terms and conditions prescribed in Rule U-24 and subject to the further condition that declarant, upon the completion of the proposed sale, report to this Commission the exact amount of the purchase price of the property to be sold on the basis of original cost as set forth in the first paragraph of this order, that said declaration be and the same is hereby permitted to become effective forthwith.

By the Commission. (Commissioner Healy dissents for reasons stated in his memorandum of April 1, 1940).

[SEAL] FRANCIS P. BRASSOR,  
Secretary.

[F. R. Doc. 42-2659; Filed, March 27, 1942;  
10:27 a. m.]

[File No. 812-265]

IN THE MATTER OF WESTERN NEW YORK FUND

NOTICE OF AND ORDER FOR HEARING

At a regular session of the Securities and Exchange Commission, held at its

office in the City of Philadelphia, Pennsylvania, on the 26th day of March, A. D. 1942.

Application having been duly filed by the above named applicant for an order of the Commission under and pursuant to the provisions of section 23 (c) (3) of the Investment Company Act of 1940 to purchase outstanding shares of the corporation's common stock in amounts not exceeding 15,000 shares;

*It is ordered,* That a hearing on the matter of this application be held on April 10, 1942 at 10:00 o'clock in the

forenoon of that day in the hearing room of the Securities and Exchange Commission Building, 18th and Locust Streets, Philadelphia, Pennsylvania.

*It is further ordered,* That Charles S. Lobingier, or any officer or officers of the Commission designated by it for that purpose, shall preside at such hearing on such application. The officer so designated to preside at any such hearing is hereby authorized to exercise all the powers granted to the Commission under sections 41 and 42 (b) of the Investment Company Act of 1940 and to trial exam-

iners under the Commission's Rules of Practice.

Notice of such hearing hereby is given to the above-named applicant and to any other person or persons whose participation in such proceedings may be in the public interest or for the protection of the investors.

By the Commission.

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

[F. R. Doc. 42-2660; Filed, March 27, 1942;  
10:27 a. m.]

