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PART I

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Chapter I—General Accounting Office

SUBCHAPTER D—TRANSPORTATION

PART 51—PASSENGER TRANSPORTATION SERVICE FOR THE ACCOUNT OF THE UNITED STATES

PART 52—FREIGHT TRANSPORTATION SERVICES FURNISHED FOR THE ACCOUNT OF THE UNITED STATES

Miscellaneous Amendments

1. Section 51.4 is revised to read as follows:

§ 51.4 Use of travel agencies.

(a) Travel agencies may be utilized, when authorized under administrative regulations, to secure passenger transportation services by air, bus, rail or water, or any combination thereof, for travel (1) within foreign countries (except Canada or Mexico); (2) between foreign countries; or (3) from foreign countries to the United States and its possessions: *Provided:*

(i) The request for transportation is made first to a company branch office or a general agent of an American flag air or ocean carrier if the travel originates in a city or its contiguous carrier-servicing area in which such branch office or general agent is located and through ticketing arrangements for the transportation authorized cannot be secured, or

(ii) There is no company branch office or general agent of an American flag air or ocean carrier located in the city or its contiguous carrier-servicing area in which the official travel originates. (Information as to branch offices and general agents of American flag air and ocean carriers is available at overseas offices of the Department of State.)

(b) No payment is to be made to a travel agency in addition to that which would have been properly chargeable had the service requested been obtained from the carrier or carriers involved.

(Sec. 311, 42 Stat. 25 as amended; 31 U.S.C. 52. Interpret or apply sec. 309, 42 Stat. 25; 31 U.S.C. 49)

2. Paragraph (a) of § 52.26 is revised to read as follows:

§ 52.26 Preparation by carriers of public voucher for transportation charges.

(a) The arrangement of the voucher form requires the listing of the complete serial number and amount of each subvoucher (bill of lading, etc.); it does not provide for descriptive details of the service rendered. Except as provided in §§ 52.26a and 52.33, carriers are requested to make a special effort, when the charges are to be billed to the same office, to include as many subvouchers as possible on each voucher form, since such

practice will materially reduce the number of forms used and the number of Government checks issued, and will expedite the payment and audit of transportation charges.

(Sec. 311, 42 Stat. 25, as amended; 31 U.S.C. 52. Interpret or apply sec. 309, 42 Stat. 25; 31 U.S.C. 49)

3. A new § 52.26a is added, as follows:

§ 52.26a Separate rate billing for household goods shipments.

Each household goods shipment should be billed on a separate SF 1113, Public Voucher For Transportation Charges, except that domestic shipments of crated household goods shall not be subject to this requirement.

(Sec. 311, 42 Stat. 25, as amended; 31 U.S.C. 52. Interpret or apply sec. 309, 42 Stat. 25; 31 U.S.C. 49)

[SEAL]

JOSEPH CAMPBELL,
Comptroller General
of the United States.

[F.R. Doc. 64-12475; Filed, Dec. 4, 1964; 8:48 a.m.]

Title 7—AGRICULTURE

Chapter IX—Agricultural Marketing Service (Marketing Agreements and Orders; Fruits, Vegetables, Tree Nuts), Department of Agriculture

[Orange Reg. 44]

PART 905—ORANGES, GRAPEFRUIT, TANGERINES, AND TANGELOS GROWN IN FLORIDA

Limitation of Shipments

§ 905.440 Orange Regulation 44.

(a) *Findings.* (1) Pursuant to the marketing agreement, as amended, and Order No. 905, as amended (7 CFR Part 905), regulating the handling of oranges, grapefruit, tangerines, and tangelos grown in Florida effective under the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601-674), and upon the basis of the recommendations of the committees established under the aforesaid amended marketing agreement and order, and upon other available information, it is hereby found that the limitation of shipments of oranges, including Temple oranges, as hereinafter provided, will tend to effectuate the declared policy of the act.

(2) It is hereby further found that it is impracticable and contrary to the public interest to give preliminary notice, engage in public rule making procedure, and postpone the effective date of this section until 30 days after publication thereof in the FEDERAL REGISTER (5 U.S.C. 1001-1011) because the time intervening between the date when information upon which this section is based became

available and the time when this section must become effective in order to effectuate the declared policy of the act is insufficient; a reasonable time is permitted, under the circumstances, for preparation for such effective time; and good cause exists for making the provisions hereof effective as hereinafter set forth. Shipments of oranges, including Temple oranges, grown in the production area, are presently subject to regulation by grades and sizes, pursuant to the amended marketing agreement and order; the recommendation and supporting information for regulation during the period specified herein were promptly submitted to the Department after an open meeting of the Growers Administrative Committee on November 24, 1964, such meeting was held to consider recommendations for regulation, after giving due notice of such meeting, and interested persons were afforded an opportunity to submit their views at this meeting; the provisions of this section, including the effective time hereof, are identical with the aforesaid recommendation of the committee, and information concerning such provisions and effective time has been disseminated among handlers of such oranges; it is necessary, in order to effectuate the declared policy of the act, to make this section effective during the period hereinafter set forth so as to provide for the continued regulation of the handling of oranges, including Temple oranges, and compliance with this section will not require any special preparation on the part of the persons subject thereto which cannot be completed by the effective time hereof.

(b) *Order.* (1) Terms used in the amended marketing agreement and order shall, when used herein, have the same meaning as is given to the respective term in said amended marketing agreement and order; and terms relating to grade, diameter, standard pack, and standard box, as used herein, shall have the same meaning as is given to the respective term in the United States Standards for Florida Oranges and Tangelos (§§ 51.1140-51.1178 of this title).

(2) During the periods beginning at 12:01 a.m., e.s.t., December 7, 1964, and ending at 12:01 a.m., e.s.t., December 23, 1964, and beginning at 12:01 a.m., e.s.t., December 31, 1964, and ending at 12:01 a.m., e.s.t., January 11, 1965, no handler shall ship between the production area and any point outside thereof in the continental United States, Canada, or Mexico:

(i) Any oranges, except Temple oranges, grown in Regulation Area I, which do not grade at least U.S. No. 1;

(ii) Any oranges, except Temple oranges, grown in Regulation Area II, which do not grade at least U.S. No. 1 Russet;

(iii) Any oranges, except Temple oranges, grown in the production area,

which are of a size smaller than $2\frac{3}{16}$ inches in diameter, except that a tolerance of 10 percent, by count, of oranges smaller than such minimum diameter shall be permitted, which tolerance shall be applied in accordance with the provisions for the application of tolerances specified in said United States Standards for Florida Oranges and Tangelos: *Provided*, That in determining the percentage of oranges in any lot which are smaller than $2\frac{3}{16}$ inches in diameter, such percentage shall be based only on those oranges in such lot which are of a size $2\frac{1}{16}$ inches in diameter or smaller;

(iv) Any Temple oranges, grown in the production area, which do not grade at least U.S. No. 1 Russet; or

(v) Any Temple oranges, grown in the production area, which are of a size smaller than $2\frac{3}{16}$ inches in diameter, except that a tolerance of 10 percent, by count, of Temple oranges smaller than such minimum diameter shall be permitted which tolerance shall be applied in accordance with the provisions for the application of tolerances specified in the aforesaid United States Standards for Florida Oranges and Tangelos.

(3) During the period beginning at 12:01 a.m., e.s.t., December 23, 1964, and ending at 12:01 a.m., e.s.t., December 31, 1964, no handler shall ship between the production area and any point outside thereof in the continental United States, Canada, or Mexico, any oranges, including Temple oranges, grown in the production area.

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

Dated: December 2, 1964.

PAUL A. NICHOLSON,
Deputy Director, Fruit and Vegetable Division, Agricultural Marketing Service.

[F.R. Doc. 64-12526; Filed, Dec. 4, 1964; 8:50 a.m.]

[Grapefruit Reg. 45]

PART 905—ORANGES, GRAPEFRUIT, TANGERINES, AND TANGELOS GROWN IN FLORIDA

Limitation of Shipments

§ 905.441 Grapefruit Regulation 45.

(a) *Findings*. (1) Pursuant to the marketing agreement, as amended, and Order No. 905, as amended (7 CFR Part 905), regulating the handling of oranges, grapefruit, tangerines, and tangelos grown in Florida, effective under the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601-674), and upon the basis of the recommendations of the committees established under the aforesaid amended marketing agreement and order, and upon other available information, it is hereby found that the limitation of shipments of grapefruit, as hereinafter provided, will tend to effectuate the declared policy of the act.

(2) It is hereby further found that it is impracticable and contrary to the public interest to give preliminary notice, engage in public rule-making procedure,

and postpone the effective date of this section until 30 days after publication thereof in the FEDERAL REGISTER (5 U.S.C. 1001-1011) because the time intervening between the date when information upon which this section is based became available and the time when this section must become effective in order to effectuate the declared policy of the act is insufficient; a reasonable time is permitted under the circumstances, for preparation for such effective time; and good cause exists for making the provisions hereof effective as hereinafter set forth. Shipments of all grapefruit, grown in the production area, are presently subject to regulation by grades and sizes, pursuant to the amended marketing agreement and order; the recommendation and supporting information for regulation during the period specified herein were promptly submitted to the Department after an open meeting of the Growers Administrative Committee on November 24, 1964, such meeting was held to consider recommendations for regulation, after giving due notice of such meeting, and interested persons were afforded an opportunity to submit their views at this meeting; the provisions of this section, including the effective time hereof, are identical with the aforesaid recommendation of the committee, and information concerning such provisions and effective time has been disseminated among handlers of such grapefruit; it is necessary, in order to effectuate the declared policy of the act, to make this section effective during the period hereinafter set forth so as to provide for the continued regulation of the handling of grapefruit, and compliance with this section will not require any special preparation on the part of the persons subject thereto which cannot be completed by the effective time hereof.

(b) *Order*. (1) Terms used in the amended marketing agreement and order shall, when used herein, have the same meaning as is given to the respective term in said amended marketing agreement and order; and terms relating to grade, diameter, standard pack, and standard box, as used herein, shall have the same meaning as is given to the respective term in the United States Standards for Florida Grapefruit (§§ 51.750-51.783 of this title).

(2) During the periods beginning at 12:01 a.m., e.s.t., December 7, 1964, and ending at 12:01 a.m., e.s.t., December 23, 1964, and beginning at 12:01 a.m., e.s.t., December 31, 1964, and ending at 12:01 a.m., e.s.t., January 11, 1965, no handler shall ship between the production area and any point outside thereof in the continental United States, Canada, or Mexico:

(i) Any seeded grapefruit, grown in the production area, which do not grade at least U.S. No. 1;

(ii) Any seeded grapefruit, grown in the production area, which are smaller than $3\frac{1}{8}$ inches in diameter, except that a tolerance of 10 percent, by count, of seeded grapefruit smaller than such minimum size shall be permitted, which tolerance shall be applied in accordance with the provisions for the application of tolerances, specified in said United States Standards for Florida Grapefruit;

(iii) Any seedless grapefruit, grown in Regulation Area I, which do not grade at least U.S. No. 1;

(iv) Any seedless grapefruit, grown in Regulation Area II, which do not grade at least U.S. No. 1 Russet: *Provided*, That such grapefruit which grade U.S. No. 2 or U.S. No. 2 Bright may be shipped if such grapefruit meet the requirements as to form (shape) and color specified in the U.S. No. 1 grade; or

(v) Any seedless grapefruit grown in the production area, which are smaller than $3\frac{1}{8}$ inches in diameter, except that a tolerance of 10 percent, by count, of seedless grapefruit smaller than such minimum size shall be permitted, which tolerance shall be applied in accordance with the provisions for the application of tolerances, specified in said United States Standards for Florida Grapefruit.

(3) During the period beginning at 12:01 a.m., e.s.t., December 23, 1964, and ending at 12:01 a.m., e.s.t., December 31, 1964, no handler shall ship between the production area and any point outside thereof in the continental United States, Canada or Mexico, any variety of grapefruit, grown in the production area.

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

Dated: December 2, 1964.

PAUL A. NICHOLSON,
Deputy Director, Fruit and Vegetable Division, Agricultural Marketing Service.

[F.R. Doc. 64-12525; Filed, Dec. 4, 1964; 8:50 a.m.]

[Tangerine Reg. 24]

PART 905—ORANGES, GRAPEFRUIT, TANGERINES, AND TANGELOS GROWN IN FLORIDA

Limitation of Shipments

§ 905.442 Tangerine Regulation 24.

(a) *Findings*. (1) Pursuant to the marketing agreement, as amended, and Order No. 905, as amended (7 CFR Part 905), regulating the handling of oranges, grapefruit, tangerines, and tangelos grown in Florida, effective under the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601-674), and upon the basis of the recommendations of the committees established under the aforesaid amended marketing agreement and order, and upon other available information; it is hereby found that the limitation of shipments of tangerines, as hereinafter provided, will tend to effectuate the declared policy of the act.

(2) It is hereby further found that it is impracticable and contrary to the public interest to give preliminary notice, engage in public rule making procedure, and postpone the effective date of this section until 30 days after publication thereof in the FEDERAL REGISTER (5 U.S.C. 1001-1011) because the time intervening between the date when information upon which this section is based became available and the time when this section must become effective in order to effectuate the declared policy of the act is insuffi-

cient; a reasonable time is permitted, under the circumstances, for preparation for such effective time; and good cause exists for making the provisions hereof effective as hereinafter set forth. Shipments of tangerines, grown in the production area, are presently subject to regulation by grades and sizes, pursuant to the amended marketing agreement and order; the recommendation and supporting information for regulation during the period specified herein were promptly submitted to the Department after an open meeting of the Growers Administrative Committee on November 24, 1964, such meeting was held to consider recommendations for regulation, after giving due notice of such meeting, and interested persons were afforded an opportunity to submit their views at this meeting; the provisions of this section, including the effective time hereof, are identical with the aforesaid recommendation of the committee, and information concerning such provisions and effective time has been disseminated among handlers of such tangerines; it is necessary, in order to effectuate the declared policy of the act, to make this section effective during the period hereinafter set forth so as to provide for the continued regulation of the handling of tangerines, and compliance with this section will not require any special preparation on the part of the persons subject thereto which cannot be completed by the effective time hereof.

(b) *Order.* (1) Terms used in the amended marketing agreement and order shall, when used herein, have the same meaning as is given to the respective term in said amended marketing agreement and order; and terms relating to grade, diameter, and standard pack, as used herein, shall have the same meaning as is given to the respective term in the United States Standards for Florida Tangerines (§§ 51.1810-51.1834 of this title).

(2) During the periods beginning at 12:01 a.m., e.s.t., December 7, 1964, and ending at 12:01 a.m., e.s.t., December 23, 1964, and beginning at 12:01 a.m., e.s.t., December 31, 1964, and ending at 12:01 a.m., e.s.t., January 11, 1965, no handler shall ship between the production area and any point outside thereof in the continental United States, Canada, or Mexico:

(i) Any tangerines, grown in the production area, which do not grade at least U.S. No. 1 Russet; or

(ii) Any tangerines, grown in the production area, which are of a size smaller than $2\frac{1}{16}$ inches in diameter, except that a tolerance of 10 percent, by count, of tangerines smaller than such minimum diameter shall be permitted, which tolerance shall be applied in accordance with the provisions for the application of tolerances specified in said United States Standards for Florida Tangerines.

(3) During the period beginning at 12:01 a.m., e.s.t., December 23, 1964, and ending at 12:01 a.m., e.s.t., December 31, 1964, no handler shall ship between the production area and any point outside thereof in the continental United States,

Canada, or Mexico, any tangerines, grown in the production area.

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

Dated: December 2, 1964.

PAUL A. NICHOLSON,
Deputy Director, Fruit and
Vegetable Division, Agricultural
Marketing Service.

[F.R. Doc. 64-12528; Filed, Dec. 4, 1964;
8:50 a.m.]

[Tangelo Reg. 24]

PART 905—ORANGES, GRAPEFRUIT, TANGERINES, AND TANGELOS GROWN IN FLORIDA

Limitation of Shipments

§ 905.443 Tangelo Regulation 24.

(a) *Findings.* (1) Pursuant to the marketing agreement, as amended, and Order No. 905, as amended (7 CFR Part 905), regulating the handling of oranges, grapefruit, tangerines, and tangelos grown in Florida, effective under the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601-674), and upon the basis of the recommendations of the committees established under the aforesaid amended marketing agreement and order, and upon other available information, it is hereby found that the limitation of shipments of tangelos, as hereinafter provided, will tend to effectuate the declared policy of the act.

(2) It is hereby further found that it is impracticable and contrary to the public interest to give preliminary notice, engage in public rule making procedure, and postpone the effective date of this section until 30 days after publication thereof in the FEDERAL REGISTER (5 U.S.C. 1001-1011) because the time intervening between the date when information upon which this section is based became available and the time when this section must become effective in order to effectuate the declared policy of the act is insufficient; a reasonable time is permitted, under the circumstances, for preparation for such effective time; and good cause exists for making the provisions hereof effective as hereinafter set forth. Shipments of tangelos, grown in the production area, are presently subject to regulation by grades and sizes, pursuant to the amended marketing agreement and order; the recommendation and supporting information for regulation during the period specified herein were promptly submitted to the Department after an open meeting of the Growers Administrative Committee on November 24, 1964, such meeting was held to consider recommendations for regulation, after giving due notice of such meeting, and interested persons were afforded an opportunity to submit their views at this meeting; the provisions of this section, including the effective time hereof, are identical with the aforesaid recommendation of the committee, and information concerning such provisions and effective time has been disseminated among handlers of

such tangelos; it is necessary, in order to effectuate the declared policy of the act, to make this section effective during the period hereinafter set forth so as to provide for the continued regulation of the handling of tangelos, and compliance with this section will not require any special preparation on the part of the persons subject thereto which cannot be completed by the effective time hereof.

(b) *Order.* (1) Terms used in the amended marketing agreement and order shall, when used herein, have the same meaning as is given to the respective term in said amended marketing agreement and order; and terms relating to grade, diameter, standard pack, and standard box, as used herein, shall have the same meaning as is given to the respective term in the United States Standards for Florida Oranges and Tangelos (§§ 51.1140-51.1178 of this title).

(2) During the periods beginning at 12:01 a.m., e.s.t., December 7, 1964, and ending at 12:01 a.m., e.s.t., December 23, 1964, and beginning at 12:01 a.m., e.s.t., December 31, 1964, and ending at 12:01 a.m., e.s.t., January 11, 1965, no handler shall ship between the production area and any point outside thereof in the continental United States, Canada, or Mexico:

(i) Any tangelos, grown in the production area, which do not grade at least U.S. No. 1 Russet; or

(ii) Any tangelos, grown in the production area, which are of a size smaller than $2\frac{1}{16}$ inches in diameter, except that a tolerance of 10 percent, by count, of tangelos smaller than such minimum diameter shall be permitted, which tolerance shall be applied in accordance with the provisions for the application of tolerances specified in said United States Standards for Florida Oranges and Tangelos.

(3) During the period beginning at 12:01 a.m., e.s.t., December 23, 1964, and ending at 12:01 a.m., e.s.t., December 31, 1964, no handler shall ship between the production area and any point outside thereof in the continental United States, Canada, or Mexico, any tangelos, grown in the production area.

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

Dated: December 2, 1964.

PAUL A. NICHOLSON,
Deputy Director, Fruit and Veg-
etable Division, Agricultural
Marketing Service.

[F.R. Doc. 64-12527; Filed, Dec. 4, 1964;
8:50 a.m.]

[Navel Orange Reg. 62]

PART 907—NAVEL ORANGES GROWN IN ARIZONA AND DESIG- NATED PART OF CALIFORNIA

Limitation of Handling

§ 907.362 Navel Orange Regulation 62.

(a) *Findings.* (1) Pursuant to the marketing agreement, as amended, and Order No. 907, as amended (7 CFR Part 907), regulating the handling of navel

oranges grown in Arizona and designated part of California, effective under the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601-674), and upon the basis of the recommendations and information submitted by the Navel Orange Administrative Committee, established under the said amended marketing agreement and order, and upon other available information, it is hereby found that the limitation of handling of such Navel oranges, as hereinafter provided, will tend to effectuate the declared policy of the act.

(2) It is hereby further found that it is impracticable and contrary to the public interest to give preliminary notice, engage in public rule making procedure, and postpone the effective date of this section until 30 days after publication hereof in the FEDERAL REGISTER (5 U.S.C. 1001-1011) because the time intervening between the date when information upon which this section is based became available and the time when this section must become effective in order to effectuate the declared policy of the act is insufficient, and a reasonable time is permitted, under the circumstances, for preparation for such effective time; and good cause exists for making the provisions hereof effective as hereinafter set forth. The committee held an open meeting during the current week, after giving due notice thereof, to consider supply and market conditions for navel oranges and the need for regulation; interested persons were afforded an opportunity to submit information and views at this meeting; the recommendation and supporting information for regulation during the period specified herein were promptly submitted to the Department after such meeting was held; the provisions of this section, including its effective time, are identical with the aforesaid recommendation of the committee, and information concerning such provisions and effective time has been disseminated among handlers of such navel oranges; it is necessary, in order to effectuate the declared policy of the act, to make this section effective during the period herein specified; and compliance with this section will not require any special preparation on the part of persons subject hereto which cannot be completed on or before the effective date hereof. Such committee meeting was held on December 3, 1964.

(b) *Order.* (1) The respective quantities of navel oranges grown in Arizona and designated part of California which may be handled during the period beginning at 12:01 a.m., P.s.t., December 6, 1964, and ending at 12:01 a.m., P.s.t., December 13, 1964, are hereby fixed as follows:

- (i) District 1: 1,200,000 cartons;
- (ii) District 2: 72,125 cartons;
- (iii) District 3: 200,000 cartons;
- (iv) District 4: Unlimited movement.

(2) As used in this section, "handled," "District 1," "District 2," "District 3," "District 4," and "carton" have the same meaning as when used in said amended marketing agreement and order.

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

Dated: December 4, 1964.

PAUL A. NICHOLSON,
Deputy Director, Fruit and Vegetable Division, Agricultural Marketing Service.

[F.R. Doc. 64-12574; Filed, Dec. 4, 1964; 12:01 p.m.]

[Lemon Reg. 141]

PART 910—LEMONS GROWN IN CALIFORNIA AND ARIZONA

Limitation of Handling

§ 910.441 Lemon Regulation 141.

(a) *Findings.* (1) Pursuant to the marketing agreement, as amended, and Order No. 910, as amended (7 CFR Part 910; 27 F.R. 8346), regulating the handling of lemons grown in California and Arizona, effective under the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601-674), and upon the basis of the recommendation and information submitted by the Lemon Administrative Committee, established under the said amended marketing agreement and order, and upon other available information, it is hereby found that the limitation of handling of such lemons as hereinafter provided will tend to effectuate the declared policy of the act.

(2) It is hereby further found that it is impracticable and contrary to the public interest to give preliminary notice, engage in public rule making procedure, and postpone the effective date of this section until 30 days after publication hereof in the FEDERAL REGISTER (5 U.S.C. 1001-1011) because the time intervening between the date when information upon which this section is based became available and the time when this section must become effective in order to effectuate the declared policy of the act is insufficient, and a reasonable time is permitted, under the circumstances, for preparation for such effective time; and good cause exists for making the provisions hereof effective as hereinafter set forth. The committee held an open meeting during the current week, after giving due notice thereof, to consider supply and market conditions for lemons and the need for regulation; interested persons were afforded an opportunity to submit information and views at this meeting; the recommendation and supporting information for regulation during the period specified herein were promptly submitted to the Department after such meeting was held; the provisions of this section, including its effective time, are identical with the aforesaid recommendation of the committee, and information concerning such provisions and effective time has been disseminated among handlers of such lemons; it is necessary, in order to effectuate the declared policy of the act, to make this section effective during the period herein specified; and compliance with this section will not require any special preparation on the part of persons subject hereto which cannot be

completed on or before the effective date hereof. Such committee meeting was held on December 1, 1964.

(b) *Order.* (1) The respective quantities of lemons grown in California and Arizona which may be handled during the period beginning at 12:01 a.m., P.s.t., December 6, 1964, and ending at 12:01 a.m., P.s.t., December 13, 1964, are hereby fixed as follows:

- (i) District 1: 41,850 cartons;
- (ii) District 2: 83,700 cartons;
- (iii) District 3: 79,050 cartons.

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

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

Dated: December 3, 1964.

PAUL A. NICHOLSON,
Deputy Director, Fruit and Vegetable Division, Agricultural Marketing Service.

[F.R. Doc. 64-12524; Filed, Dec. 4, 1964; 8:50 a.m.]

Title 9—ANIMALS AND ANIMAL PRODUCTS

Chapter I—Agricultural Research Service, Department of Agriculture

PART 97—OVERTIME SERVICES RELATING TO IMPORTS AND EXPORTS

Commuted Travel Time Allowances

Pursuant to the authority conferred upon the Director of the Animal Inspection and Quarantine Division by § 97.1 of the regulations concerning overtime services relating to imports and exports, effective August 18, 1964 (9 CFR 97.1), administrative instructions (9 CFR 97.2) effective July 30, 1963, as amended May 18, 1964 (29 F.R. 6318) prescribing the commuted travel time that shall be included in each period of overtime or holiday duty, are hereby amended by adding to the respective "lists" therein, as follows:

WITHIN METROPOLITAN AREA ONE HOUR

Add: Corpus Christi, Tex.; Port Arthur, Tex.

OUTSIDE METROPOLITAN AREA ONE HOUR

Add: Gregory, Tex. (served from Corpus Christi, Tex.).

TWO HOURS

Add: Beaumont, Tex. (served from Port Arthur, Tex.); Orange, Tex. (served from Port Arthur, Tex.).

THREE HOURS

Add: Lake Charles, La. (served from Port Arthur, Tex.).

FOUR HOURS

Add: New Bedford, Mass. (served from Boston, Mass.).

FIVE HOURS

Add: Astoria, Ore. (served from Portland, Ore.).

These commuted travel time periods have been established as nearly as may be practicable to cover the time necessarily spent in reporting to and returning from the place at which the employee performs such overtime or holiday duty when such travel is performed solely on account of such overtime or holiday duty. Such establishment depends upon facts within the knowledge of the Animal Inspection and Quarantine Division.

It is to the benefit of the public that these instructions be made effective at the earliest practicable date. Accordingly, pursuant to the provisions of section 4 of the Administrative Procedure Act (60 Stat. 238) it is found upon good cause that notice and public procedure on these instructions are impracticable, unnecessary, and contrary to the public interest, and good cause is found for making these instructions effective less than 30 days after publication in the FEDERAL REGISTER.

These revised administrative instructions shall be effective on and after December 7, 1964.

(64 Stat. 561; 5 U.S.C. 576)

Done at Hyattsville, Md., this 2d day of December 1964.

L. C. HEEMSTRA,
Director, Animal Inspection
and Quarantine Division.

[F.R. Doc. 64-12487; Filed, Dec. 4, 1964;
8:49 a.m.]

Title 12—BANKS AND BANKING

Chapter II—Federal Reserve System

SUBCHAPTER A—BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

[Reg. Q]

PART 217—PAYMENT OF INTEREST ON DEPOSITS

Explanatory Statement Regarding Maximum Interest Rates on Deposits

§ 217.139 Explanatory statement regarding maximum interest rates on deposits.

(a) The following comments are intended to answer certain questions in connection with changes in the maximum permissible rates of interest that member banks may pay on time and savings deposits under the revision of § 217.6 (Supplement to Regulation Q) that became effective November 24, 1964.

(b) Time certificates of deposit issued prior to November 24, 1964, may be amended by a member bank, if desired, to bear interest up to the new applicable increased maximum rates for any period subsequent to that date. For example, a certificate dated July 1, 1964, maturing July 1, 1965, may be amended to bear interest up to a rate of 4½ percent for any period subsequent to November 24, 1964. (As hereafter noted, the rate would be subject to any restrictions imposed by applicable State law.)

(c) While the revised § 217.6, like the section previously in effect, fixes a maximum rate of interest that may be paid on

any time deposit having a maturity of less than 90 days, the section must, of course, be read in connection with the other provisions of this part. A deposit with a maturity of less than 30 days would not constitute a "time deposit" within the meaning of the provisions of § 217.1 and, unless it met the definition of a savings deposit, the deposit would constitute a demand deposit upon which the payment of interest would not be permissible.

(d) The new maximum rates are not retroactive. Consequently, a savings deposit that has remained on deposit for less than 12 months prior to November 24, 1964, may bear interest at a rate up to not more than 4 percent for any period beginning with such date but may not bear interest at a rate in excess of 3½ percent for any period prior to such date, except that, if and when a savings deposit, which was in the bank prior to November 24, 1964, has remained in the bank for a full 12-month period, interest may then be adjusted to provide a yield of not more than 4 percent from the date of the deposit.

(e) It should be borne in mind that State member banks are subject also to any provisions of State law or regulations thereunder that prescribe maximum rates of interest that they may pay on time and savings deposits, and in some cases State-prescribed rates may be less than the maximum rates prescribed by the Board. In addition, under section 24 of the Federal Reserve Act (12 U.S.C. 371), national banks may not pay interest on time or savings deposits at a rate in excess of the highest rate authorized by State law to be paid upon such deposits by State banks or trust companies.

(f) It should be emphasized that § 217.6 prescribes only maximum rates of interest that member banks may pay on time and savings deposits. Member banks are free, of course, to pay lower interest rates if they so desire.

(12 U.S.C. 248(1). Interprets or applies 12 U.S.C. 371b)

Dated at Washington, D.C., this 27th day of November 1964.

BOARD OF GOVERNORS OF
THE FEDERAL RESERVE
SYSTEM,
MERRITT SHERMAN,
Secretary.

[SEAL]

[F.R. Doc. 64-12452, Filed, Dec. 4, 1964;
8:47 a.m.]

Title 14—AERONAUTICS AND SPACE

Chapter I—Federal Aviation Agency

[Docket No. 6367; Amdt. 39-10]

PART 39—AIRWORTHINESS DIRECTIVES [NEW]

Douglas Models DC-8 and DC-8F Series Aircraft

Amendment 773, 29 F.R. 9962, AD 64-17-7, requires inspection of the bogie beams and rework of any found cracked on Douglas Models DC-8 and DC-8F

Series aircraft. A subsequent investigation prompted by a request for an extension of the repetitive inspection period has shown that an increase in such inspection period from 100 to 150 hours' time in service can be granted without affecting the level of safety of the aircraft. Accordingly, Amendment 773 is being so revised.

Since this amendment relieves a restriction and imposes no additional burden on any person, notice and public procedure hereon are unnecessary and the amendment may be made effective in less than 30 days.

In consideration of the foregoing, and pursuant to the authority delegated to me by the Administrator (25 F.R. 6489), § 39.13 of Part 39 [New] (14 CFR Part 39 [New]), is amended as follows:

Amendment 773, 29 F.R. 9962, AD 64-17-7, Douglas Models DC-8 and DC-8F Series aircraft, is amended by changing the inspection interval in paragraph (b) from "100 hours' time in service" to "150 hours' time in service".

This amendment shall become effective December 5, 1964.

(Secs. 313(a), 601, 603; 72 Stat. 752, 775, 776; 49 U.S.C. 1354(a), 1421, 1423)

Issued in Washington, D.C., on December 1, 1964.

C. W. WALKER,
Acting Director,
Flight Standards Service.

[F.R. Doc. 64-12429; Filed, Dec. 4, 1964;
8:45 a.m.]

[Docket No. 6230; Amdt. 39-11]

PART 39—AIRWORTHINESS DIRECTIVES [NEW]

Marvel-Schebler Models MA-3, MA-3A, MA-3SPA, MA-4SPA, MA-4-5, MA-4-5AA and MA-6 Carburetors

A proposal to amend Part 507 of the regulations of the Administrator to supersede Amendment 30, 24 F.R. 5635, AD 59-13-7, and Amendment 400, 27 F.R. 1454, AD 62-4-2, with a new directive requiring inspection, parts replacement, installation of the positive retraction float valve assembly and safetying of the bowl screws by the use of safety wire on Marvel-Schebler Models MA-3, MA-3A, MA-3SPA, MA-4SPA, MA-4-5, MA-4-5AA, and MA-6 Carburetors was published in 29 F.R. 13976. Since the publication of that proposal, Part 507 has been recodified into Part 39 [New] of the Federal Aviation Regulations, effective November 20, 1964, therefore this amendment is being made to Part 39 [New].

Interested persons have been afforded an opportunity to participate in the making of the amendment. No objections were received.

In consideration of the foregoing, and pursuant to the authority delegated to me by the Administrator (25 F.R. 6489), § 39.13 of Part 39 [New] (14 CFR Part 39 [New]), is hereby amended by adding the following new airworthiness directive:

MARVEL-SCHIEBLER. Applies to Models MA-3, MA-3A, MA-3SPA, MA-4SPA, MA-4-5, MA-4-5AA and MA-6 carburetors used on various Franklin (Aircooled), Continental, Lycoming and Ranger engines, except the carburetors listed herein or having the number "64" stamped on the nameplate.

Marvel-Schebler P/N	Serial number
A10-3859-1	W-4-262 and up.
A10-3878	G-6-1902 and up.
A10-3965-12	H-11-4119 and up.
A10-4025-12	Z-2-1400 and up.
A10-4164-1	K-3-1697 and up.
A10-4218-1	AK-2-368 and up.
A10-4401-1	AC-3-1395 and up.
A10-4404	R-6-3344 and up.
A10-4404	AO-3-996 and up.
A10-4438-1	AH-4-626 and up.

Compliance required within 1,000 hours' time in service or when the carburetor is removed or disassembled, whichever occurs first, after the effective date of this AD.

Numerous operational malfunctions have occurred on these carburetors, including those complying with AD's 59-13-7 and 62-4-2. These have resulted in erratic engine operation and, in some cases, complete engine stoppage. Unless previously accomplished, design features contributing to these malfunctions are to be removed or corrected by accomplishing the following:

(a) Replace all float assemblies having metal float chambers, whether reinforced or not, with float assemblies having moulded cellular rubber float chambers of the appropriate part number for the carburetor involved.

(b) Visually inspect solder safety on float valve bracket attach screws for security. If it is intact and provides positive safety, no action is required. If an unsatisfactory condition is noted or if screws are removed for any cause, replace screws with long-lok insert screws, A15-A21.

NOTE. Before installing these screws, the tapped holes on the carburetor body should be chamfered or countersunk using a 45° countersink to the major diameter (0.112 inch) of the screw to facilitate starting the nylon insert into the hole and remove any sharp edges or incomplete threads which may cut the nylon insert. The thread depth of any holes which will not accept the full length of the screw should be increased by carefully tapping with 4-40 bottoming tap. Early carburetors of the MA-3 Series having 3-36 threads may be retapped to accept the 4-40 screw with a 4-40 bottoming tap after the chamfering or countersinking operation. The long-lok screws do not require solder safety.

(c) On Models MA-3, MA-3A, MA-3SPA and MA-4SPA, install P/N A233-615 float valve assembly having a positive retraction float valve clip, Marvel-Schebler P/N A29-184, and long-lok safety feature in accordance with instructions in Marvel-Schebler Service Bulletin No. A1-64. No solder safety is required.

(d) On Models MA-4-5, MA-4-5AA and MA-6 Series, install P/N A233-614 float valve assembly having a positive retraction float valve clip, Marvel-Schebler P/N A29-182, and long-lok safety feature in accordance with instructions in Marvel-Schebler Service Bulletin No. A6-63.

(e) Safety all bowl cover screws whether long-lok type or not, by the use of safety wire as described in Marvel-Schebler Bulletin No. A5-63 or standard procedure.

(f) After all modifications outlined in this AD have been accomplished, impression stamp or etch a small number "64" in the lower section of the nameplate to indicate compliance.

This supersedes Amendment 30, 24 F.R. 5635, AD 59-13-7, and Amendment 400, 27 F.R. 1454, AD 62-4-2.

This amendment shall become effective January 4, 1965.

(Secs. 313(a), 601, 603; 72 Stat. 752, 775, 776; 49 U.S.C. 1354(a), 1421, 1423)

Issued in Washington, D.C., on December 1, 1964.

C. W. WALKER,
Acting Director,
Flight Standards Service.

[F.R. Doc. 64-12430; Filed, Dec. 4, 1964; 8:45 a.m.]

[Docket No. 6366; Amdt. 39-9]

PART 39—AIRWORTHINESS DIRECTIVES [NEW]

Vertol Models H-21 and 42 Series Helicopters

There has been a failure of one of the wood rotor blade root sockets on a Vertol Model H-21 helicopter. To correct this condition, an airworthiness directive is being issued to require inspection of the wood rotor blade root sockets and replacement of any found cracked, and establish a service life limitation for these wood rotor blade sockets.

As a situation exists which demands immediate adoption of this regulation, it is found that notice and public procedure hereon are impracticable and good cause exists for making this amendment effective in less than 30 days.

In consideration of the foregoing, and pursuant to the authority delegated to me by the Administrator (25 F.R. 6489), § 39.13 of Part 39 [New] (14 CFR Part 39 [New]), is hereby amended by adding the following new airworthiness directive:

VERTOL. Applies to Models H-21 and 42 Series helicopters. Compliance required as indicated.

As a result of a fatigue failure of a wood rotor blade root socket, P/N 22R1364-1, accomplish the following:

(a) Conduct a daily visual inspection, using a magnifying glass of at least 8-power, of wood rotor blade root sockets, P/N 22R 1364-1, with 750 or more hours' time in service as of the effective date of this AD, for cracks in the slot area between the inboard clamp bolt and the relief hole at the inboard end of the slot while supporting the rotor blade tip so that the blade does not rest on the droop stop.

(b) Replace any cracked socket before further flight.

(c) Within 25 hours' time in service after the effective date of this AD retire from service all wood rotor blade root sockets, P/N 22R1364-1, having 725 or more hours' time in service on the effective date of this AD.

(d) Upon the accumulation of 750 hours' time in service, retire from service all wood rotor blade root sockets, P/N 22R1364-1, having less than 725 hours' time in service on the effective date of this AD.

This amendment shall become effective December 10, 1964.

(Secs. 313(a), 601, 603; 72 Stat. 752, 775, 776; 49 U.S.C. 1354(a), 1421, 1423)

Issued in Washington, D.C., on December 1, 1964.

C. W. WALKER,
Acting Director,
Flight Standards Service.

[F.R. Doc. 64-12431; Filed, Dec. 4, 1964; 8:45 a.m.]

[Airspace Docket No. 64-AL-18]

PART 71—DESIGNATION OF FEDERAL AIRWAYS, CONTROLLED AIRSPACE, AND REPORTING POINTS [NEW]

Alteration of Control Zone

The purpose of this amendment to § 71.171 of the Federal Aviation Regulations is to reduce the size of the Sitka, Alaska, Control Zone.

The Sitka control zone is presently designated as within a 5-mile radius of the Sitka Harbor Seaplane Base (latitude 57°03' N., longitude 135°21' W.), within 2 miles each side of the Sitka RR NE and SW courses, extending from the 5-mile radius zone to 2 miles SW of the RR, and within 2 miles each side of the Biorka, Alaska, VORTAC 027° and 207° radials, extending from the 5-mile radius zone to 2 miles SW of the VORTAC.

Instrument operations associated with this seaplane base are limited to single and twin-engine seaplanes. A 3-mile radius control zone would provide adequate protective airspace and be consistent with the requirement of instrument flight rule operations for the type aircraft employed.

Since this amendment is less restrictive in nature and imposes no additional burden on any person, notice and public procedure hereon are unnecessary, and the amendment may be made effective immediately. However, in order to provide sufficient time for charting purposes, this amendment will become effective more than 30 days after publication.

In consideration of the foregoing, Part 71 [New] of the Federal Aviation Regulations is amended, effective February 4, 1965, as hereinafter set forth.

In § 71.171 (29 F.R. 1153) the Sitka, Alaska, Control Zone is amended to read as follows:

SITKA, ALASKA

Within a 3-mile radius of Sitka Harbor Seaplane Base (latitude 57°03' N., longitude 135°21' W.), within 2 miles each side of the Sitka RR NE and SW courses, extending from the 3-mile radius zone to 2 miles SW of the RR, and within 2 miles each side of the Biorka, Alaska, VORTAC 027° and 207° radials, extending from the 3-mile radius zone to 2 miles SW of the VORTAC.

(Sec. 307(a), Federal Aviation Act of 1958; 49 U.S.C. 1348)

Issued in Anchorage, Alaska, on November 27, 1964.

JAMES G. ROGERS,
Director, Alaskan Region.

[F.R. Doc. 64-12426; Filed, Dec. 4, 1964; 8:45 a.m.]

[Airspace Docket 63-WE-123]

PART 71—DESIGNATION OF FEDERAL AIRWAYS, CONTROLLED AIRSPACE, AND REPORTING POINTS [NEW]

Alteration of Transition Area and Federal Airway; Designation of Control Zone and Federal Airway; Correction

On October 17, 1964, Federal Register Document 64-10608 was published in the FEDERAL REGISTER (29 F.R. 14358)

amending Part 71 of the Federal Aviation Regulations. This amendment will become effective December 10, 1964. In paragraph (c) (2) VOR Federal airway No. 211 was designated to terminate at the intersection of the Durango, Colo., 284° and Dove Creek, Colo., 147° radials. The point of termination should be the intersection of the Durango 284° and Dove Creek 148° radials. The point of termination would then fall on the centerline of VOR Federal airway No. 187 between Dove Creek, Colo., and Farmington, N. Mex. Accordingly, action is taken herein to correct the terminating point of V-211 by designating it on the Dove Creek 148° radial.

Since the alteration of the intersection by one degree is minor in nature, the public is not particularly interested in this alteration; therefore, the Administrator finds that compliance with the notice and public procedure provisions of the Administrative Procedure Act is unnecessary. The original date of effectiveness of December 10, 1964, may be retained since the Administrator finds that the availability of the controlled airspace and airways on the scheduled date of effectiveness is in the public interest, and no good cause would be served by delaying this date to provide a 30-day period preceding the alteration of the Dove Creek, Colo., radial by one degree.

In consideration of the foregoing, effective immediately, paragraph (c) (2) of Federal Register Document 64-10608 (29 F.R. 14358) is altered to read as follows:

V-211. From INT Alamosa, Colo., 232° and Durango, Colo., 110° radials via Durango; to INT Durango 284° and Dove Creek, Colo., 148° radials, excluding the airspace below 1,200 feet above the surface.

(Sec. 307(a), Federal Aviation Act of 1958; 49 U.S.C. 1348)

Issued in Washington, D.C., on November 30, 1964.

D. E. BARROW,
Chief, Airspace Regulations and
Procedures Division.

[F.R. Doc. 64-12427; Filed, Dec. 4, 1964; 8:45 a.m.]

[Airspace Docket No. 64-WA-34]

**PART 75—ESTABLISHMENT OF
JET ROUTES [NEW]**

Designation of Jet Route

On August 28, 1964, a notice of proposed rule making was published in the FEDERAL REGISTER (29 F.R. 12404) stating that the Federal Aviation Agency (FAA) proposed the designation of a jet route from the Los Angeles, Calif., VOR via the intersection of the Los Angeles VOR 319° and the Avenal, Calif., VOR 145° radials; Avenal VOR; Sacramento, Calif., VOR-TAC; Red Bluff, Calif., VORTAC; Medford, Oreg., VORTAC; Portland, Oreg., VORTAC; to the Seattle, Wash., VOR-TAC.

Interested persons were afforded an opportunity to participate in the rule making through submission of comments. The Departments of the Air

Force and Navy commented that the proposed alignment between Avenal and Sacramento would seriously conflict with terminal procedures at Castle AFB, Calif., and Lemoore NAS, Calif., and suggested alignment of the jet route slightly to the west to permit en route operations on the jet route simultaneously with terminal operations at Castle AFB and Lemoore NAS. The FAA agrees with the position of the Air Force and Navy, and action is taken herein to designate that portion of the jet route between Avenal and Sacramento to avoid conflict with terminal procedures at Castle AFB and Lemoore NAS as follows: Avenal; via the intersection of the Avenal 329° and the Stockton, Calif., 164° radials; Stockton; to Sacramento.

All other comments received were favorable. Since this modification to the originally proposed route is minor in nature, adds only two miles to the distance between Avenal and Sacramento and causes no undue burden to any person, further notice and public procedure is deemed unnecessary.

The substance of the proposal having been published, therefore, for the reasons stated herein and in the notice, the following action is taken:

In § 75.100 (29 F.R. 1287) the following is added:

JET ROUTE No. 126 (LOS ANGELES, CALIF., TO SEATTLE, WASH.)

From Los Angeles, Calif., via the INT of the Los Angeles 319° and the Avenal, Calif., 145° radials; Avenal; INT of the Avenal 329° and the Stockton, Calif., 164° radials; Stockton; Sacramento, Calif.; Red Bluff, Calif.; Medford, Oreg.; Portland, Oreg.; to Seattle, Wash.

This amendment shall become effective 0001 e.s.t., February 4, 1965.

(Sec. 307(a), Federal Aviation Act of 1958; 49 U.S.C. 1348)

Issued in Washington, D.C., on November 30, 1964.

D. E. BARROW,
Chief, Airspace Regulations
and Procedures Division.

[F.R. Doc. 64-12428; Filed, Dec. 4, 1964; 8:45 a.m.]

**Title 15—COMMERCE AND
FOREIGN TRADE**

**Chapter II—National Bureau of
Standards, Department of Commerce**

SUBCHAPTER A—TEST FEE SCHEDULES

PART 201—ELECTRICITY

Miscellaneous Amendments

Pursuant to authority contained in 15 U.S.C. 275a the following amendments are effective upon publication in the FEDERAL REGISTER.

Part 201 is amended by the following additions, revisions, and deletions.

1. Since July 1, 1964, all calibrations by the Electronic Calibration Center of the Radio Standards Laboratory at Boulder, Colorado, are normally being performed in a room environment of 40 percent relative humidity ($\pm 2\%$) at a tempera-

ture of 23° C. ($\pm 2^\circ$). Previously the calibrations were performed at 50 percent relative humidity at a temperature of 23° C.

This environment does not apply to saturated standard cells, resistance standards, and other standards that are calibrated in oil baths at specific temperatures that are usually above room temperature.

2. A new § 201.701 is added to read as follows:

§ 201.701 Frequency stability calibration of signal sources.

(Service available only at the Boulder Laboratories.)

(a) Frequency stability calibrations are made on signal sources up to 30 kHz. (See schedule 201.860 for calibration service at higher frequencies.)

(b) The signal source should have a power output of at least 10 milliwatts (into a matched load).

(c) Frequency stability of the signal source should be better than approximately one part in 10^7 .

Item	Description	Fee
201.701a.....	Measurement of frequency stability of signal sources, up to 30 kHz.	(*)

§ 201.820 [Amended]

3. Section 201.820, item b, is amended to include the calibration of rf calorimeters at a frequency of 500 MHz.

§ 201.830 [Amended]

4. Section 201.830 is amended by the discontinuance of calibration service for capacitors with unshielded terminals, e.g., binding posts and banana-plug connectors.

§ 201.860 [Amended]

5. A new § 201.860 is added to read as follows:

§ 201.860 Frequency stability calibration of signal sources.

(Service available only at the Boulder Laboratories.)

(a) Frequency stability calibrations are made on signal sources in the frequency range from 30 kHz to 500 MHz.

(b) The signal source should have a power output of at least 10 milliwatts (into a matched load).

(c) Frequency stability of the signal source should be better than approximately one part in 10^7 .

Item	Description	Fee
201.860a.....	Measurement of frequency stability of signal sources, from 30 kHz to 500 MHz.	(*)

§ 201.911 [Amended]

6. Section 201.911, item a, is amended to include power measurements on dry calorimeters at power values from 10 milliwatts to 1 watt (formerly the power range was from 10 to 100 milliwatts).

§ 201.920 [Amended]

7. Section 201.920 is amended to add a new item (a-2) to read as follows:

Item	Description	Fee
201.920a-2...	Measurement of reflective coefficient magnitude of waveguide reflectors (mismatches) in WR 62 waveguide (12.4-18.0 GHz) in the magnitude range of 0.025 to 1.0.	(*)

*Fees. The fees to be charged for these calibration services performed by the National Bureau of Standards at its Boulder Laboratories, Boulder, Colo., are not fixed at this time. Charges will be made for actual costs incurred. Upon request, estimates will be furnished for specific tasks which should provide a close approximation of actual costs.

(Sec. 9, 31 Stat. 1450, as amended; 15 U.S.C. 277. Interprets or applies sec. 7, 70 Stat. 959; 15 U.S.C. 275a)

A. V. ASTIN,
Director.

[F.R. Doc. 64-12439; Filed, Dec. 4, 1964;
8:46 a.m.]

Title 19—CUSTOMS DUTIES

Chapter I—Bureau of Customs, Department of the Treasury

[T.D. 56315]

PART 14—APPRAISEMENT

Antidumping

A notice was published in the FEDERAL REGISTER on December 24, 1963 (28 F.R. 14245), stating that the Treasury Department was reviewing its regulations (19 CFR 14.6-14.13) under the Antidumping Act of 1921, as amended (19 U.S.C. 160-173). All interested parties were afforded an opportunity to be heard on January 23, 1964, with regard to the regulations.

After consideration of all written submissions received and oral arguments made at the hearing, a notice of proposed rulemaking setting forth certain proposed amendments relating to procedures under the Antidumping Act was published in the FEDERAL REGISTER on April 23, 1964 (29 F.R. 5474), pursuant to section 4 of the Administrative Procedure Act (5 U.S.C. 1003) and comments were invited to be submitted.

Due consideration now having been given to all comments, views, and other data received, the amendments as set forth below are hereby adopted. The amendments shall become effective, but not retroactively, 30 days after the date of their publication in the FEDERAL REGISTER. However, § 14.6a and the amendments to §§ 14.7(b) (1) and (3) and 14.9(a) shall not be effective with respect to antidumping proceedings in connection with which the question of dumping was raised or presented for the purposes of sections 201(b) and 202(a) of the Antidumping Act, 1921, as amended (19 U.S.C. 160(b) and 161(a)), before the 30th day following the date of publication of the amendments in the FEDERAL REGISTER.

Section 14.6 is amended as follows:

1. Paragraph (b) is amended;
2. Paragraph (c) is amended;
3. Paragraph (d) (1) is amended;
4. Paragraph (e) is amended.

The amended paragraphs read as follows:

§ 14.6 Suspected dumping.

(b) Any person outside the Customs Service who has information that merchandise is being, or is likely to be, imported into the United States under such circumstances as to bring it within the purview of the Antidumping Act, 1921, as amended, may communicate such information in writing to the Commissioner of Customs. Every such communication shall contain or be accompanied by the following:

(1) A detailed description or sample of the merchandise; the name of the country from which it is being, or is likely to be, imported; the name of the exporter or exporters and producer or producers, if known; and the ports or probable ports of importation into the United States. If no sample is furnished, the Bureau of Customs may call upon the person who furnished the information to furnish samples of the imported and competitive domestic articles, or either.

(2) Such detailed data as are reasonably available with respect to values and prices indicating that such merchandise is being, or is likely to be, sold in the United States at less than its fair value, within the meaning of the Antidumping Act, 1921, as amended, including information as to any differences between the foreign market value or constructed value and the purchase price or exporter's sales price which may be accounted for by any difference in taxes, discounts, incidental costs such as those for packing or freight, or other items.

(3) Such information as is reasonably available to the person furnishing the information as to the total value and volume of domestic production of the merchandise in question.

(4) Such suggestions as the person furnishing the information may have as to specific avenues of investigation to be pursued or questions to be asked in seeking pertinent information.

(c) If any information filed pursuant to paragraph (b) of this section does not conform with the requirements of that paragraph, the Commissioner shall return the communication to the person who submitted it with detailed written advice as to the respects in which it does not conform.

(d) (1) Upon receipt pursuant to paragraph (a) or (b) of this section of information in proper form:

(i) The Commissioner shall conduct a summary investigation. If he determines that the information is patently in error or that the merchandise is not being and is not likely to be imported in more than insignificant quantities he shall so advise the person who submitted the information and the case shall be closed. Otherwise, the Commissioner shall publish a notice in the FEDERAL REGISTER that information in proper form has been received pursuant to paragraph (a) or (b) of this section. This notice, which may be referred to as the "Antidumping Proceeding Notice," will specify whether the information relates to all shipments of the merchandise in question from an exporting country, or only to shipments by certain persons or firms; in the latter

case, only the names of such persons and firms will be specified. The notice shall also specify the date on which information in proper form was received and that date shall be the date on which the question of dumping was raised or presented for purposes of sections 201(b) and 202(a) of the Antidumping Act, 1921, as amended (19 U.S.C. 160(b) and 161(a)). The notice shall also contain a summary of the information received. If a person outside the Customs Service raised or presented the question of dumping, his name shall be included in the notice unless a determination under § 14.6a of the regulations of this part requires that his name not be disclosed.

(ii) The Commissioner shall thereupon proceed promptly to decide whether or not reasonable grounds exist to believe or suspect that the merchandise is being, or likely to be, sold at less than its foreign market value (or, in the absence of such value, than its constructed value). To assist him in making this decision the Commissioner, in his discretion, may conduct a brief preliminary investigation into such matters, in addition to the invoice or other papers or information presented to him, as he may deem necessary.

(e) If the Commissioner determines pursuant to paragraph (d) (1) (ii) of this section, or in the course of an investigation under paragraph (d) (3) (i) of this section, that there are reasonable grounds to believe or suspect that any merchandise is being, or is likely to be, sold at less than its foreign market value (or, in the absence of such value, than its constructed value) under the Antidumping Act, he shall publish notice of that fact in the FEDERAL REGISTER, furnishing an adequate description of the merchandise, the name of each country of exportation, and the date of the receipt of the information in proper form, and shall advise all appraisers of his action. This notice may be referred to as the "Withholding of Appraisal Notice." If the belief or suspicion relates only to certain shippers or producers, the notice shall specify that this is the case and that the investigation is limited to the transactions of such shippers or producers. The notice shall also specify whether the appropriate basis of comparison for fair value purposes is purchase price or exporter's sales price if sufficient information is available to so state; otherwise a supplementary notice will be published in the FEDERAL REGISTER as soon as possible which will specify which of such prices is the appropriate basis of comparison for fair value purposes. Upon receipt of such advice, the appraisers shall proceed to withhold appraisal in accordance with the pertinent provisions of § 14.9.

(Secs. 201, 407, 42 Stat. 11, as amended, 18; 19 U.S.C. 160, 173)

Part 14 is amended by deleting present footnote 14; by redesignating present footnote 14a as footnote 14.

Part 14 is amended further by adding a new section designated 14.6a reading as follows:

§ 14.6a Disclosure of information in antidumping proceedings.

(a) *Information generally available.* In general, all information, but not necessarily all documents, obtained by the Treasury Department, including the Bureau of Customs, in connection with any antidumping proceeding will be available for inspection or copying by any interested person, such as the producer of the merchandise, any importer, exporter, or domestic producer of merchandise similar to that which is the subject of the proceeding. With respect to documents prepared by an officer or employee of the United States, factual material, as distinguished from recommendations and evaluations, contained in any such document will be made available by summary or otherwise on the same basis as information contained in other documents. Attention is directed to § 24.12 of this chapter relating to fees charged for providing copies of documents.

(b) *Requests for confidential treatment of information.* Any person who submits information in connection with an antidumping proceeding may request that such information, or any specified part thereof, be held confidential. Information covered by such a request shall be set forth on separate pages from other information; and all such pages shall be clearly marked "Confidential Treatment Requested." The Commissioner of Customs or the Secretary of the Treasury or the delegate of either will determine, pursuant to paragraph (c) of this section, whether such information, or any part thereof, shall be treated as confidential. If it is so determined, the information covered by the determination will not be made available for inspection or copying by any person other than an officer or employee of the United States Government or a person who has been specifically authorized to receive it by the person requesting confidential treatment. If it is determined that information submitted with such a request, or any part thereof, should not be treated as confidential, or that summarized or approximated presentations thereof should be made available for disclosure, the person who has requested confidential treatment thereof shall be promptly so advised and, unless he thereafter agrees that the information, or any specified part or summary or approximated presentations thereof, may be disclosed to all interested parties, the information will not be made available for disclosure, but to the extent that it is self-serving it will be disregarded for the purpose of the determination as to sales below fair value and no reliance shall be placed thereon in this connection.

(c) *Standards for determining whether information will be regarded as confidential.* (1) Information will ordinarily be considered to be confidential only if its disclosure would be of significant competitive advantage to a competitor or would have a significantly adverse effect upon a person supplying the information or upon a person from whom he acquired the information. Further, if disclosure of information in specific terms or with identifying details would

be inappropriate under this standard, the information will ordinarily be considered appropriate for disclosure in generalized, summary or approximated form, without identifying details, unless the Commissioner of Customs or the Secretary of the Treasury or the delegate of either determines that even in such generalized, summary or approximated form, such disclosure would still be of significant competitive advantage to a competitor or would still have a significantly adverse effect upon a person supplying the information or upon a person from whom he acquired the information. As indicated in paragraph (b) of this section, however, the decision that information is not entitled to protection from disclosure in its original or in another form will not lead to its disclosure unless the person supplying it consents to such disclosure.

(2) Information will ordinarily be regarded as appropriate for disclosure if it

- (i) Relates to price information;
- (ii) Relates to claimed freely available price allowances for quantity purchases; or
- (iii) Relates to claimed differences in circumstances of sale.

(3) Information will ordinarily be regarded as confidential if its disclosure would

- (i) Disclose business or trade secrets;
- (ii) Disclose production costs;
- (iii) Disclose distribution costs, except to the extent that such costs are accepted as justifying allowances for quantity or differences in circumstances of sale;
- (iv) Disclose the names of particular customers or the price or prices at which particular sales were made.

(Sec. 407, 42 Stat. 18; 19 U.S.C. 173.)

Section 14.7(b) is amended as follows:

1. Subparagraph (1) is amended;
2. Subparagraph (3) is amended;
3. Subparagraph (4) is amended;
4. A new subparagraph (9) is added.

The amended and added subparagraphs of § 14.7(b) read as follows:

§ 14.7 Fair value.

(b) *Calculations of fair value.* * * *

(1) *Quantities.* In comparing the purchase price or exporter's sales price, as the case may be, with such applicable criteria as sales or offers, on which a determination of fair value is to be based, reasonable allowances will be made for differences in quantities if it is established to the satisfaction of the Secretary that the amount of any price differential is wholly or partly due to such differences. In determining the question of allowances for differences in quantity, consideration will be given, among other things, to the practice of the industry in the country of exportation with respect to affording in the home market (or third country markets, where sales to third countries are the basis for comparison) discounts for quantity sales which are freely available to those who purchase in the ordinary course of trade. Allowances for price discounts based on sales in large quantities ordinarily will

not be made unless (i) the exporter during the six months prior to the date when the question of dumping was raised or presented had been granting quantity discounts of at least the same magnitude with respect to 20 percent or more of such or similar merchandise which he sold in the home market (or in third country markets when sales to third countries are the basis for comparison) and that such discounts had been freely available to all purchasers, or (ii) the exporter can demonstrate that the discounts are warranted on the basis of savings specifically attributable to the quantities involved.

(3) *Similar merchandise.* In comparing the purchase price or exporter's sales price, as the case may be, with the selling price in the home market, or for exportation to countries other than the United States, in the case of similar merchandise described in subdivisions (C), (D), (E), or (F) of section 212(3), Antidumping Act, 1921, as amended (19 U.S.C. 170a(3)), due allowance shall be made for differences in the merchandise. In this regard the Secretary will be guided primarily by the effect of such differences upon the market value of the merchandise but, when appropriate, he may also consider differences in cost of manufacture if it is established to his satisfaction that the amount of any price differential is wholly or partly due to such differences.

(4) *Offering price.* In the determination of fair value, offers will be considered in the absence of sales, but an offer made in circumstances in which acceptance is not reasonably to be expected will not be deemed to be an offer.

(9) *Revision of prices or other changed circumstances.* Whenever the Secretary of the Treasury is satisfied that promptly after the commencement of an antidumping investigation either (i) price revisions have been made which eliminate the likelihood of sales below fair value and that there is no likelihood of resumption of the prices which prevailed before such revision, or (ii) sales to the United States of the merchandise have terminated and will not be resumed; or whenever the Secretary concludes that there are other changed circumstances on the basis of which it may no longer be appropriate to continue an antidumping investigation, the Secretary shall publish a notice to this effect in the FEDERAL REGISTER. The notice shall state the facts relied on by the Secretary in publishing the notice and that those facts are considered to be evidence that there are not and are not likely to be sales below fair value. The notice shall also state that unless persuasive evidence or argument to the contrary is presented within 30 days the Secretary will determine that there are not and are not likely to be sales below fair value.

(Sec. 407, 42 Stat. 18; 19 U.S.C. 173)

Part 14 is amended further by amending examples 4 and 5 under "Examples for Purposes of Illustration" in footnote 15 to read:

Example 4. A foreign producer makes all of his sales, other than those to the United States, for consumption in the country of exportation. The majority of the merchandise thus sold by him is sold in 50-ton lots at list prices, net. However, a discount of 5 percent is granted on sales of more than 500 tons and is freely available to those who purchase in the ordinary course of trade. During the six months preceding the date when the question of dumping was raised, the producer made sales of more than 500 tons each with respect to 15 percent of such or similar merchandise which he sold in the home market. Sales for exportation to the United States are at list prices less 5 percent and have been in quantities of over 500 tons. The 5 percent will not be allowed as a quantity discount because less than 20 percent of such or similar merchandise was sold in the home market in quantities to which such discount was applicable, unless the 5 percent discount can be justified by cost savings. Cost savings can also be used to justify a quantity discount where there were no sales in the home market in quantities sufficient to warrant the granting of the 5 percent discount, and no offers because there is no potential market for such quantities.

In determining whether a discount has been given, the presence or absence of a published price list reflecting such a discount is not controlling. In certain lines of trade, price lists are not commonly published and in others although commonly published they are not commonly adhered to.

The following example also relates to quantity allowances.

Example 5. A foreign producer has the following record of sales at or about the date of sale or exportation to the United States:

Price per lb. for sales in units of 100 lbs. and 1,000 lbs.	Sales for consumption in country of exportation	Sales to the United States
\$0.85 (100 lbs.)	200,000 lbs.	
\$0.80 (1,000 lbs.)	20,000 lbs.	100,000 lbs.

Although the lower price in the home market appears to obtain for quantities the same as those sold for exportation to the United States at the same price, the quantity sold for home consumption at the lower price is less than 20 percent of the quantity sold in the home market. Accordingly, the price for exportation to the United States is not justified, unless cost savings can be shown to justify the lower price. If 44,000 pounds had been sold in the home market at the \$0.80 price, the lower price would have been justified for comparison with the price for exportation to the United States.

Section 14.8(a) is amended to read:

§ 14.8 Determination of fact or likelihood of sales at less than fair value; determination of injury; finding of dumping.

(a) Upon receipt from the Commissioner of Customs of the information referred to in § 14.6(d), the Secretary of the Treasury will proceed as promptly as possible to determine tentatively whether or not the merchandise in question is in fact being, or is likely to be, sold in the United States or elsewhere at less than its fair value. As soon as possible the Secretary will publish in the FEDERAL REGISTER a "Notice of Tentative Determination," which will include a statement of the reasons on which the tentative determination is based. Interested persons will be given an opportunity to make such written submissions as they desire, within a period which will

be specified in the notice, with respect to the contemplated action. Appropriate consideration will be given to any new or additional information or argument submitted. If any person believes that any information obtained by the Bureau of Customs in the course of an antidumping proceeding is inaccurate or that for any other reason the tentative determination is in error, he may request in writing that the Secretary of the Treasury afford him an opportunity to present his views in this regard. Upon receipt of such a request the Secretary will notify the person who supplied any information, the accuracy of which is questioned and such other person or persons, if any, as he in his discretion may deem to be appropriate. If the Secretary is satisfied that the circumstances so warrant, an opportunity will be afforded by the Secretary or his delegate for all such persons to appear, through their counsel or in person, accompanied by counsel if they so desire, to make known their respective points of view and to supply such further information or argument as may be of assistance in leading to a conclusion as to the accuracy of the information in question. The Secretary or his delegate may at any time, upon appropriate notice, invite any such person or persons as he in his discretion may deem to be appropriate to supply him orally with information or argument. As soon as possible thereafter, the Secretary will make a final determination, except that the Secretary may defer making an affirmative determination of sales below fair value during the pendency of any other antidumping proceeding which relates to the same class or kind of merchandise imported from another foreign country. The Secretary will defer making an affirmative determination only if he is satisfied that deferral is appropriate under all of the circumstances. Circumstances which the Secretary will take into consideration will include the dates on which information relating to the various antidumping proceedings came to his attention, the volume of sales involved in each proceeding, elements of hardship, if any, and probable extent of delay which deferral would entail. No determination that sales are not below fair value will be deferred because of this provision. Whenever the Secretary makes a determination of sales at less than fair value he will so advise the United States Tariff Commission.

(Secs. 201, 407, 42 Stat. 11, as amended, 18; 19 U.S.C. 160, 173)

Section 14.9 is amended as follows:

1. Paragraph (a) is amended;
2. Paragraph (f) is amended.

The amended paragraphs of § 14.9 read as follows:

§ 14.9 Action by the appraiser.

(a) Upon receipt of advice from the Commissioner of Customs pursuant to § 14.6(e), if the Commissioner's "Withholding of Appraisal Notice" shall specify that the proper basis of comparison for fair value purposes is exporter's sales price or if that notice does not specify the appropriate basis of comparison

for fair value purposes, each appraiser shall withhold appraisement as to such merchandise entered, or withdrawn from warehouse, for consumption, on any date after the 120th day before the question of dumping was raised by or presented to the Secretary of the Treasury or his delegate. If the Commissioner's "Withholding of Appraisal Notice," including any supplementary notice, shall specify that the proper basis of comparison for fair value purposes is purchase price, the appraiser shall withhold appraisement as to such merchandise entered, or withdrawn from warehouse, for consumption, after the date of publication of the "Withholding of Appraisal Notice." Each appraiser shall notify the collector and importer immediately of each lot of merchandise with respect to which appraisement is so withheld. Upon advice of a finding made in accordance with § 14.8 (b), the appraiser shall give immediate notice thereof to the collector and the importer when any shipment subject thereto is imported after the date of the finding and information is not on hand for completion of appraisement of such shipment. Customs Form 6459 shall be used to notify the collector and importer whenever appraisement is withheld under this paragraph.

(f) In calculating purchase price or exporter's sales price, as the case may be, there shall be deducted the amount of any special dumping duties which are, or will be, paid by the manufacturer, producer, seller, or exporter, or which are, or will be, refunded to the importer by the manufacturer, producer, seller, or exporter, either directly or indirectly, but a warranty of nonapplicability of dumping duties granted to an importer with respect to merchandise which is (1) purchased, or agreed to be purchased, before publication of a "Withholding of Appraisal Notice" with respect to such merchandise and (2) exported before a determination of sales below fair value is made, will not be regarded as affecting purchase price or exporter's sales price.

(Secs. 201, 202, 203, 204, 208, 407, 42 Stat. 11, as amended, 12, 13, 14, 18, sec. 486, 46 Stat. 725, as amended; 19 U.S.C. 160, 161, 162, 163, 167, 173, 1486)

[SEAL] LESTER D. JOHNSON,
Acting Commissioner of Customs.

Approved: November 25, 1964.

JAMES A. REED,
Assistant Secretary of the
Treasury.

[F.R. Doc. 64-12449; Filed, Dec. 4, 1964;
8:47 a.m.]

Title 20—EMPLOYEES' BENEFITS

Chapter II—Railroad Retirement Board

SUBCHAPTER D—EMERGENCY REGULATIONS PART 395—PLAN OF OPERATION DURING A NATIONAL EMERGENCY

EDITORIAL NOTE: Subchapter D—Emergency Regulations is hereby estab-

lished in Chapter II of this title, containing Part 395—Plan of Operation During a National Emergency.

To avoid a duplication of part numbers, Part 201—Plan of Operation During a National Emergency, published at page 15864 in the issue dated Thursday, Nov. 26, 1964, is redesignated Part 395 and transferred to Subchapter D of this chapter.

Title 41—PUBLIC CONTRACTS AND PROPERTY MANAGEMENT

Chapter 8—Veterans Administration

PART 8-1—GENERAL

PART 8-2—PROCUREMENT BY FORMAL ADVERTISING

Determination of Responsibility, and Award When Only One Bid Is Received

1. Section 8-1.310-6 is revised to read as follows:

§ 8-1.310-6 Determination of responsibility.

(a) In each instance where the procurement exceeds \$2,500 and the apparent low bidder or offeror, is unknown to the Contracting Officer, he (the Contracting Officer) shall, prior to making an award, conduct such investigations as may be necessary to ensure the responsibility of the prospective contractor. The standards set forth in FPR 1-1.310-5 shall be considered and when necessary the pre-award survey prescribed by FPR 1-1.310-9 shall be conducted. The results of such investigations, together with any other pertinent material shall be made a part of the contract file.

(b) A determination of nonresponsibility can only be applied to the immediate procurement, that is, the one currently being evaluated for award of contract. Each determination must be separate and distinct and may not be used as the basis to deny a contract for a subsequent procurement (43 C.G. 140).

(c) When a Contracting Officer has determined that a prospective contractor is not "responsible" he will also make a determination at that time, whether to initiate debarment action in accordance with § 8-1.606.

2. Section 8-2.407-50 is added to read as follows:

§ 8-2.407-50 Award when only one bid is received.

When only one bid is received in response to an invitation for bids, such bid may be considered and accepted if (a) the specifications used in the invitation were not restrictive, (b) adequate competition was solicited, (c) the price is reasonable, and (d) the bid is otherwise in accordance with the invitation for bids.

(Sec. 205(c), 63 Stat. 390, as amended, 40 U.S.C. 486(c); sec. 210(c), 72 Stat. 1114, 38 U.S.C. 210(c))

These regulations are effective 45 days following publication in the FEDERAL REGISTER, but may be observed earlier.

Approved: November 30, 1964.

By direction of the Administrator.

[SEAL] A. H. MONK,
Associate Deputy Administrator.

[F.R. Doc. 64-12451; Filed, Dec. 4, 1964; 8:47 a.m.]

Title 32—NATIONAL DEFENSE

Chapter VII—Department of the Air Force

SUBCHAPTER A—ADMINISTRATION

PART 804—MORTUARY BENEFITS

A new Part 804 is added as follows:

Sec.	Scope.
804.1	Eligibility.
804.2	Disposition of remains—items and expenses authorized.
804.3	Person (next of kin) entitled to direct disposition of remains.
804.4	Disposition of remains.
804.5	Individuals AWOL and dropped from rolls.
804.6	Unclaimed remains.
804.7	Military prisoners.
804.8	Transportation authorized for shipment of remains.
804.9	Modes of transportation authorized for shipment of remains and escorts.
804.10	Stopover of remains en route to final destination.
804.11	Through shipment of remains by common carrier.
804.12	Removal of remains from common carrier terminal.
804.13	Shipment after interment.
804.14	Escorts for deceased military personnel.
804.15	National cemeteries; eligibility.
804.16	Interment policy for dependents.
804.17	Reservation of grave site.
804.18	Air Force base cemeteries; definitions.
804.19	Establishment, maintenance and disposal.
804.20	Eligibility for burial in base cemeteries.
804.21	Interment of remains and reservation of grave sites in base cemeteries.
804.22	Cemetery markers; types furnished.
804.23	Shipment and erection costs.
804.24	Furnishing mortuary services and supplies on reimbursable basis.
804.25	Arranging for transportation.
804.26	Furnishing military honors.
804.27	

AUTHORITY: The provisions of this Part 804 issued under sec. 8012, 70A Stat. 488; 10 U.S.C. 8012.

SOURCE: AFM 143-1, July 20, 1961; AFM 143-1A, August 18, 1961; AFM 143-1B, October 22, 1962; AFM 143-1C, November 25, 1963.

§ 804.1 Scope.

Certain mortuary services and items, as described in this section, may be provided at Government expense or on a reimbursable basis to care for the remains of deceased persons cited in § 804.2. Certain other benefits to which entitlement exists for certain categories of personnel are also shown. The chart in § 804.3 combines the provisions of this section and § 804.2 and shows the extent of coverage for each category of personnel. Insofar as civilian employees are concerned § 804.1 covers only those benefits provided by the Air Force. Entitlement to other benefits derived from their status as Federal employees, veterans, or from participation in the Federal social security program, is explained in AFM 40-1 (Air Force Civilian Personnel Manual). The Mortuary Officer will insure

that only those services and/or items authorized are provided (consult § 804.3).

(a) *Recovery.* Recovery includes search, recovery, segregation and identification of remains.

(b) *Removal.* Removal includes removing remains by hearse from place of death to a mortuary and delivery of remains to a common carrier or place designated by the commander concerned.

(c) *Notification.* Advising next of kin or other appropriate person concerning arrangements for preparation and disposition of remains.

(d) *Preparation.* Preparation includes embalming and other preservative measures, derma surgery, restorative art, dressing or wrapping, placing in casket, burial and shipping permits and other related items, some of which may be required to comply with laws or customs for shipment of remains to or from the CONUS.

(e) *Casket and outer case.* (1) Casket and outer case conforming to the specification in the Contract for Care of Remains.

(2) Casket and outer case suitable for shipment to place of interment.

(f) *Cremation.* Actual crematory charges including inexpensive casket and/or suitable urn and any costs necessary to transport the remains to the crematory.

(g) *Clothing.*

(h) *Transportation.* Transportation by common carrier, hearse or other suitable closed vehicle furnished by a funeral director, or by suitable Government vehicle or aircraft. Includes one removal of remains by hearse from the common carrier terminal at destination to a mortuary or other place of immediate delivery.

(i) *Escort travel.* Round trip transportation and prescribed allowances for an escort (one person) to accompany remains of deceased military personnel to final destination.

(j) *Flag.* One interment flag, with flag case, for each deceased military person.

(k) *Interment.* Interment in a Government cemetery as designated by the person authorized to direct disposition of the remains or, in the absence of such designation, a Government cemetery designated by the commander concerned.

(l) *Interment allowance.* The next of kin of a military person is entitled to an allowance toward payment of burial expenses. These expenses may be for a grave site; opening and closing of the grave; use of cemetery equipment; purchase of burial vault; flowers; obituary notices; services of a funeral director; clergy fee; transportation of relatives and friends to and from the funeral home, church and cemetery; and any other expenses incident to burial of the remains.

(1) When interment is in a Government cemetery, the Government furnishes the grave site, opens and closes the grave and provides cemetery equipment, as available, at no cost to the next of kin. The allowance toward payment of burial expenses is as follows:

(i) When remains are shipped or delivered direct to a Government cemetery for burial, a maximum allowance of \$75.00 is authorized.

(ii) When remains are shipped to a funeral director designated by the next of kin and subsequently interred in a Government cemetery, a maximum allowance of \$125.00 is authorized.

(2) When interment is in a private cemetery, a maximum of \$200.00 is authorized. All expenses for burial are the responsibility of the next of kin.

(m) *Grave marker.* The Government furnishes an upright marble marker or a flat marker of marble, granite or bronze to mark certain graves (see §§ 804.23 and 804.24).

§ 804.2 Eligibility.

The following are authorized certain benefits listed in § 804.1:

(a) *Military personnel.* Even though such person may have been temporarily absent from active duty without leave at the time of death (provided he had not been dropped from the rolls of his organization before his death):

(1) Regulars of the Air Force (including cadets of the United States Air Force Academy), members of the Air Force Reserve, members of the Air National Guard of the United States, and members of the Air Force without component, who die while on active duty (other than active duty for training).

(2) Members of the Air Force Reserve, the Air National Guard, and the Air National Guard of the United States, who die while:

(i) On active duty for training for any period of time or performing authorized travel to or from such duty, or

(ii) On authorized inactive duty training, or

(iii) Hospitalized or undergoing treatment at the expense of the United States for injury incurred, or disease contracted, while on that duty or training or while performing that travel.

(3) Members of the Air Force Reserve Officer's Training Corps who die while:

(i) Attending a training camp or performing authorized travel to or from such camp, or

(ii) While hospitalized or undergoing treatment at the expense of the United

States for injury incurred, or disease contracted while attending training camp or while performing travel to or from such camp.

(4) Accepted applicants for enlistment in the Air Force.

(5) Any person who has been discharged from an enlistment in the Air Force while a patient in a United States military hospital, and who continued to be such a patient to the date of death.

(6) Any retired member of the Air Force who became a patient in a United States military hospital while he was on active duty and who continued to be a patient in a U.S. military hospital to the date of death. (Note: Individual must have been a patient continuously and physically in the hospital. Those who have been medically treated in an outpatient status are not authorized mortuary services at Government expense.) (Disposition of remains of retired personnel, other than those indicated in this subparagraph, is the responsibility of relatives or the Veterans Administration if death occurs while the retired person is hospitalized in a Veterans Administration Hospital. Queries concerning payment of burial expenses for such personnel should be referred to the Veterans Administration.)

(b) *Air Force civilian employees paid from appropriated funds.* (1) Employees who die while traveling at Government expense on official business within and outside the CONUS.

(2) Employees whose homes are in the CONUS, who die while assigned to an official duty station outside the CONUS or in transit thereto or therefrom.

(3) Employees whose homes are in foreign countries, who die while performing official duties away from their homeland or in transit thereto or therefrom, provided the employee would have been entitled to travel to his home at Government expense upon termination of his employment.

(c) *Contract Technical Services personnel.* Contract Technical Services per-

sonnel as defined in AFM 66-18 (Contract Technical Services (CTS)).

(d) *Dependents.* (1) Dependents of members of the Armed Forces and dependents of civilian employees of the Armed Forces (paid from appropriated funds), who die while residing with such member or employee performing official duties outside the continental United States, or while traveling to or from such place of duty.

(e) *United States citizens who die outside the Continental United States.* (1) An employee of a humanitarian agency accredited to the Armed Forces of the United States such as the American National Red Cross and the United Services organization.

(2) Any civilian performing services directly for the Armed Forces because of employment by an agency under contract with the Armed Forces.

(3) Any person on duty with the Armed Forces of the United States paid from nonappropriated funds.

(4) Any officer or member of a crew of a merchant vessel operated by or for the United States through the Armed Forces.

(5) Any person for whom such services are requested by the Department of State.

(6) Any dependent of a United States citizen covered in this section provided the dependent is living outside the CONUS with that person at the time of death.

(f) *Indigent persons.* Indigent persons who die in Air Force hospitals and other persons who die on Air Force installations, when next of kin or local municipal authorities will not assume custody of the remains and disposition cannot otherwise be made.

(g) *Military prisoners.* Military prisoners (other than prisoners of war or internees) who die or are executed while in Air Force custody or confinement.

(h) *Enemy prisoners and aliens.* Prisoners of war and interned enemy aliens who die while in Air Force custody.

§ 804.3 Disposition of remains—items and expenses authorized.

Decedents covered	Items and expenses authorized												
	Recovery (§ 804.1 (a))	Removal (§ 804.1 (b))	Notification (§ 804.1 (c))	Preparation (§ 804.1 (d))	Casket with outer case (§ 804.1 (e))	Cremation (§ 804.1 (f))	Clothing (§ 804.1 (g))	Transportation (§ 804.1 (h))	Escort (§ 804.1 (i))	Flag (§ 804.1 (j))	Interment Government cemetery (§ 804.1 (k))	Interment allowance (§ 804.1 (l))	Grave marker (§ 804.1 (m))
Military personnel (§ 804.2(a) (1), (2), (3), (5), and (6)).	X	X	X	X	X	X	X	To place selected by next of kin.	X	X	X	X	X
Accepted applicants (§ 804.2(a) (4)).	X	X	X	X	X	X	X	do	X	X		X	
Civilian employees (§ 804.2(b)).	X	X	X	Cost of these items (excluding outer case) may not exceed \$150 when death occurs in CONUS.				To home, official station or another place no further distant. ¹	(¹)		X ¹		X ¹
Contract Technical Services personnel (§ 804.2(c)). Death in CONUS.								To place selected by next of kin.	(¹)				
Death outside CONUS.				May be furnished on reimbursable basis.				do	(¹)				
Dependents (§ 804.2(d)). Death in CONUS.								(¹)			(¹)		(¹)
Death outside CONUS.				May be furnished on reimbursable basis.				To place selected by next of kin.	(¹)		(¹)		(¹)

Decedents covered	Items and expenses authorized												
	Recovery (\$ 804.1 (a))	Removal (\$ 804.1 (b))	Notifi- cation (\$ 804.1 (c))	Prepa- ration (\$ 804.1 (d))	Casket with outer case (\$ 804.1 (e))	Crema- tion (\$ 804.1 (f))	Clothing (\$ 804.1 (g))	Transportation (\$ 804.1(h))	Escort (\$ 804.1 (i))	Flag (\$ 804.1 (j))	Inter- ment Government cemetery (\$ 804.1 (k))	Inter- ment allowance (\$ 804.1 (l))	Grave marker (\$ 804.1 (m))
U.S. Citizens (§ 804.2 (c)). Death in foreign country.				do				May be furnished on reimbursable basis to CONUS port.					
Indigent persons. (§ 804.2(f)).	These items (including expenses for interment and transportation to a cemetery designated by AFSSS, Hq USAF) may be furnished provided disposition cannot otherwise be made.										In Post section of National cemetery or base cemetery.		(⁶)
Military prisoners (other than POW's and internees). (§ 804.2(g)).	X	X	X	X	X	X	X	To place selected by next of kin.	X	(⁷)	do		(⁶)
Enemy prisoners and aliens. (§ 804.2(h)).	These items (including expenses for interment and transportation to a cemetery designated by AFSSS, Hq USAF) may be furnished at reasonable cost.										do		(⁶)

¹ An outer case for shipment (including, when necessary, sealing of such case) is authorized as part of transportation expenses.
² Travel as escort is not authorized. However, if remains are shipped as baggage by rail, an individual may travel as attendant using one of the two tickets required for shipment of the remains. No return transportation is authorized for the attendant.
³ If a veteran and honorably separated from military service.
⁴ There is no legal authority for Air Force to care for remains of a dependent who dies in CONUS. However, costs for transportation of remains from place of death

to place selected by next of kin is authorized if such dependent was in a travel status to or from an assignment, outside the CONUS, of the sponsor.
⁵ Wife, husband, widow, widower, minor child and in certain instances an unmarried adult child (see § 804.16(c)).
⁶ If buried in a government cemetery.
⁷ A military person who dies while in Air Force custody and whose approved sentence includes a discharge is not authorized a flag.

§ 804.4 Person (next of kin) entitled to direct disposition of remains.

The person entitled to direct disposition of the remains of military personnel and Department of the Air Force civilian employees covered by this part are recognized in the order listed in this paragraph:

- (1) Widow or widower (if not divorced or remarried—see paragraphs (c) and (d) of this section).
- (2) Sons over 21 years of age in order of seniority.
- (3) Daughters over 18 years of age in order of seniority.
- (4) Father (unless legal custody of the decedent when he was a minor had been granted to another person by reason of a court decree or statutory provision—see paragraph (d) of this section).
- (5) Mother (unless legal custody of the decedent when he was a minor had been granted to another by reason of a court decree or statutory provision—see paragraph (d) of this section).
- (6) Blood or adoptive relative of decedent who had been granted legal custody of the decedent by reason of court decree or statutory provision.
- (7) Brothers over 21 years of age in the order of seniority.
- (8) Sisters over 18 years of age in the order of seniority.
- (9) Grandfather.
- (10) Grandmother.
- (11) Next of kin of legal age in order of relationship to the deceased in accordance with civil laws. Seniority controls where persons are of equal degree

of relationship, except that males have priority over females.

(12) In the absence of persons listed in this section, a person standing in loco parentis to the deceased.

(b) The right to direct disposition of remains is considered a personal right and cannot be exercised by guardians, committees, or agents of any of the persons listed in this section solely by reason of their status as such.

(c) To invalidate the entitlement of a widow or widower, proof must be submitted that final decree of divorce was awarded or that the widow or widower has remarried.

(d) To invalidate the entitlement of any person cited in paragraph (a) of this section, the person claiming to have priority over another person must submit documentary evidence sufficient to establish his right.

§ 804.5 Disposition of remains.

(a) It is the right of the next of kin to select a funeral director of his choice rather than accepting the services of a funeral director who is under contract to the Air Force or accepting services provided in Government operated mortuaries outside CONUS.

(b) The tastes and desires of individuals regarding funeral services differ greatly. While some desire only a very simple funeral, others want elaborate and expensive services and merchandise. The funeral the Air Force provides is very adequate and in good taste. Therefore, if the next of kin wants services and merchandise more costly than the

Air Force would provide, he must pay the additional expenses incurred.

§ 804.6 Individuals AWOL and dropped from rolls.

If an individual is found to have been absent without leave and dropped from the rolls of his organization prior to the date of death, care and disposition of remains is a responsibility of the next of kin and/or civil authorities. If there is any question as to whether or not the individual has been dropped from the rolls, Headquarters USAF will be contacted for this information. Occasionally, next of kin and civil authorities will not accept responsibility for care and disposition of remains. If the next of kin or civil authorities do refuse, and the remains are in the custody of the military authorities, only those funds necessary to provide a decent local burial will be expended.

§ 804.7 Unclaimed remains.

(a) Remains will be considered unclaimed when:

(1) No next of kin or other responsible person can be located.

(2) The next of kin states in writing (or telegram) that he is not concerned with disposition of the remains.

(b) Unclaimed remains will be prepared at Air Force expense and interred in a cemetery designated by Headquarters USAF (AFSSS).

§ 804.8 Military prisoners.

Military prisoners who die or are executed while in Air Force custody or

confinement are entitled to the burial benefits authorized active duty personnel, except that a flag is not authorized in the case of a prisoner whose sentence includes a discharge. All decorations, insignia or other evidence of membership in the Air Force must be removed when the regulation uniform is used for burial.

§ 804.9 Transportation authorized for shipment of remains.

(a) *At Government expense.* Transportation at Government expense is authorized for shipment of the remains of the following deceased personnel from the place of death to the destination specified in this section:

(1) Military personnel cited in § 804.2 (a) and (g) to place selected by the next of kin.

(2) Civilian employees cited in § 804.2 (b) to the home of official station of the deceased or to another place no further distant.

(3) Contract Technical Services personnel cited in § 804.2(c) to place selected by the next of kin.

(4) Dependents cited in § 804.2(d) to place selected by the next of kin.

(5) Indigent persons and enemy prisoners and aliens cited in § 804.2 (f) and (h) to a cemetery designated by Headquarters USAF (AFSSS).

(b) *On reimbursable basis.* Government transportation on a reimbursable basis is authorized for shipment of remains from place of death outside the CONUS to a CONUS aerial port of entry for U.S. citizens and their dependents cited in § 804.2(e).

§ 804.10 Modes of transportation authorized for shipment of remains and escorts.

Transportation of remains and escorts at Government expense is authorized as set forth in this section:

(a) *In the CONUS.* From the place of death to the place of interment; from the place of death to a CONUS aerial port of entry; from a CONUS aerial port of entry to the place of interment; and from an aerial port of entry to another port for reshipment, one of the following methods or combination of methods may be used:

(1) Railway Baggage Service procured by Government transportation requests.

(2) Commercial Air (Air Freight) procured by Government transportation requests or Government bill of lading as required by the carrier.

(3) Railway Express Agency: Transportation of remains without escort procured by Government bill of lading.

(4) Hearse or other suitable closed vehicle furnished by a funeral director provided:

(i) The cost of such transportation is not in excess of the cost of common carrier transportation.

(ii) Common carrier service is not available.

(iii) It is requested by the next of kin and the next of kin defrays any costs in excess of what it would have cost the Government to ship the remains by common carrier.

NOTE: Movement of remains by military aircraft within the CONUS is not authorized and should not be provided.

(b) *Outside the CONUS.* Between two oversea points and between oversea points and CONUS aerial ports of entry shipment will be made by the following methods:

(1) Government transportation facilities, whenever possible.

(2) Commercial transportation, when Government transportation facilities are not available or the use thereof is impractical.

(3) Hearse or other suitable closed vehicle furnished by a funeral director provided such service is requested by the next of kin and the next of kin defrays any costs in excess of what it would have cost the Government to ship the remains.

(c) *Between CONUS and overseas.* From the CONUS, shipment will be made by the following methods:

(1) Government transportation facilities, whenever possible.

(2) Commercial transportation, when Government transportation facilities are not available or the use thereof is impractical.

§ 804.11 Stopover of remains en route to final destination.

Upon request of the next of kin, arrangements may be made for a stopover of remains en route to final destination, either by direct or circuitous routing. Each such request will be analyzed with a view to providing the maximum amount of transportation authorized by law. The total cost to the Air Force will not exceed the amount the Air Force would have paid for direct shipment from the place of death to the destination selected by the next of kin. The next of kin will be required to make advance payment to the shipping installation for any amount in excess of that authorized. In addition, the next of kin will be advised that he is responsible for all costs incurred at the stopover point. For example, if the next of kin wants remains shipped from Philadelphia to Chicago for funeral services, with ultimate burial in Arlington National Cemetery, he should designate Chicago as the destination, rather than Arlington. Government transportation can then be furnished from Philadelphia to Chicago. The next of kin would be required to pay the transportation expenses from Chicago to Arlington National Cemetery. If the next of kin wants remains shipped from Philadelphia to San Francisco, with stopover in Chicago, Government transportation can be furnished from Philadelphia to San Francisco. All expenses incurred in Chicago, such as removal of the remains from the carrier, funeral services, and returning the remains to the carrier, would be a responsibility of the next of kin.

§ 804.12 Through shipment of remains by common carrier.

Remains will be routed through from point of origin, to destination. Local ticket agents will assist in making necessary arrangements for transfer of remains from one carrier to another.

§ 804.13 Removal of remains from common carrier terminal.

Transportation will include one removal of remains from the common carrier terminal at destination to a funeral

home selected by the next of kin or a government cemetery.

§ 804.14 Shipment after interment.

(a) If temporary disposition is required because of local health laws or inability to contact the person recognized as having the right to direct disposition of remains, remains may subsequently be disinterred and shipped at Government expense.

(b) If the person recognized as having the right to direct disposition of remains states in writing that he is not concerned with disposition, and the remains are interred at Government expense, subsequent disinterment or shipment of the remains will not be made at Government expense.

(c) After remains are interred in accordance with instructions of the next of kin, subsequent disinterment or shipment of the remains will not be made at Government expense.

§ 804.15 Escorts for deceased military personnel.

An escort is authorized for personnel specified in § 804.2(a). An escort is also authorized for personnel specified in § 804.2(g), except that no escort will be furnished for persons who die after an approved court-martial sentence which includes a dishonorable or bad conduct discharge, or for persons who are executed following a sentence by court-martial.

§ 804.16 National cemeteries; eligibility.

Burial in national cemeteries of the following categories of persons is authorized:

(a) *Military.* (1) Members of the Armed Forces of the United States who die while on active duty (other than for training).

(2) Former members (veterans and retired) of the Armed Services of the United States who were honorably separated from last period of service. Subsequent conviction of a crime, the maximum penalty for which in the jurisdiction in which convicted, is death, or which equals or exceeds 15 years imprisonment, or results in the loss of U.S. nationality makes that person ineligible for burial in a national cemetery proper.

(3) Any member of a reserve component of the Armed Forces, and any member of the Army National Guard or the Air National Guard, whose death occurs under honorable conditions while he is:

(i) On active duty for training, or performing full-time service under sections 316, 503, 504, or 505 of Title 32, United States Code.

(ii) Performing authorized travel to or from that duty or service.

(iii) On authorized inactive duty training, including training performed as a member of the Army National Guard or the Air National Guard, or

(iv) Hospitalized or undergoing treatment, at the expense of the United States, for injury or disease contracted or incurred under honorable conditions while he is:

(a) On that duty or service.

(b) Performing that travel or inactive duty training; or

(c) Undergoing that hospitalization or treatment at the expense of the United States.

(4) Any member of the Reserve Officers' Training Corps of the Army, Navy, or Air Force whose death occurs under honorable conditions while he is:

(i) Attending an authorized training camp or on an authorized practice cruise.

(ii) Performing authorized travel to or from that camp or cruise, or

(iii) Hospitalized or undergoing treatment, at the expense of the United States, for injury or disease contracted or incurred under honorable conditions while he is:

(a) Attending that camp or on that cruise.

(b) Performing that travel; or

(c) Undergoing that hospitalization or treatment at the expense of the United States.

(b) *Citizens.* United States citizens who served in the Armed Services of any Government allied with the United States during any war in which the United States has been or may hereafter be engaged. However, they must have been honorably separated from the last period of such service.

(c) *Members of families of service or former service members.* The wife, husband, widow, widower, minor child and in certain instances the unmarried adult child of any of the persons listed in paragraphs (a) and (b) of this section.

§ 804.17 Interment policy for dependents.

(a) If a dependent dies before the service member, interment may be made in a national cemetery upon submission of a signed certificate by the service member that he will be interred eventually in the same grave. Such certificate, in the following format, will be presented or promptly mailed to the superintendent of the national cemetery concerned:

This is to certify that in consideration of the interment of the remains of my -----
 (Spouse-child) (Name)
 in the ----- National Cemetery, my
 (Name)
 remains shall, upon my demise, be interred in the same or adjoining grave.

(b) The remains of those persons listed in § 804.16(c) may be removed from a national cemetery proper and interred in the post section of a national cemetery if, upon death, the related service member is not buried in the same or adjoining grave. This will not apply when the service member is lost or buried at sea; officially determined to be permanently absent in a status of missing or missing in action; officially determined to be dead for the purpose of terminating his status of missing or missing in action; or determined to be nonrecoverable.

§ 804.18 Reservation of grave site.

Grave sites are not reserved or assigned in advance of actual interments. Adjoining grave sites are not available.

§ 804.19 Air Force base cemeteries; definitions.

(a) *Base cemetery.* A military cemetery located at an Air Force installation.

(b) *Civilian cemetery.* Any privately or publicly-owned cemetery or burial plot located within or without the boundaries of an Air Force installation.

§ 804.20 Establishment, maintenance and disposal.

New base cemeteries will not be established, and existing base cemeteries will not be expanded beyond present boundaries. Base cemeteries now in operation may be used for authorized burials, within present boundaries, until filled or discontinued.

(a) Base cemeteries will be maintained until disposition is effected by the procedures listed in paragraph (b) of this section. Those located on surplus installations which are not to be moved or otherwise disposed of will be maintained under the supervision of an active military installation to be designated by the Director of Civil Engineering, Headquarters USAF.

(b) When feasible and possible, base cemeteries will be disposed of by transfer to a State, county, municipality, or proper agency thereof, or by the removal of remains and reinterment in a national, private, or public cemetery or transfer of custody to next of kin or other relatives. Once a cemetery has been transferred to a local government, it will not be reacquired without prior approval of the Director of Civil Engineering, Headquarters USAF.

§ 804.21 Eligibility for burial in base cemeteries.

Burials in base cemeteries will be restricted to the following categories of personnel:

(a) Members of the Armed Services of the United States on the active and retired lists as published by the decedent's service.

(b) The wife, husband, widow, widower, minor child and in certain instances the dependent unmarried adult child of any person listed in paragraph (a) of this section. Dependent unmarried adult children include those who have never married, widows, widowers and divorcees provided the unmarried adult child, at time of death, was incapable of self-support because of physical or mental condition and was receiving over one-half of his support from the service-connected parent or surviving spouse, or had been receiving such support prior to the death of the parents and by reason of their death was receiving such support from some other source.

(c) General prisoners whose discharges have been executed, who die while under the jurisdiction of the Department of the Air Force.

(d) Prisoners of war and interned aliens, and unclaimed remains which cannot be transferred to the custody of civil authority, provided no other disposition of remains can be made under existing statutes.

(e) Veterans when a dependent of the deceased has been previously buried in such a cemetery.

(f) Individuals whose remains must be disposed of as directed by Headquarters USAF (AFSSS).

§ 804.22 Interment of remains and reservation of grave sites in base cemeteries.

(a) *Interment policies for dependents.* (1) If a dependent dies before the service member, interment may be made in a base cemetery upon submission of a signed certificate by the service member that he will be interred eventually in the same grave or an adjoining (side-by-side) grave. Such certificate, in the following format, will be presented or promptly mailed to the base commander concerned:

This is to certify that in consideration of the interment of the remains of my -----
 -----, in the
 (Spouse-child) (Name)
 ----- Base Cemetery, my
 (Name)
 remains shall, upon by demise, be interred in the same or adjoining grave.

(2) When a deceased dependent child is interred prior to the death of either parent, the certificate in subparagraph (1) of this paragraph will be accomplished by the service members with the understanding that all available space in the occupied grave must be used for any future family interment, including that of the service member, before the second grave can be used. Additional eligible dependents may be interred before the death of the service member, provided not more than two side-by-side graves are used and that space is reserved for burial of the service member.

(b) *Procedure for effecting interment.* The procedure for effecting interment will conform in general with procedures for burial in national cemeteries.

(c) *Reservation of grave sites.* (1) Grave sites are not reserved or assigned in advance of actual interments except as provided in subparagraphs (2) and (3) of this paragraph.

(2) If the service member dies first, an adjoining grave may be reserved for the eventual interment of the surviving spouse. Such reservation must be requested by the spouse at the time arrangements are being made for the interment of the service member to insure availability of an adjoining grave site. The surviving spouse will receive an inquiry every two years to find out whether she wants to continue the reservation. Until she receives such an inquiry it will not be necessary for her to contact the base concerned in order to insure continuance of the reservation. Failure to reserve an adjoining grave site will not preclude burial of the spouse in the same grave with the service member or removal, at private expense, of the remains of the service member to a location where two adjoining graves are available.

(3) When arrangements are being made for the interment of a dependent of a service member, the surviving service member may request a reservation of an adjoining grave site for his future interment. However, provisions of paragraph (b) of this section are applicable irrespective of this reservation.

§ 804.23 Cemetery markers; types furnished.

(a) *Grave markers.* The Government will furnish an upright marble marker or

a flat marker of marble, granite or bronze, free of cost, to mark the graves of:

(1) Members of the Air Force who died in the service.

(2) Members of a reserve component of the Air Force, the Air National Guard or Air Force Reserve Officer Training Corps who died under conditions incident to service on behalf of the United States, provided the death, injury, illness or disease occurred or was contracted under honorable conditions.

(3) All persons buried in Government cemeteries.

(b) *Memorial markers.* The Government will furnish, free of cost, an appropriate marker for erection in a Government or civilian cemetery, to commemorate members of the Air Force who died in the service and whose remains have not been recovered or identified, or were buried at sea.

§ 804.24 Shipment and erection costs.

(a) *At civilian cemeteries.* The Government will prepay shipping charges for delivery to the consignee. Costs for transporting the marker to the cemetery, and erection, must be borne by the applicant.

(b) *At Government cemeteries.* All expense is borne by the Government.

§ 804.25 Furnishing mortuary services and supplies on reimbursable basis.

Mortuary services and supplies may be furnished on a reimbursable basis to care for the remains of the following when local commercial facilities and supplies are not available or, if available, the cost thereof is prohibitive:

(a) Dependents of members of the Armed Forces and dependents of civilian employees of the Armed Forces (paid from appropriated funds), who die while residing with such member or employee performing official duties outside the CONUS or while traveling to or from such place of duty.

(b) Other citizens of the United States who die outside CONUS as follows:

(1) Any employee of a humanitarian agency accredited to the Armed Forces of the United States such as the American Red Cross and the United Services Organization.

(2) Any civilian performing a service directly for the Armed Forces because of employment by an agency under contract with the Armed Forces.

(3) Any Contract Technical Services person as defined in AFM 66-18.

(4) Any officer or member of a crew of a merchant vessel operated by or for the United States through the Armed Forces.

(5) Any person on duty with the Armed Forces of the United States paid from nonappropriated funds.

(6) Any person for whom such services are requested by the Department of State.

(7) Any dependent of a United States citizen covered in this section provided the dependent is living outside the CONUS with that person at the time of death.

§ 804.26 Arranging for transportation.

(a) Transportation at government expense from the place of death to the

destination selected by the next of kin is authorized for the remains of dependents listed in § 804.25(a) and Contract Technical Services personnel listed in § 804.25(b)(3).

(b) For the remains of other U.S. citizens listed in § 804.25(b), government transportation from the place of death to a CONUS aerial port of entry may be furnished on a reimbursable basis.

§ 804.27 Furnishing military honors.

(a) Air Force commanders of bases manned by active duty personnel are authorized to furnish military honors within their capabilities at the funeral of any member or former member of the Armed Forces of the United States whose last service terminated honorably by death or otherwise. Commanders of Air Reserve Training bases will coordinate the furnishing of military honors with the nearest capable Air Force installation manned by active duty personnel. Commanders at all echelons will place sufficient emphasis on this program to insure that honors are properly rendered in every instance when they are desired by the next of kin of the deceased or someone acting on behalf of the next of kin.

(b) Veterans' and patriotic organizations should be encouraged to furnish honors for veteran personnel. If the deceased was a member of other than the Air Force or Air Corps, an effort may be made to refer the request to a nearby activity of the service concerned. However, if honors for a deceased veteran cannot be obtained from a veterans' organization, or if there is no nearby activity to furnish honors for a member of another service, or if the next of kin specifically desires honors from an Air Force activity, Air Force commanders will furnish such honors within their capabilities.

By order of the Secretary of the Air Force.

FREDERICK A. RYKER,
Lieutenant Colonel, U.S. Air
Force, Chief, Special Activities
Group, Office of The
Judge Advocate General.

[F.R. Doc. 64-12229; Filed, Dec. 4, 1964;
8:45 a.m.]

Title 35—PANAMA CANAL

Chapter I—Canal Zone Regulations

[Canal Zone Order 70]

PART 5—AIR NAVIGATION

Miscellaneous Amendments

Effective on the 30th day after publication in the FEDERAL REGISTER, Subpart A of 35 CFR Part 5 is amended as follows:

1. Section 5.2 is amended to read as follows:

§ 5.2 Canal Zone set apart as military airspace restricted area.

(a) The airspace above the Canal Zone (including the territorial waters within the three-mile marine boundary at each end of the Canal) up to, but not including, 2,500 feet MSL is hereby set apart as and declared to be a military airspace

restricted area, to be known as the "Canal Zone Military Airspace Restricted Area".

(b) As designated in § 99.43(c) of the Federal Aviation Regulations (14 CFR 99.43(c)), the airspace beginning at 2,500 feet MSL and extending upward over the Canal Zone (including the territorial water within the three-mile marine boundary at each end of the Canal) constitutes the "Panama Canal Zone Domestic ADIZ".

§§ 5.11, 5.12, 5.22, 5.31, 5.32, 5.33, 5.34
[Amended]

2. Sections 5.11, 5.12, 5.22, 5.31, 5.32, 5.33, and 5.34 are each amended by striking out the words "Canal Zone Military Airspace Reservation" wherever they appear therein and inserting in place thereof the words "Canal Zone Military Airspace Restricted Area."

3. Section 5.35 is amended to read as follows:

§ 5.35 Areas in which aircraft may not be operated.

No person may, while within the Canal Zone Military Airspace Restricted Area, operate any aircraft over any of the lock installations, dock installations (other than those in the traffic circuits for Old France Field airport), dams, drydocks, spillways, danger areas established by the Commander in Chief, U.S. Southern Command, or within any other part of the Canal Zone Military Airspace Restricted Area when so advised or directed by Air Traffic Control acting for U.S. Southern Command.

4. Section 5.37 is amended to read as follows:

§ 5.37 Flight plans.

Each person operating any aircraft departing from a base in the Canal Zone shall file a flight plan (and a flight plan for the return flight to a base in the Canal Zone, if intended) with the Federal Aviation Agency International Flight Service Station in the Canal Zone (Panama Radio). Each person who files a flight plan under this section shall, upon the termination of that flight, close that flight plan if facilities for closing are reasonably available to him.

(2 C.Z.C. sec. 701, 76A Stat. 29; E.O. 9746, 3 CFR 544, 1943-1948 Comp., as amended by E.O. 10595, 3 CFR 242, 1954-1958 Comp.; sec. 19, P.L. 87-845, 76A Stat. 700)

STEPHEN AILES,
Secretary of the Army.

NOVEMBER 25, 1964.

[F.R. Doc. 64-12443; Filed, Dec. 4, 1964;
8:46 a.m.]

Title 38—PENSIONS, BONUSES, AND VETERANS' RELIEF

Chapter I—Veterans Administration

PART 3—ADJUDICATION

Subpart A—Pension, Compensation, and Dependency and Indemnity Compensation

HOSPITALIZATION ADJUSTMENTS

1. In § 3.501(i), subparagraph (1) is amended to read as follows:

§ 3.501 Veterans.

(1) *Hospitalization*—(1) § 3.551(b). First day of seventh calendar month following admission if veteran without dependents, or first day of the month following the month in which the action is taken, whichever is later.

2. In § 3.502, paragraph (a) is amended to read as follows:

§ 3.502 Widows.

(a) *Additional allowance of dependency and indemnity compensation for children* (§ 3.5(e)(3)). (1) Day preceding child's 18th birthday or last day of month in which child's marriage occurred (see § 3.500(n)(2) and (3)), whichever is earlier.

(2) Last day of month in which increase was effective, when allowance is reduced or discontinued because of increase in old-age and survivor's insurance.

3. In § 3.551, paragraph (b) is amended to read as follows:

§ 3.551 Reduction because of hospitalization.

(b) *Reduction after 6 months*. Pension (except as provided in paragraph (c) of this section), compensation or retirement pay in excess of \$30 monthly for a veteran who has neither wife, child nor dependent parent shall continue at the full monthly rate until the end of the sixth calendar month following the month of admission for hospitalization. The rate payable will be reduced effective the first of the seventh calendar month to \$30 monthly or 50 percent of the amount otherwise payable, whichever is greater. The reduced rate will be effective the first day of the seventh calendar month following admission or the first day of the month following the month in which action is taken, whichever is later. Payment of the amount withheld may be as provided in § 3.556. (38 U.S.C. 3203 (a)(1))

4. In § 3.556, paragraph (a) is amended to read as follows:

§ 3.556 Adjustment on discharge or release.

(a) *Temporary absence—30 days*.

(1) Where a competent veteran whose award was reduced under § 3.551(b) is placed on trial visit status or other authorized absence of 30 days or more the full monthly rate, excluding any allowance for regular aid and attendance, will be restored effective the date of reduc-

tion. The full monthly rate for an incompetent veteran, or for a competent veteran whose pension was reduced under § 3.551(c), will be restored effective the date of departure from the hospital unless it is determined that apportionment for an estranged wife should be continued. In all instances, any allowance for regular aid and attendance will be restored effective the date of departure from the hospital.

(2) Upon the veteran's return to the hospital, an award which is subject to reduction under § 3.551(b) will again be reduced effective the end of the month in which the action is taken; under § 3.551(c), the award will again be reduced effective the date of the veteran's return to the hospital. In all instances, any allowance for regular aid and attendance will be discontinued, if in order, effective the date of the veteran's return to the hospital.

(72 Stat. 1114; 38 U.S.C. 210)

These VA Regulations are effective the date of approval.

Approved: December 1, 1964.

By direction of the Administrator,

[SEAL]

W. J. DRIVER,
Deputy Administrator.

[F.R. Doc. 64-12450; Filed, Dec. 4, 1964; 8:47 a.m.]

Proposed Rule Making

DEPARTMENT OF THE TREASURY

Fiscal Service

[31 CFR Parts 306, 315, 316, 321, 332]

UNITED STATES SECURITIES AND SAVINGS BONDS

Notice of Proposed Rule Making

Notice is hereby given, pursuant to the Administrative Procedure Act, approved June 11, 1946, that the regulations set forth in Treasury Department Circulars No. 300, Second Revision (31 CFR Part 306); No. 530, Eighth Revision, as amended (31 CFR Part 315); No. 653, Fifth Revision, as amended (31 CFR Part 316); No. 750, Revised, as amended (31 CFR Part 321); and Department Circular No. 905, Second Revision, as amended (31 CFR Part 332), are proposed to be further amended or revised as tentatively shown below. However, prior to their final adoption, consideration will be given to any data, views, or arguments pertaining thereto which are submitted in writing, in duplicate, to the Commissioner of the Public Debt, Washington, D.C., 20220, within the period of fifteen days from the date of this notice in the FEDERAL REGISTER. These proposed amendments or revisions of the regulations are to be issued under the authority of Revised Statutes, section 161 (5 U.S.C. 22), and the Second Liberty Bond Act (31 U.S.C. 738a, 739, 752, 752a, 753, 754, 754a, 754b, 757c and 757c-1), both as amended.

[SEAL] GEORGE F. STICKNEY,
Deputy Fiscal Assistant Secretary.

NOVEMBER 20, 1964.

Department Circular No. 300, Second Revision, dated April 19, 1963 (31 CFR 306), is hereby amended and issued as the Third Revision.

PART 306—GENERAL REGULATIONS WITH RESPECT TO UNITED STATES SECURITIES

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Subpart K—Attorneys in Fact

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- 306.105 Statutory authority and requirements.
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AUTHORITY: The provisions of this Part 306 issued under R.S. 3706, 40 Stat. 288, 290, 1309, 48 Stat. 343 and 50 Stat. 481; 31 U.S.C. 738a, 739, 752, 752a, 753, 754, 754a and 754b.

Subpart A—General Information

§ 306.0 Applicability of regulations.

These regulations apply to all United States transferable and nontransferable securities,¹ other than United States Savings Bonds, to the extent specified in these regulations, the offering circulars or special regulations governing such securities.

§ 306.1 Official agencies.

(a) *Subscriptions—tenders-bids.* Securities subject to these regulations are issued from time to time pursuant to public offerings by the Secretary of the Treasury, through the Federal Reserve Banks, fiscal agents of the United States, and the Treasurer of the United States.

¹ Bonds and other securities issued by certain agencies of the United States and the former government of Puerto Rico are subject to these regulations, so far as applicable, under special arrangements with the issuing authorities. Information as to their application to any particular transaction in any designated security will be furnished by the Bureau of the Public Debt, Division of Loans and Currency, Washington, D.C., 20226, upon request.

Only the Federal Reserve Banks and Branches and the Treasury Department are authorized to act as official agencies, and subscriptions for securities, tenders for Treasury bills, and bids, to the extent provided in the regulations governing the sale of Treasury bonds through competitive bidding, may be made direct to them; however, banking institutions may assist customers with their subscriptions, tenders or bids.

(b) *Transactions after issue.* The Bureau of the Public Debt, Treasury Department, is charged with matters relating to transactions in securities after original issue. Correspondence concerning such transactions and requests for appropriate forms may be addressed to (1) the Federal Reserve Bank or Branch of the District in which the correspondent is located, or (2) the Bureau of the Public Debt, Division of Loans and Currency, Washington, D.C., 20226, or (3) the Office of the Treasurer of the United States, Securities Division, Washington, D.C., 20220, except where specific instructions are otherwise given in these regulations. The addresses of the Federal Reserve Banks and Branches are:

Federal Reserve Bank of Boston, Boston, Mass., 02106.
 Federal Reserve Bank of New York, New York, N.Y., 10045.
 Buffalo Branch, Buffalo, N.Y., 14240.
 Federal Reserve Bank of Philadelphia, Philadelphia, Pa., 19101.
 Federal Reserve Bank of Cleveland, Cleveland, Ohio, 44101.
 Cincinnati Branch, Cincinnati, Ohio, 45201.
 Pittsburgh Branch, Pittsburgh, Pa., 15230.
 Federal Reserve Bank of Richmond, Richmond, Va., 23213.
 Baltimore Branch, Baltimore, Md., 21203.
 Charlotte Branch, Charlotte, N.C., 28201.
 Federal Reserve Bank of Atlanta, Atlanta, Ga., 30303.
 Birmingham Branch, Birmingham, Ala., 35202.
 Jacksonville Branch, Jacksonville, Fla., 32201.
 Nashville Branch, Nashville, Tenn., 37203.
 New Orleans Branch, New Orleans, La., 70160.
 Federal Reserve Bank of Chicago, Post Office Box 834, Chicago, Ill., 60690.
 Detroit Branch, Post Office Box 1059, Detroit, Mich., 48231.
 Federal Reserve Bank of St. Louis, Post Office Box 442, St. Louis, Mo., 63166.
 Little Rock Branch, Post Office Box 1261, Little Rock, Ark., 72203.
 Louisville Branch, Post Office Box 899, Louisville, Ky., 40201.
 Memphis Branch, Post Office Box 407, Memphis, Tenn., 38101.
 Federal Reserve Bank of Minneapolis, Minneapolis, Minn., 55440.
 Helena Branch, Helena, Mont., 59601.
 Federal Reserve Bank of Kansas City, Kansas City, Mo., 64106.
 Denver Branch, Denver, Colo., 80217.
 Oklahoma City Branch, Oklahoma City, Okla., 73101.
 Omaha Branch, Omaha, Nebr., 68102.
 Federal Reserve Bank of Dallas, Station K, Dallas, Tex., 75222.
 El Paso Branch, Post Office Box 100, El Paso, Tex., 79999.
 Houston Branch, Post Office Box 2578, Houston, Tex., 77001.
 San Antonio Branch, Post Office Box 1471, San Antonio, Tex., 78206.

Federal Reserve Bank of San Francisco, San Francisco, Calif., 94120.
 Los Angeles Branch, Post Office Box 2077, Los Angeles, Calif., 90054.
 Portland Branch, Post Office Box 3456, Portland, Oreg., 97208.
 Salt Lake City Branch, Post Office Box 780, Salt Lake City, Utah, 84110.
 Seattle Branch, Post Office Box 3567, Seattle, Wash., 98124.

§ 306.2 Definitions of words and terms as used in these regulations.

(a) "Advance refunding offer" is an offer to a holder of a security, in advance of its call or maturity, to exchange it for another security.

(b) "Bearer securities" are those which are payable on their face at maturity or call for redemption before maturity in accordance with their terms to "bearer," the ownership of which is not recorded. Title to such securities may pass by delivery without endorsement and without notice. "Coupon securities" are bearer securities which are issued with interest coupons attached.

(c) "Bureau" refers to the Bureau of the Public Debt, Division of Loans and Currency, Washington, D.C., 20226.

(d) "Call date" or "date of call" is the date fixed in the official notice of call published in the FEDERAL REGISTER as the date on which the obligor will make payment before maturity in accordance with the terms of the security.

(e) "Court" means one which has jurisdiction over the parties and the subject matter.

(f) "Department" refers to the Treasury Department.

(g) "Face maturity date" is the payment date specified in the text of a security.

(h) "Incompetent" refers to a person under any legal disability except minority.

(i) "Joint owner" and "joint ownership" refer to any permitted form of ownership by two or more persons.

(j) "Nontransferable securities" are those issued only in registered form which according to their terms are payable only to the registered owners or recognized successors in title to the extent and in the manner provided in the offering circulars or special applicable regulations.

(k) "Payment" and "redemption," unless otherwise indicated by the context, are used interchangeably for payment at maturity or payment before maturity pursuant to a call for redemption in accordance with the terms of the securities.

(l) "Redemption-exchange" is any authorized redemption of securities for the purpose of applying the proceeds in payment for other securities offered in exchange.

(m) "Registered securities" refers to securities payable on their face at maturity or call for redemption before maturity in accordance with their terms to the persons whose names and addresses are inscribed thereon.

(n) "Securities assigned in blank" or "securities so assigned as to become, in effect, payable to bearer" refers to registered securities which are assigned by the owner or his authorized representative without designating the assignee.

Registered securities assigned simply to "The Secretary of the Treasury" or in the case of Treasury Bonds, Investment Series B-1975-80, to "The Secretary of the Treasury for exchange for the current Series EA or EO Treasury notes" are considered to be so assigned as to become, in effect, payable to bearer.

(o) "Taxpayer identifying number" means the appropriate identifying number as required on tax returns and other documents submitted to the Internal Revenue Service, i.e., an individual's social security account number or an employer identification number. A social security account number is composed of nine digits separated by two hyphens, for example, 123-45-6789; an employer identification number is composed of nine digits separated by one hyphen, for example, 12-3456789. The hyphens are an essential part of the numbers and must be included.

(p) "Transferable securities," which may be in either registered or bearer form, refers to securities which may be sold on the market and transfer of title accomplished by assignment and delivery if in registered form, or by delivery only if in bearer form.

(q) "Treasurer's Office" refers to the Office of the Treasurer of the United States, Securities Division, Washington, D.C., 20220.

(r) "Treasury securities," "Treasury bonds," "Treasury notes," "Treasury certificates of indebtedness," and "Treasury bills," or simply "securities," "bonds," "notes," "certificates" and "bills," unless otherwise indicated by the context, refer only to transferable securities.

§ 306.3 Transportation charges and risks in the shipment of securities.

The following rules will govern transportation to, from and between the Treasury Department and the Federal Reserve Banks and Branches of securities issued on or presented for authorized transactions:

(a) The securities may be presented or received by the owners or their agents in person.

(b) Securities issued on original issue, unless delivered in person, will be delivered by registered mail or by other means at the risk and expense of the United States.

(c) The United States will assume the risk and expense of any transportation of securities which may be necessary between the Federal Reserve Banks and Branches and the Treasury.

(d) Securities submitted for any transaction after original issue, if not presented in person, must be forwarded at the owner's risk and expense.

(e) Bearer securities issued on transactions other than original issue will be delivered by registered mail, covered by insurance, at the owner's risk and expense, unless called for in person by the owner or his agent. Registered securities issued on such transactions will be delivered by registered mail at the risk of, but without expense to, the registered owner. Should delivery by other means be desired, advance arrangements should be made with the official agency to which the original securities were presented.

Subpart B—Registration

§ 306.10 General.

The registration used must express the actual ownership of a security, and may not include any restriction on the authority of the owner to dispose of it in any manner, except as otherwise specifically provided in these regulations. The Treasury Department reserves the right to treat the registration as conclusive of ownership. Requests for registration should be clear, accurate, and complete, conform with one of the forms set forth in this subpart, and include appropriate taxpayer identifying numbers.³ The registration of all bonds owned by the same person, organization, or fiduciary should be uniform with respect to the name of the owner and, in the case of a fiduciary, the description of the fiduciary capacity. Individual owners should be designated by the names by which they are ordinarily known or under which they do business, preferably including at least one full given name. The name of an individual may be preceded by any applicable title, such as "Dr." or "Rev.," or followed by "M.D.," "D.D." or other similar designation. "Sr." or "Jr." or any other similar suffix should be included when ordinarily used. The name of a woman must be preceded by "Miss" or "Mrs.," unless some other applicable title or designation is used. A married woman's own given name, not that of her husband, must be used, for example, "Mrs. Mary A. Jones," NOT "Mrs. Frank B. Jones." The address should include, where appropriate, the number and street, route, or any other local feature and the ZIP Code.

§ 316.11 Forms of registration for transferable securities.

The forms of registration described below are authorized for transferable securities:

(a) *Natural persons in their own right.* In the names of natural persons who are not under any legal disability, in their own right, substantially as follows:

(1) *One person.* In the name of one individual. Examples:

John A. Doe (123-45-6789).
Mrs. Mary C. Doe (123-45-6789).
Miss Elizabeth Jane Doe (123-45-6789).

An individual who is sole proprietor of a business conducted under a trade name may include a reference to the trade name. Examples:

John A. Doe, doing business as Doe's Home Appliance Store (12-3456789);

or
John A. Doe (123-45-6789), d/b/a Doe's Home Appliance Store.

(2) *Two or more persons—general.* Securities will not be registered in the name of one person payable on death to another, or in any form which purports to authorize transfer by less than all the persons named in the registration (or all

³ Taxpayer identifying numbers are not required for foreign governments, nonresident aliens not engaged in trade or business within the United States, or international organizations and foreign corporations not engaged in trade or business and not having an office or place of business or a financial or paying agent within the United States.

the survivors).³ Securities will not be registered in the forms "John A. Doe and Mrs. Mary C. Doe, or either of them" or "William C. Doe or Henry J. Doe, or either of them" and securities so assigned will be treated as though the words "or either of them" do not appear in the assignments. The taxpayer identifying number of any of the joint owners may be shown on securities registered in joint ownership form. However, if such owners are husband and wife, the husband's number should be shown. If the joint owners are a minor and an adult, the adult's number should be shown.

(i) *With right of survivorship.* In the names of two or more individuals with right of survivorship. Examples:

John A. Doe (123-45-6789) or Mrs. Mary C. Doe or the survivor.
Mrs. Mary C. Doe and John A. Doe (123-45-6789) or the survivor.
John A. Doe (123-45-6789) or Mrs. Mary C. Doe or Miss Mary Ann Doe or the survivors or survivor.
John A. Doe (123-45-6789) or Mrs. Mary C. Doe.
John A. Doe (123-45-6789) and Mrs. Mary C. Doe.

(ii) *Without right of survivorship.* In the names of two or more individuals in such manner as to preclude the right of survivorship. Examples:

John A. Doe (123-45-6789) and William B. Doe as tenants in common.
John A. Jones as natural guardian of Henry B. Jones, a minor, or Robert C. Jones (123-45-6789), without right of survivorship.

(b) *Minors and incompetents—(1) Natural guardians of minors.* A security may be registered in the name of a natural guardian of a minor for whose estate no legal guardian or similar representative has legally qualified. Example:

John R. Jones as natural guardian of Henry M. Jones, a minor (123-45-6789).

Either parent with whom the minor resides, or, if he does not reside with either parent, the person who furnishes his chief support, will be recognized as his natural guardian and will be considered a fiduciary. Registration in the name of a minor in his own right as owner or coowner is not authorized. Securities so registered, upon qualification of the natural guardian, will be treated as though registered in the name of the natural guardian in that capacity.

(2) *Custodian under statute authorizing gifts to minors.* A security may

³ Warning: Difference between transferable Treasury securities registered in the names of two or more persons and United States savings bonds in coownership form. The effect of registering Treasury securities to which these regulations apply in the names of two or more persons differs decidedly from registration of savings bonds in coownership form. Savings bonds are virtually redeemable on demand at the option of either coowner on his signature alone. Transferable Treasury securities are redeemable only at maturity or upon prior call by the Secretary of the Treasury. Accordingly, if cash is needed before such time, it can be realized only by sale on the market. This involves a transfer of ownership which can be accomplished only upon proper assignment by or in behalf of all owners.

be purchased as a gift to a minor under a gifts to minors statute in effect in a state in which either the donor or the minor resides, in which case the security should be registered as provided in the statute, with the addition of a parenthetical reference identifying the statute if the registration does not clearly identify it. Examples:

William C. Jones, as custodian for John A. Smith, a minor (123-45-6789), under the California Uniform Gifts to Minors Act.
Robert C. Smith, as custodian, for Henry L. Brown, a minor (123-45-6789), under the laws of Georgia (Ch. 48-3, Code of Ga. Anno.)

(3) *Incompetents not under guardianship.* Registration in the form "John A. Brown, an incompetent (123-45-6789), under voluntary guardianship," is permitted only on reissue after a voluntary guardian has qualified for the purpose of collecting interest. (See §§ 306.37(c)(2) and 306.57(c)(2).) Otherwise, registration in the name of an incompetent not under legal guardianship is not authorized.

(c) *Executors, administrators, guardians and similar representatives or fiduciaries.* A security may be registered in the names of legally qualified executors, administrators, guardians, conservators or similar representatives or fiduciaries of a single estate. The names and capacities of all the representatives or fiduciaries, as shown in their letters of appointment, must be included in the registration and must be followed by an adequate identifying reference to the estate. Examples:

John Smith, executor of the will (or administrator of the estate) of Henry J. Jones, deceased (12-3456789).
William C. Jones, guardian (or conservator, etc.) of the estate of James D. Brown, a minor (or an incompetent) (123-45-6789).

(d) *Private trust estates.* A security may be registered in the name and title of the trustee or trustees of a single duly constituted private trust, followed by an adequate identifying reference to the authority governing the trust. Examples:

John Jones and Blank Trust Co., Albany, N.Y., trustees under the will of Sarah Jones, deceased (12-3456789).
John Doe and Richard Roe, trustees under agreement with Henry Jones dated February 9, 1950 (12-3456789).

The names of all trustees, in the form used in the trust instrument, must be included in the registration, except as follows:

(1) If there are several trustees designated as a board or authorized to act as a unit, their names should be omitted and the words "Board of Trustees" should be substituted for the word "trustees." Example:

Board of Trustees of Blank Co. Retirement Fund under collective bargaining agreement dated June 30, 1950 (12-3456789).

(2) If the trustees do not constitute a board or otherwise act as a unit, and are either too numerous to be designated in the inscription by names and title, or serve for limited terms, some or all of the names may be omitted. Examples:

John Smith, Henry Jones, et al., trustees under the will of Henry J. Smith, deceased (12-3456789).

Trustees under the will of Henry J. Smith, deceased (12-3456789).

Trustees of Retirement Fund of Industrial Manufacturing Co., under directors' resolution of June 30, 1950 (12-3456789).

(e) *Private organizations (corporations, unincorporated associations and partnerships)*. A security may be registered in the name of any private corporation, unincorporated association or partnership. The full legal name of the organization, as set forth in its charter, articles of incorporation, constitution, partnership agreement or other authority from which its powers are derived, must be included in the registration, and may be followed, if desired, by a parenthetical reference to a particular account or fund other than a trust fund, in accordance with the rules and examples given below:

(1) *A corporation*. The name of a business, fraternal, religious or other private corporation must be followed by descriptive words indicating the corporate status unless the term "corporation" or the abbreviation "Inc." is part of the name or the name is that of a corporation or association organized under Federal law, such as National bank or a Federal savings and loan association. Examples:

Smith Manufacturing Co., a corporation (12-3456789).

The Standard Manufacturing Corp. (12-3456789).

Jones & Brown, Inc. (12-3456789) (Depreciation Account).

First National Bank of ----- (12-3456789).

(2) *An unincorporated association*. The name of a lodge, club, labor union, veterans' organization, religious society or similar self-governing organization which is not incorporated (whether or not it is chartered by or affiliated with a parent organization which is incorporated) must be followed by the words "an unincorporated association." Examples:

American Legion Post No. -----, Department of the District of Columbia, an unincorporated association (12-3456789).

Local Union No. 100, Brotherhood of Locomotive Engineers, an unincorporated association (12-3456789).

Securities should not be registered in the name of an unincorporated association if the legal title to its property in general, or the legal title to the funds with which the securities are to be purchased, is held by trustees. In such a case the securities should be registered in the title of the trustees in accordance with paragraph (d) of this section. The term "unincorporated association" should not be used to describe a trust fund, a partnership or a business conducted under a trade name.

(3) *A partnership*. The name of a partnership must be followed by the words "a partnership." Examples:

Smith & Brown, a partnership (12-3456789).
Acme Novelty Co., a limited partnership (12-3456789).

(f) *States, public bodies and corporations and public officers*. A security may

be registered in the name of a State or county, city, town, village, school district or other political entity, public body or corporation established by law (including a board, commission, administration, authority or agency) which is the owner or official custodian of public funds, other than trust funds, or in the full legal title of the public officer having custody. Examples:

State of Maine (12-3456789).

Town of Rye, N.Y. (12-3456789).

Maryland State Highway Commission (12-3456789).

Treasurer, City of Springfield, Ill. (12-3456789).

Treasurer of Rhode Island (State Forestry Fund) (12-3456789).

(g) *States, public officers, corporations or bodies as trustees*. A security may be registered in the title of a public officer or in the name of a State or county, a public corporation or public body acting as trustee under express authority of law, followed by appropriate reference to the statute creating the trust. Examples:

Insurance Commissioner of Pennsylvania, trustee for the benefit of the policyholders of the Blank Insurance Co. (12-3456789), under Sec. -----, Pennsylvania statutes.

Rhode Island Sinking Fund Commission, trustee of the General Sinking Fund (12-3456789) under Chapter 35, General Laws of Rhode Island.

§ 306.12 Nontransferable securities.

Upon authorized reissue, Treasury Bonds, Investment Series B-1975-80, may be registered in the forms set forth in § 306.11.

§ 306.13 Errors in registration.

If an erroneously inscribed security is received it should not be altered in any respect, but the Bureau, a Federal Reserve Bank or Branch, or the Treasurer's Office should be furnished full particulars concerning the error and asked to furnish instructions.

Subpart C—Transfers, Exchanges and Reissues

§ 306.15 Transfers and exchanges of securities—closed periods.

(a) *General*. The transfer of registered securities should be made by assignment in accordance with subpart F of this part. Transferable registered securities are eligible for denominational exchange and exchange for bearer securities. Bearer securities are eligible for denominational exchange, and when so provided in the offering circular, are eligible for exchange for registered securities. Specific instructions for issuance and delivery of the new securities, signed by the owner or his authorized representative, must accompany the securities presented. (Form PD 1642, 1643, 1644, or 1827, as appropriate, may be used.) Securities presented for transfer or for exchange for bearer securities of the same issue must be received by an official agency not less than one full month before the date on which the securities mature or become redeemable pursuant to a call for redemption before maturity, and any security so presented which is received too late to comply with

this provision will be accepted for payment only.

(b) *Closing of transfer books*. The transfer books are closed for one full month preceding interest payment dates and call or maturity dates. If the date set for closing of the transfer books falls on Saturday, Sunday or a legal holiday, the books will be closed as of the close of business on the last business day preceding that date. If registered securities which have not matured or been called are received for transfer, reissue, or exchange for coupon securities, or coupon securities which have not matured or been called are received for exchange for registered securities during the time the books for that loan are closed, the transaction will not be completed until the first business day following the date on which interest falls due, when such books are reopened. If registered securities which have been called or which will mature are submitted for transfer or exchange during the time the books are closed, the transaction will be completed immediately after payment of the final interest, unless otherwise provided in the offering circular or notice of call. However, denominational exchanges, exchanges of Treasury Bonds, Investment Series B-1975-80, for the current series of EA or EO 1½ percent 5-year Treasury notes, and optional redemption of bonds at par as provided in § 306.28 may be made at any time.

§ 306.16 Denominational exchanges of registered securities.

No assignment will be required for the authorized exchange of registered securities for like securities in the same names in other authorized denominations.

§ 306.17 Exchanges of registered securities for coupon securities.

Registered securities submitted for exchange for coupon securities should be assigned to "The Secretary of the Treasury for exchange for coupon securities to be delivered to (inserting the name and address of the person to whom delivery of the coupon securities is to be made)." Assignments to "The Secretary of the Treasury for exchange for coupon securities," or assignments in blank will also be accepted. The coupon securities issued upon exchange will have all unmatured coupons attached.

§ 306.18 Exchanges of coupon securities for registered securities.

Coupon securities presented for exchange for registered securities should have all matured interest coupons detached. All unmatured coupons should be attached, except that if presented when the transfer books are closed (in which case the exchange will be effected on or after the date on which the books are reopened), the next maturing coupons should be detached and held for collection in ordinary course when due. If any coupons which should be attached are missing, the securities must be accompanied by a remittance in an amount equal to the face amount of the missing coupons. The new registered securities will bear interest from the interest pay-

ment date next preceding the date on which the exchange is made.

§ 306.19 Denominational exchanges of coupon securities.

All matured interest coupons and all unmatured coupons likely to mature before an exchange can be completed should be detached from securities presented for denominational exchange. All unmatured coupons should be attached. If any are missing, the securities must be accompanied by a remittance in an amount equal to the face amount of the missing coupons. The new coupon securities will have all unmatured coupons attached.

§ 306.20 Reissue of registered transferable securities.

Assignments are not required for reissue of registered transferable securities in the name(s) of (a) the surviving joint owner(s) of securities registered in the names of or assigned to two or more persons, unless the registration or assignment includes words which preclude the right of survivorship, (b) a succeeding fiduciary or other lawful successor, (c) an individual, corporation or unincorporated association whose name has been legally changed, (d) a corporation or unincorporated association which is the lawful successor to another corporation or unincorporated association, and (e) a successor in title to a public officer or body. Evidence of survivorship, succession, or change of name, as appropriate, must be furnished. The appropriate taxpayer identifying number also must be furnished if the registration of the securities submitted does not include such number for the person(s) or organization to be named on the reissued securities.

§ 306.21 Reissue of nontransferable securities.

(a) *Treasury Bonds, Investment Series A-1965.* Bonds of this series may be reissued only when (1) the name of an owner has been changed, (2) the trustees in whose names the bonds are registered have been succeeded by other trustees, and (3) the corporation, unincorporated association or fund in whose name the bonds are registered has been succeeded by another corporation or unincorporated association or fund, by operation of law or otherwise, whereby the business or activities of the original organization or fund are continued without substantial change in the successor. Bonds presented for reissue must be accompanied by pertinent evidence and an appropriate request for reissue. (Form PD 2168 should be used.)

(b) *Treasury Bonds, Investment Series B-1975-80.* Bonds of this series may be reissued only in the names of (1) lawful successors in title, (2) the legal representatives or distributees of a deceased owner's estate, or the distributees of a trust estate, and (3) State supervisory authorities in pursuance of any pledge required of the owner under State law, or upon termination of the pledge in the names of the pledgors or their successors. Bonds presented for reissue

must be accompanied by evidence of entitlement.

§ 306.22 Exchange of Treasury Bonds, Investment Series B-1975-80.

Bonds of this series presented for exchange for 1½ percent 5-year Treasury notes must bear duly executed assignments to "The Secretary of the Treasury for exchange for the current series of EA or EO Treasury notes to be delivered to (inserting the name and address of the person to whom the notes are to be delivered)." The notes will bear the April 1 or October 1 date next preceding the date the bonds, duly assigned with supporting evidence, if necessary, are received by the Bureau or a Federal Reserve Bank or Branch. Interest accrued at the rate of 2¾ percent on the bonds surrendered from the next preceding interest payment date to the date of exchange will be credited, and interest at the rate of 1½ percent on the notes for the same period will be charged and the difference will be paid to the owner.

Subpart D—Redemption or Payment

§ 306.25 Presentation and surrender.

(a) *General.* Securities, whether in registered or bearer form, are payable in regular course of business at maturity unless called for redemption before maturity in accordance with their terms, in which case they will be payable in regular course of business on the date of call. The Secretary of the Treasury may provide for the exchange of maturing or called securities, or in advance of call or maturity, may afford owners the opportunity of exchanging a security for another security pursuant to an advance refunding offer. Registered securities should be presented and surrendered for redemption to the Bureau, a Federal Reserve Bank or Branch, or the Treasurer's Office, and bearer securities to a Federal Reserve Bank or Branch or the Treasurer's Office.⁴ No evidence, other than powers of attorney in appropriate cases, will ordinarily be required to support assignments for redemption for the account of the registered owner(s) or assignee(s), or for redemption-exchange or pursuant to an advance refunding offer if the securities offered in exchange are to be registered in the same names and forms. (See § 306.91(a).)

(b) *"Overdue" securities.* If a bearer security or a registered security assigned in blank, or to bearer or so assigned as to become, in effect, payable to bearer, is presented and surrendered for redemption after it has become overdue, the Secretary of the Treasury may require satisfactory proof of ownership. (Form PD 1071 may be used.) A security shall be considered to be overdue after the lapse of the following periods of time from its face maturity:

- (1) One year for Treasury bonds.
- (2) Six months for Treasury notes and certificates of indebtedness.
- (3) Three months for Treasury bills.

⁴ See § 306.28 for presentation and surrender of securities eligible for use in payment of Federal estate taxes.

(4) Other securities:

(i) One year for securities issued for a term of five years or longer.

(ii) Six months for securities issued for a term of one year or more but less than five years.

(iii) Three months for securities issued for a term of less than one year.

§ 306.26 Redemption of registered securities at maturity, upon prior call, or for advance refunding.

Registered securities presented and surrendered for redemption at maturity or pursuant to a call for redemption before maturity should be assigned to "The Secretary of the Treasury for redemption," unless the assignor desires that payment be made to some other person, in which case the assignments should be made to "The Secretary of the Treasury for redemption for the account of (inserting name and address of person to whom payment is to be made)." Assignments in blank or other assignments having a similar effect will be accepted but specific instructions for the issuance and delivery of the redemption check, signed by the owner or his authorized representative, must accompany the securities, unless included in the assignment. (Form PD 1705 may be used.) Payment of the principal will be made by check drawn on the Treasurer of the United States to the order of the person entitled and mailed in accordance with the instructions received. Securities presented for advance refunding should be assigned as provided in the advance refunding offer.

§ 306.27 Redemption of bearer securities at maturity, upon prior call, or for advance refunding.

All interest coupons due and payable on or before the date of maturity or date fixed in the call for redemption before maturity should be detached from coupon securities presented for redemption and should be collected separately in regular course. All coupons bearing dates subsequent to a date fixed in a call for redemption, or an offer of advance refunding, should be left attached to the securities. If any such coupons are missing the full face amount thereof will be deducted from the payment to be made upon redemption or the advance refunding adjustment unless satisfactory evidence of their destruction is submitted. Any amounts so deducted will be held in the Department to provide for adjustments or refunds in the event that the missing coupons should be subsequently presented or their destruction is later satisfactorily established. In the absence of other instructions, payment of bearer securities will be made by check drawn to the order of the person presenting and surrendering the securities and mailed to him at his address, as given in the advice which should accompany the securities. (Form PD 1704 may be used.) A Federal Reserve Bank, upon appropriate request, may make payment to a member bank from which bearer securities are received by crediting the amount in the member bank's account.

§ 306.28 Optional redemption of Treasury bonds at par (before maturity or call redemption date) and application of the proceeds in payment of Federal estate taxes.

(a) *General.* All Treasury bonds to be redeemed at par for the purpose of applying the proceeds to payment of Federal estate taxes on a decedent's estate⁵ must be presented and surrendered to a Federal Reserve Bank or Branch or the Bureau. They should be accompanied by Form PD 1782, fully completed and duly executed in accordance with the instructions on the form, and evidence as described therein. Redemption will be made at par plus accrued interest from the last preceding interest payment date to the date of redemption, except that if registered bonds are received by a Federal Reserve Bank or Branch or the Bureau within one month preceding an interest payment date for redemption before that date a deduction will be made for interest from the date of redemption to the interest payment date, and a check for the full six months' interest will be paid in due course. The proceeds of redemption will be deposited to the credit of the District Director, Internal Revenue Service, designated in Form PD 1782, the representative of the estate will be notified of the deposit, and the District Director will forward a formal receipt.

(b) *Conditions.* The bonds presented for redemption under this section must have (1) been owned by the decedent at the time of his death and (2) thereupon constituted part of his estate, as determined by the following rules in the case of joint ownership, partnership and trust holdings:

(i) *Joint ownerships.* Bonds held by the decedent at the time of his death in joint ownership with another person or persons will be deemed to have met the above conditions either (a) to the extent to which the bonds actually became the property of the decedent's estate, or (b) in an amount not to exceed the amount of the Federal estate taxes which the surviving joint owner or owners are required to pay on account of such bonds and other jointly-held property.⁶

(ii) *Partnerships.* Bonds held at the time of the decedent's death by a partnership in which he had an interest will

be deemed to have met the above conditions to the extent of his fractional share of the bonds so held proportionate to his interest in the assets of the partnership.

(iii) *Trusts.* Bonds held in trust at the time of the decedent's death will be deemed to have met the above conditions in an amount not to exceed: the amount of the Federal estate taxes which the trustee as such is required to pay under the terms of the trust instrument or otherwise; or, if the trust actually terminated in favor of the decedent's estate, the amount of such estate taxes.

(c) *Transactions permitted after owner's death.* If the bond or bonds are in excess of the amount of the taxes and are not in the lowest authorized denominations, they may be exchanged for bonds of lower denominations. Other transactions, involving no change of ownership, which may be conducted after the death of the owner without affecting the eligibility of the bonds for redemption at par, include (1) exchange of registered bonds for coupon bonds, (2) transfer to the names of the representative of his estate, and (3) exchange of coupon bonds for bonds registered in the name of the representative of the estate; but such transactions must be explained on Form PD 1782 or in a supplemental statement.

Subpart E—Interest

§ 306.35 Computation of interest.

The interest on Treasury securities accrues and is payable on a semiannual basis unless otherwise provided in the circular offering them for sale or exchange. If the period of accrual is an exact six months, the interest accrual is an exact one-half year's interest, without regard to the number of days in the period. If the period of accrual is less than an exact six months, the accrued interest is computed by determining the daily rate of accrual on the basis of the exact number of days in the full interest period and multiplying the daily rate by the exact number of days in the fractional period for which interest has actually accrued. A full interest period does not include the day as of which the securities were issued or the day on which the last preceding interest became due, but does include the day on which the next succeeding interest payment is due. A fractional part of an interest period does not include the day as of which the securities were issued or the day on which the last preceding interest payment became due, but does include the day as of which the transaction terminating the accrual of interest is effected. The 29th of February in a leap year is included whenever it falls within either a full interest period or a fractional part thereof.⁷

⁷ The Appendix to the regulations in this part contains a complete explanation as to the method of computing interest on a semiannual basis on Treasury bonds, notes and certificates of indebtedness, and an outline of the method of computing the discount rates on Treasury bills. Also included are tables of computation of interest on quarterly and annual bases.

§ 306.36 Termination of interest.

Securities will cease to bear interest on the date of their maturity unless they have been called for redemption before maturity in accordance with their terms, in which case they will cease to bear interest on the date of call.

§ 306.37 Interest on registered securities.

(a) *Method of payment.* The interest on registered securities is payable by checks drawn on the Treasurer of the United States to the order of the registered owners, except as otherwise provided herein. Interest checks are prepared by the Department in advance of the interest payment date and are ordinarily mailed in time to reach the addressees on that date. Interest on a registered security which has not matured or been called and which is presented for any transaction during the period the books for that loan are closed will be paid by check drawn to the order of the registered owner of record. Upon receipt of notice of the death or incompetency of an individual named as registered owner, a change in the name or in the status of a partnership, corporation or unincorporated association, the removal, resignation, succession or death of a fiduciary or trustee, delivery of interest checks will be withheld pending receipt and approval of evidence showing who is entitled to receive the interest checks. If the inscriptions on securities do not clearly identify the owners delivery of interest checks will be withheld pending reissue of the securities in the correct registration. The final installment of interest, unless otherwise provided in the offering circular or notice of call, will be paid by check drawn to the order of the registered owner of record and mailed in advance of the interest payment date in time to reach the addressee on or about that date.⁸ Interest on securities presented for advance refunding will be adjusted as provided in the advance refunding offer.

(b) *Change of address.* To assure timely delivery of interest checks, owners should promptly notify the Bureau of any change of address. (Form PD 345 may be used.) The notification must be signed by the registered owner or a joint owner or an authorized representative, and should show the old and new addresses, the serial number and denomination of each security, the titles of the securities (for example 3¼-percent Treasury Bonds of 1978-83, dated May 1, 1953), and the registration of each security. Notifications by attorneys in fact, trustees or by the legal representatives of the estates of deceased, incompetent or minor owners should be supported by proof of their authority, unless in the case of trustees or legal representatives, they are named in the registration.

(c) *Collection of interest checks—(1) General.* Interest checks may be collected in accordance with the regula-

⁸ See § 306.15(b) for presentation of securities during periods transfer books are closed.

⁵ Certain issues of Treasury bonds are redeemable at par and accrued interest upon the death of the owner, at the option of the representative of, or if none, the persons entitled to, his estate, for the purpose of having the entire proceeds applied in payment of the Federal estate taxes on the decedent's estate, in accordance with the terms of the offering circulars cited on the face of the bonds. A current list of eligible issues may be obtained from any Federal Reserve Bank or Branch, the Bureau of the Public Debt, or the Treasurer's Office.

⁶ Substantially the same rule applies to community property except that upon the death of either spouse bonds which constitute part of the community estate are deemed to meet the required conditions to the extent of one-half of each loan and issue of bonds.

tions governing the endorsement and payment of Government warrants and checks, which are contained in Department Circular No. 21, Revised, as amended. (Part 360 of this chapter.)

(2) *By voluntary guardians of incompetents.* Interest checks drawn to the order of an incompetent for whose estate no legal guardian or similar representative has been appointed should be returned to the Bureau with a full explanation of the circumstances. For collection of interest, the Department will recognize the relative responsible for the incompetent's care and support or some other person as voluntary guardian for the incompetent. (Application may be made on Form PD 1461.)

(d) *Nonreceipt, loss, theft or destruction of interest checks.* If an interest check is not received within a reasonable period after an interest payment date the Bureau should be notified. Should a check be lost, stolen, or destroyed after receipt, the Office of the Treasurer of the United States, Check Claims Division, Washington, D.C., 20226, should be notified. Notification should include the name and address of the owner, the serial number, denomination and titles of the securities upon which the interest was payable. If the check is subsequently received or recovered the latter office should also be advised.

§ 306.38 Interest on bearer securities.

Unless the offering circular and notice of call provide otherwise, interest on coupon securities is payable in regular course of business upon presentation and surrender of the interest coupons as they mature. Such coupons are payable at any Federal Reserve Bank or Branch, or the Treasurer's Office.* Interest on Treasury bills and any other bearer securities which may be sold and issued on a discount basis and which are payable at par at maturity, is represented by the difference between the purchase price and the par value, and no coupons are attached.

Subpart F—Assignments of Registered Securities—General

§ 306.40 Execution of assignments or special endorsements.

(a) *Execution of assignments.* The assignment of a registered security should be executed by the owner or his authorized representative in the presence of an officer authorized to certify assignments. All assignments must be made on the backs of the securities, unless otherwise authorized by the Bureau, a Federal Reserve Bank or Branch, or the Treasurer of the United States. An assignment by mark (X) must be witnessed not only by a certifying officer but also by at least one other person, who should add an endorsement substantially as follows: "Witness to signature by mark," followed by his signature and address.

(b) *Special endorsements in lieu of assignments.* A security may be presented without assignment for any au-

* Banking institutions will usually cash the coupons without charge as an accommodation to their customers.

thorized transaction by a financial institution which is (1) a member of the Federal Reserve System, (2) a member of the Federal Home Loan Bank System, or (3) insured by the Federal Deposit Insurance Corporation, provided full instructions are furnished as to the transaction desired and the security bears the endorsement, under the official seal of the institution, as follows:

Presented in accordance with instructions of the owner(s).

Absence of assignment guaranteed.

(Name of financial institution)

By _____
(Signature and title of officer)

This form of endorsement will be an unconditional guarantee to the Treasury Department that the institution is acting as attorney-in-fact for the owner(s) of the security under proper authorization and that the officer is duly authorized to act.

§ 306.41 Form of assignment.

Registered securities may be assigned in blank, to bearer, to a specified transferee, to the Secretary of the Treasury for exchange for coupon securities, or to the Secretary of the Treasury for redemption or for exchange for other securities offered at maturity, upon call or pursuant to an advance refunding offer. Assignments to "The Secretary of the Treasury," "The Secretary of the Treasury for transfer," or "The Secretary of the Treasury for exchange" will not be accepted, unless supplemented by specific instructions by or in behalf of the owner.

§ 306.42 Alterations and erasures.

If an alteration or erasure has been made in an assignment, the assignor should appear before an authorized certifying officer and execute a new assignment to the same assignee. If the new assignment is to other than the assignee whose name has been altered or erased, a disclaimer from the first-named assignee should be obtained. Otherwise, an affidavit of explanation by the person responsible for the alteration or erasure should be submitted for consideration.

§ 306.43 Voidance of assignments.

An assignment of a security to or for the account of another person, not completed by delivery, may be voided by a disclaimer of interest from that person. The disclaimer should be executed in the presence of an officer authorized to certify assignments of securities. Unless otherwise authorized by the Bureau, a Federal Reserve Bank or Branch, or the Treasurer of the United States, the disclaimer must be written, typed or stamped on the back of the security in substantially the following form:

The undersigned as assignee of this security hereby disclaims any interest herein.

(Signature)

I certify that the above-named person as described, whose identity is well known or proved to me, personally appeared before me the _____ day of _____

(Month and year)

at _____ and signed the
(Place)
above disclaimer of interest.

[SEAL]

(Signature and official designation of certifying officer)

In the absence of a disclaimer, an affidavit or affidavits should be submitted for consideration explaining why a disclaimer cannot be obtained, reciting all other material facts and circumstances relating to the transaction, including whether or not the security was delivered to the person named as assignee and whether or not the affiants know of any basis for the assignee claiming any right, title or interest in the security.

After an assignment has been voided, in order to dispose of the security, an assignment by or on behalf of the owner will be required.

§ 306.44 Discrepancies in names.

The Department will ordinarily require an explanation of discrepancies in the names which appear in inscriptions, assignments, supporting evidence or in the signatures to any assignments. (Form PD 385 may be used for this purpose.) However, where the variations in the name of the registered owner, as inscribed on securities of the same or different issues, are such that both may properly represent the same person, for example, "J. T. Smith" and "John T. Smith," no proof of identity will be required if the assignments are signed exactly as the securities are inscribed and are duly certified by the same certifying officer.

§ 306.45 Officers authorized to certify assignments.

(a) *Officers authorized generally.* Officers authorized to certify assignments include:

(1) Officers and employees of banks and trusts companies chartered by or incorporated under the laws of the United States or those of any State, Commonwealth or Territory of the United States, and Federal Savings and Loan Associations or other organizations which are members of the Federal Home Loan Bank System, who have been authorized (i) generally to bind their respective institutions by their acts, (ii) to unqualifiedly guarantee signatures to assignments of securities, or (iii) expressly to certify assignments of securities.

(2) Officers of Federal Reserve Banks and Branches.

(3) Officers of Federal Land Banks, Federal Intermediate Credit Banks and Banks for Cooperatives, the Central Bank for Cooperatives, and Federal Home Loan Banks.

(4) United States Attorneys, Collectors of Customs, and Regional Commissioners and District Directors, Internal Revenue Service.

(5) Judges and Clerks of United States Courts.

(b) *Authorized officers in foreign countries.* The following officers are authorized to certify assignments in foreign countries:

(1) United States diplomatic or consular representatives.

(2) Managers, assistant managers and other officers of foreign branches of

banks or trust companies chartered by or incorporated under the laws of the United States or any State, Commonwealth or Territory of the United States.

(3) Notaries public and other officers authorized to administer oaths. The official position and authority of any such officer must be certified by a United States diplomatic or consular representative under seal of his office.

(c) *Officers having limited authority.* The following officers are authorized to certify assignments to the extent set forth in connection with each class of officers:

(1) Postmasters, acting postmasters, assistant postmasters, inspectors-in-charge, chief and assistant chief accountants, and superintendents of stations of any post office, notaries public and justices of the peace in the United States, its territories and possessions, the Commonwealth of Puerto Rico and the Canal Zone, but only for assignment of securities for redemption for the account of the assignor, or for redemption-exchange, or pursuant to an advance refunding offer for other securities to be registered in his name, or in his name with a coowner. The signature of any post office official, other than a postmaster, must be in the following form: "John A. Doe, Postmaster, by Richard B. Roe, Superintendent of Station."

(2) Commissioned officers and warrant officers of the Armed Forces of the United States for assignments of securities of any class for any authorized transaction, but only with respect to assignments executed by (i) Armed Forces personnel and civilian field employees, and (ii) members of the families of such personnel or civilian employees.

(d) *Special provisions for certifying assignments.* The Commissioner of the Public Debt, the Chief of the Division of Loans and Currency, any Federal Reserve Bank or Branch, or the Treasurer of the United States, is authorized to make special provision for any case or class of cases.

§ 306.46 Duties and responsibilities of certifying officer.

A certifying officer who unqualifiedly guarantees the signature to an assignment must place his endorsement, under official seal or stamp, following such signature, in the form "Signature guaranteed, First National Bank of Jonesville, Jonesville, N.H., by A. B. Doe, President." Otherwise, he must require execution of the assignment in his presence after he has established the identity of the assignor. He must then complete the certification, show the title of his office and impress or imprint the official seal or stamp, if any. An employee who is not an officer should insert "Authorized signature" in the space provided for the title. The certifying officer and, if he is an officer or employee of an organization, the organization will be held responsible for any loss which the United States of America may suffer as the result of his fault or negligence.

§ 306.47 Evidence of certifying officer's authority.

The authority of the certifying officer is established by (a) affixing of the seal

of the organization to the certification of an assignment, or (b) affixing of a legible imprint of the issuing agent's dating stamp, if the organization is an authorized issuing agent for United States Savings Bonds of Series E, use of which stamp shall result in the same responsibility on the part of the organization as if its official seal were used. If the certifying officer does not have access to the seal or the issuing agent's dating stamp, his authority to certify assignments or guarantee signatures must be certified, under seal, to the Bureau by an officer having access to the records and will be recognized until evidence is received that his authority has been terminated. (Form PD 835-2 may be used.) Any post office official must use the official stamp of his office. A commissioned or warrant officer of any of the armed forces of the United States should indicate his rank and state that the person executing the assignment is one of the class whose signature he is authorized to witness. A judge or clerk of court must use the seal of the court. Any other certifying officer must use his official seal or stamp, if any, but, if he has neither, his official position and a specimen of his signature must be certified by some other authorized officer under official seal or stamp or otherwise proved to the satisfaction of the Department.

§ 306.48 Interested person not to act as certifying officer or witness.

Neither the assignor, the assignee, nor any person having an interest in a security may act as a certifying officer, or as a witness to an assignment by mark. However, a bank officer may certify an assignment to the bank, or an assignment executed by another officer in its behalf.

§ 306.49 Nontransferable securities.

The provisions of this subpart, so far as applicable, govern transactions in Treasury Bonds, Investment Series B-1975-80.

Subpart G—Assignments by or in Behalf of Individuals

§ 306.55 Signatures, minor errors and change of name.

The owner's signature to an assignment should be in the form in which the security is inscribed or assigned, unless such inscription or assignment is incorrect or the name has since been changed. In case of a change of name, the signature to the assignment should show both names and the manner in which the change was made, for example, "John Young, changed by order of court from Hans Jung." Evidence of the change will be required. However, no evidence is required to support an assignment if the change resulted from marriage and the signature, which must be duly certified by an authorized officer, is written to show that fact, for example, "Mrs. Mary J. Brown, changed by marriage from Miss Mary Jones."

§ 306.56 Assignment of securities registered in the names of or assigned to two or more persons.

(a) *For transfer or exchange.* The transfer or exchange for coupon securities of securities registered in the names of or assigned to two or more persons may be made during the lives of all the joint owners only upon assignments by all or in their behalf by authorized representatives. Upon proof of the death of one, the Department will accept an assignment by or in behalf of the survivor or survivors, unless the registration or assignment includes words which preclude the right of survivorship. In the latter case, in addition to assignment by or in behalf of the survivor or survivors, an assignment in behalf of the decedent's estate will be required.

(b) *For advance refunding exchanges.* Securities registered in the names of or assigned to two or more persons, whether jointly or in the alternative, may be assigned by one where the securities offered in exchange are to be registered in the same names and form. If bearer securities or securities in a different form are to be issued, all persons named must assign, except that in case of death paragraph (a) of this section shall apply.

(c) *For redemption or redemption-exchange—(1) Alternative registration or assignment.* Securities registered in the names of or assigned to two or more persons in the alternative, for example, "John B. Smith or Mrs. Mary J. Smith" or "John B. Smith or Mrs. Mary J. Smith or the survivor," may be assigned by one of them at maturity or upon call, for redemption or redemption-exchange, for his own account or otherwise, whether or not the other joint owner or owners are deceased.

(2) *Joint registration or assignment.* Securities registered in the names of or assigned to two or more persons jointly, for example, "John B. Smith and Mrs. Mary J. Smith," "John B. Smith and Mrs. Mary J. Smith or the survivor," or "John B. Smith and Mrs. Mary J. Smith as tenants in common," may be assigned by one of them during the lives of all only for (i) redemption at maturity or upon call, and then only for redemption for the account of all, or (ii) redemption-exchange for securities to be registered in their names in the same form as appears in the registration or assignment of the securities surrendered. Upon proof of the death of one of the joint owners, the survivor or survivors may assign securities so registered or assigned for redemption or redemption-exchange for any account, except that, if the words "as tenants in common" or other words which preclude the right of survivorship appear in the registration or assignment, assignment in behalf of the decedent's estate also will be required.

§ 306.57 Minors and incompetents.

(a) *Assignments of securities registered in name of minor—(1) By minor.* Securities registered in the name of a minor for whose estate no guardian or similar representative is legally qualified, may be assigned by the minor at maturity or call for redemption if the total face amount of the matured or called

securities so registered does not exceed \$500, and if the minor, in the opinion of the certifying officer, is of sufficient competency to execute the assignments and understand the nature of the transaction.

(2) *By natural guardian.* Securities registered in the name of a minor for whose estate no legal guardian or similar representative has qualified may be assigned by the natural guardian upon qualification. (Form PD 2481 may be used for this purpose.)

(b) *Assignments of securities registered in name of natural guardian of minor.* Securities registered in the name of a natural guardian of a minor may be assigned by the natural guardian for any authorized transaction except one for the apparent benefit of the natural guardian. If the natural guardian in whose name the securities are registered is deceased or is no longer qualified to act as natural guardian, the securities may be assigned by the person then acting as natural guardian. The assignment by the new natural guardian should be supported by proof of the death or disqualification of the former natural guardian and by evidence of his own status as natural guardian. (Form PD 2481 may be used for this purpose.) No assignment by a natural guardian will be accepted, after receipt of notice of the minor's attainment of majority, removal of his disability of minority, disqualification of the natural guardian to act as such, qualification of a legal guardian or similar representative, or the death of the minor.

(c) *Assignments by voluntary guardians of incompetents.* Registered securities belonging to an incompetent for whose estate no legal guardian or similar representative is legally qualified may be assigned by the relative responsible for his care and support or some other person as voluntary guardian:

(1) For redemption or exchange for bearer securities, if the proceeds of the securities are necessary and will be used for the care and support of the incompetent or that of his legal dependents and the total face amount of such securities for which redemption or exchange is requested in any 90-day period does not exceed \$1,000.

(2) For redemption-exchange, if the securities are matured or have been called, or pursuant to an advance re-funding offer, for reinvestment in other securities to be registered in the form "A, an incompetent (123-45-6789) under voluntary guardianship."

An application on Form PD 1461 by the person seeking authority to act as voluntary guardian will be required.

(d) *Assignments by legal guardians of minors or incompetents.* Securities registered in the name and title of the legal guardian or similar representative of the estate of a minor or incompetent may be assigned by the representative for any authorized transaction without proof of his qualification. Assignments by a representative of any other securities belonging to a minor or incompetent must be supported by properly certified evidence of qualification. The evidence must be dated not more than one year

before the date of the assignments and must contain a statement showing the appointment is in full force unless it shows the appointment was made not more than one year before the date of the assignment or the representative or a corepresentative is a corporation. An assignment by the representative will not be accepted after receipt of notice of termination of the guardianship, except for transfer to the former ward.

§ 306.58 Nontransferable securities.

The provisions of this subpart, so far as applicable, govern transactions in Treasury Bonds, Investment Series B-1975-80.

Amount	Circumstances	Form	To be executed by—
\$100.....	No administration.....	PD 2216.....	Person who paid burial expenses.
\$500.....	Estate being administered.....	PD 2488.....	Executor or administrator.
\$500.....	Estate settled.....	PD 2458-1.....	Former executor or administrator, attorney or other qualified person.

§ 306.66 Estates—administration.

(a) *Temporary or special administrators.* Temporary or special administrators may assign securities for any authorized transaction within the scope of their authority. The assignments must be supported by:

(1) *Temporary administrators.* A certificate, under court seal, showing the appointment in full force within thirty days preceding the date of receipt of the securities.

(2) *Special administrators.* A certificate, under court seal, showing the appointment in full force within six months preceding the date of receipt of the securities.

Authority for assignments for transactions not within the scope of appointment must be established by a duly certified copy of a special order of court.

(b) *In course of administration.* A security belonging to the estate of a decedent which is being administered by a duly qualified executor or general administrator will be accepted for any authorized transaction upon assignment by such representative. (See § 306.77.) If the security is not registered in the name of and does not show the capacity of the representative, the assignment must be supported by a certificate or a copy of the letters of appointment, under court seal. The certificate or certification, if required, must be dated not more than six months before the date of the assignment and must contain a statement that the appointment is in full force, unless (1) it shows the appointment was made not more than one year before the date of the assignment, or (2) the representative or a corepresentative is a corporation, or (3) redemption is being made for application of the proceeds in payment of Federal estate taxes as provided by § 306.28.

(c) *After settlement through court proceedings.* Securities belonging to the estate of a decedent which has been settled in court will be accepted for any authorized transaction upon assignments by the person or persons entitled, as determined by the court. The assignments should be supported by a copy, certified under court seal, of the decree of dis-

Subpart H—Assignments in Behalf of Estates of Deceased Owners

§ 306.65 Special provisions applicable to small amounts of securities, interest checks or redemption checks.

Entitlement to, or the authority to dispose of, a small amount of securities and checks issued in payment thereof or in payment of interest thereon, belonging to the estate of a decedent, may be established through the use of certain short forms, according to the aggregate amount of securities and checks involved (excluding checks representing interest on the securities), as indicated by the following table:

tribution, the representative's final account as approved by the court, or other pertinent court records.

§ 306.67 Estates not administered.

(a) *Special provisions under State laws.* If there is special provision under State law for the recognition or appointment of someone to receive or distribute the assets of a decedent's estate after compliance with the requirements of such law, the person authorized to receive or distribute the assets of the decedent's estate may submit appropriate evidence thereof, certified under court seal, as evidence of his authority to assign securities belonging to the estate.

(b) *Agreement of persons entitled.* When it appears that no legal representative of a decedent's estate has been or is to be appointed, securities belonging to the estate may be duly disposed of pursuant to an agreement and assignment by all persons entitled to share in the decedent's personal estate. (Form PD 1646 may be used.) However, all debts of the decedent and his estate must be paid or provided for and the interests of any minors or incompetents must be protected.

§ 306.70 Nontransferable securities.

The provisions of this subpart, so far as applicable, govern transactions in Treasury Bonds, Investment Series B-1975-80.

Subpart I—Assignments by or in Behalf of Trustees and Similar Fiduciaries

§ 306.75 Individual fiduciaries.

Securities registered in, or assigned to, the names and titles of individual fiduciaries will be accepted for any authorized transaction upon assignment by the designated fiduciaries without proof of their qualification. If the fiduciaries in whose names the securities are registered, or to whom they have been assigned, have been succeeded by other fiduciaries, evidence of successorship must be furnished. If the appointment of a successor is not required under the terms of the trust instrument or otherwise and is not contemplated, assign-

ments by the surviving or remaining fiduciary or fiduciaries must be supported by appropriate proof. This requires (a) proof of the death, resignation, removal or disqualification of the former fiduciary and (b) evidence that the surviving or remaining fiduciary or fiduciaries are fully qualified to administer the fiduciary estate, which may be in the form of a certificate by them showing the appointment of a successor has not been applied for, is not contemplated and is not necessary under the terms of the trust instrument or otherwise. Assignments of securities registered in the titles, without the names of the fiduciaries, for example, "Trustees of the George E. White Memorial Scholarship Fund under deed of trust dated 11/10/40, executed by John W. White," must be supported by proof that the assignors are the qualified and acting trustees of the designated trust estate, unless they are empowered to act as a unit in which case the provisions of § 306.76 shall apply. (Form PD 2446 may be used to furnish proof of incumbency of fiduciaries.) Assignments by fiduciaries of securities not registered or assigned in such manner as to show that they belong to the estate for which the assignors are acting must also be supported by evidence that the estate is entitled to the securities.

§ 306.76 Fiduciaries acting as a unit.

Securities registered in the name of or assigned to a board, committee or other body authorized to act as a unit, which consists of fiduciaries of any public or private trust estate, may be assigned for any authorized transaction by anyone authorized to act in behalf of such body. Except as otherwise provided in this section, the assignments must be supported by a copy of a resolution adopted by the body, properly certified under its seal, or, if none, sworn to by a member of the body having access to its records. (Form PD 2495 may be used.) If the person assigning is designated in the resolution by title only, his incumbency must be duly certified by another member of the body. (Form PD 2446 may be used.) If the fiduciaries of any trust estate are empowered to act as a unit, although not designated as a board, committee or other body, securities registered in their names or assigned to them as such, or in their titles without their names, may be assigned by anyone authorized by the group to act in its behalf. Such assignments may be supported by a sworn copy of a resolution adopted by the group in accordance with the terms of the trust instrument, and proof of their authority to act as a unit may be required. As an alternative, assignments by all the fiduciaries, supported by proof of their incumbency if not named on the securities, will be accepted.

§ 306.77 Corepresentatives and fiduciaries.

If there are two or more executors, administrators, guardians or similar representatives, or trustees of an estate, all must unite in the assignment of any securities belonging to the estate. However, when a statute, a decree of court, or the instrument under which the representatives or fiduciaries are acting pro-

vides otherwise, assignments in accordance with their authority will be accepted. If the securities have matured or been called and are submitted for redemption for the account of all, or for redemption-exchange or pursuant to an advance refunding offer and the securities offered in exchange are to be registered in the names of all, only one representative or fiduciary need execute the assignment.

§ 306.78 Nontransferable securities.

The provisions of this subpart, so far as applicable, govern assignments of Treasury Bonds, Investment Series B-1975-80.

Subpart J—Assignments in Behalf of Private or Public Organizations

§ 306.85 Private corporations and unincorporated associations.

Securities registered in the name of, or assigned to, an unincorporated association, or a private corporation in its own right or in a representative of fiduciary capacity, may be assigned in its behalf for any authorized transaction by any duly authorized officer or officers. Evidence, in the form of a resolution of the governing body, authorizing the assigning officer to assign, or to sell, or to otherwise dispose of the securities will ordinarily be required to support assignments. Resolutions may relate to any or all registered securities owned by the organization or held by it in a representative or fiduciary capacity. (Form PD 1010, or any substantially similar form, may be used when the authority relates to specific securities; Form PD 1011, or any substantially similar form, may be used for securities generally.) If the officer or officers derive their authority from the charter, constitution or by-laws, a copy or a pertinent extract therefrom, properly certified, will be required in lieu of a resolution. If the resolution or other supporting document shows the title of an authorized officer, without his name, it must be supplemented by a certificate of incumbency. (Form PD 1014 may be used.)

§ 306.86 Change of name and succession of private organizations.

If a private corporation or unincorporated association changes its name or is lawfully succeeded by another corporation or unincorporated association, its securities may be assigned in behalf of the organization in its new name or that of its successor by an authorized officer in accordance with § 306.85. The assignment must be supported by evidence of the change of name or successorship.

§ 306.87 Partnerships.

An assignment of a security registered in the name of or assigned to a partnership must be executed by a general partner. Upon dissolution of a partnership, assignment by all living partners and by the persons entitled to assign in behalf of any deceased partner's estate will be required unless the laws of the jurisdiction authorize a general partner to bind the partnership by any act appropriate for winding up partnership affairs. In those cases where assignments

by or in behalf of all partners are required this fact must be shown in the assignment; otherwise, an affidavit by a former general partner must be furnished identifying all the persons who had been partners immediately prior to dissolution. Upon voluntary dissolution, for any jurisdiction where a general partner may not act in winding up partnership affairs, an assignment by a liquidating partner, as such, must be supported by a duly executed agreement among the partners appointing the liquidating partner.

§ 306.88 Political entities and public corporations.

Securities registered in the name of, or assigned to, a State, county, city, town, village, school district or other political entity, public body or corporation, may be assigned by a duly authorized officer, supported by evidence of his authority.

§ 306.89 Public officers.

Securities registered in the name of, or assigned to, a public officer designated by title may be assigned by such officer, supported by evidence of incumbency. Assignments for the officer's own apparent individual benefit will not be recognized.

§ 306.90 Nontransferable securities.

The provisions of this subpart apply to Treasury Bonds, Investment Series B-1975-80.

Subpart K—Attorneys in Fact

§ 306.91 Attorneys in fact.

(a) *General.* Assignments by an attorney in fact will be recognized if supported by an adequate power of attorney. Every power must be executed in the presence of an authorized certifying officer under the conditions specified in § 306.45 for certification of assignments. The original power, or a photocopy showing the grantor's autograph signature, properly certified by an authorized certifying officer, must be submitted, together with the security assigned on the owner's behalf by the attorney-in-fact. Powers need not be submitted in support of assignments for redemption-exchanges or advance refunding offers where the securities to be issued in exchange are to be registered in the same forms as appear in the inscriptions or assignments of the securities surrendered, and such securities are registered or assigned to (1) corporations, unincorporated associations, lodges, societies, or similar organizations, or their legal successors, or (2) individuals, and the assignments are executed on their behalf by corporate attorneys-in-fact. An assignment by a substituted attorney in fact must be supported by an authorizing power of attorney and power of substitution. An assignment by an attorney in fact or a substituted attorney in fact for the apparent benefit of either will not be accepted unless expressly authorized. (Form PD 1001, 1002, 1003 or 1004, as appropriate, may be used to appoint an attorney in fact. An attorney in fact may use Form PD 1006 or 1008 to appoint a substitute. However, any form sufficient

in substance may be used.) If there are two or more joint attorneys in fact or substitutes, less than all may assign for redemption for the account of the owner, or for redemption-exchange, or pursuant to an advance refunding offer provided the new securities are to be registered in the owner's name. Otherwise, all must unite in the assignment unless the power authorizes less than all to act. A power of attorney or of substitution not coupled with an interest will be recognized until the Bureau receives proof of revocation or proof of the grantor's death or incompetency.

(b) *For legal representatives of fiduciaries.* Assignments by an attorney in fact or substitute attorney in fact for a legal representative or fiduciary, in addition to the power of attorney and of substitution, must be supported by evidence, if any, as required by §§ 306.57(d), 306.66(b), 306.75, and 306.76. Powers must specifically designate the securities to be assigned.

(c) *For corporation or unincorporated association.* Assignments by an attorney in fact or a substitute attorney in fact in behalf of a corporation or unincorporated association, in addition to the power of attorney and power of substitution, must be supported by one of the following documents certified under seal of the organization, or, if it has no seal, sworn to by an officer who has access to the records:

(1) A copy of the resolution of the governing body authorizing an officer to appoint an attorney in fact, with power of substitution if pertinent, to assign, or to sell, or to otherwise dispose of, the securities, or

(2) A copy of the charter, constitution or bylaws, or a pertinent extract therefrom, showing the authority of an officer to appoint an attorney in fact, or

(3) A copy of the resolution of the governing body directly appointing an attorney in fact.

If the resolution or other supporting document shows only the title of the authorized officer, without his name, a certificate of incumbency must also be furnished. (Form PD 1014 may be used.) The power may not be broader than the resolution or other authority.

(d) *For public corporations.* A general power of attorney in behalf of a public corporation will be recognized only if it is authorized by statute.

§ 306.92 Nontransferable securities.

The provisions of this subpart shall apply to nontransferable securities, subject only to the limitations imposed by the terms of the particular issues.

Subpart L—Transfer Through Judicial Proceedings

§ 306.95 Transferable securities.

The Department will recognize valid judicial proceedings affecting the ownership of or interest in transferable securities, upon presentation of the securities together with evidence of the proceedings. In the case of securities registered in the names of two or more persons, the extent of their respective interests in the securities must be determined by the

court in proceedings to which they are parties or must otherwise be validly established.²¹

§ 306.96 Evidence required.

Copies of a final judgment, decree or order of court and of any necessary supplementary proceedings must be submitted. Assignments by a trustee in bankruptcy or a receiver of an insolvent's estate must be supported by evidence of his qualification. Assignments by a receiver in equity or a similar court officer must be supported by a copy of an order authorizing him to assign, or to sell, or to otherwise dispose of, the securities. Where the documents are dated more than six months prior to presentation of the securities, there must also be submitted a certificate dated within six months of presentation of the securities, showing the judgment, decree or order, or evidence of qualification, is in full force. Any such evidence must be certified under court seal.

§ 306.97 Nontransferable securities.

(a) *Treasury Bonds, Investment Series A-1965.* The provisions of this subpart shall apply to bonds of this series, except that reference to assignments shall be deemed only to refer to requests for payment. With the exception of a trustee in bankruptcy or a receiver of an insolvent's estate, payment will be limited to the redemption value current thirty days after termination of the judicial proceedings or current at the time the bonds are surrendered for redemption, whichever is less. No judicial proceedings will be recognized if they would give effect to an attempted voluntary transfer *inter vivos* of the bonds.

(b) *Treasury Bonds, Investment Series B-1975-80.* The provisions of this subpart shall apply to bonds of this series, except that prior to maturity any reference to assignments shall be deemed to refer to assignments of the bonds for exchange for the current series of 1½ percent 5-year EA or EO Treasury notes.

Subpart M—Requests for Suspension of Transactions

§ 306.100 Requests for suspension of transactions in securities.

(a) *Registered securities*—(1) *Reports of loss, theft or destruction of registered securities.* Reports of lost, stolen or destroyed registered securities not so assigned as to become, in effect, payable to bearer, will be accepted from the owner or his authorized agent at any time and records will be maintained of the reports. If such a registered security is presented to the Department, the owner will be duly advised and given all available information.

(2) *Reports of assignments affected by fraud.* The Department reserves the right to suspend any transaction in a registered security bearing an apparently

²¹ A finder claiming the ownership of a bearer security or a registered security assigned in blank or so assigned as to become, in effect, payable to bearer, must perfect his title in accordance with the provisions of State law. If there are no such provisions, the Department will not recognize his title to the security.

valid assignment, if prior to the time it is received in the Department a report is received from and a claim is filed by an assignor that his assignment was affected by fraud. The interested parties will be notified of the suspension and given a reasonable period of time within which to effect settlement by agreement or institute judicial proceedings. If subsequent to the time the Department has transferred, exchanged or redeemed a registered security in reliance on an apparently valid assignment, a report or claim is received that the assignment was affected by fraud, the Department will undertake only to furnish all available information.

(3) *Reports of forged assignments.* If it is claimed that the assignment of a registered security is a forgery, the Department will investigate the matter and if it is established that the assignment was forged and the owner did not authorize or ratify the assignment, or receive any benefits therefrom, the Department will recognize his ownership and grant appropriate relief.

(b) *Bearer securities or registered securities so assigned as to become, in effect, payable to bearer*—(1) *Securities not overdue.* Neither the Department nor any of its agents will accept notice of any claim or of pending judicial proceedings by any person for the purpose of suspending transactions in bearer securities, or registered securities so assigned as to become, in effect, payable to bearer which are not overdue as defined in § 306.25.²²

However, if the securities are received and retired, the Department will undertake to notify persons who appear to be entitled to any available information concerning the source from which the securities were received.

(2) *Overdue securities.* Reports that bearer securities, or registered securities so assigned as to become, in effect, payable to bearer, were lost, stolen or possibly destroyed after they became overdue as defined in § 306.25 will be accepted by the Bureau for the purpose of suspending redemption of the securities if the claimant establishes his interest.

²² It has been the longstanding policy of the Department to assume no responsibility for the protection of bearer securities not in the possession of persons claiming rights therein and to give no effect to any notice of such claims. This policy was formalized on April 27, 1867 when the Secretary of the Treasury issued the following statement:

"In consequence of the increasing trouble, wholly without practical benefit, arising from notices which are constantly received at the Department respecting the loss of coupon bonds, which are payable to bearer, and of Treasury notes issued and remaining in blank at the time of loss, it becomes necessary to give this public notice, that the Government can not protect and will not undertake to protect the owners of such bonds and notes against the consequences of their own fault or misfortune.

"Hereafter all bonds, notes, and coupons, payable to bearer, and Treasury notes issued and remaining in blank, will be paid to the party presenting them in pursuance of the regulations of the Department, in the course of regular business; and no attention will be paid to caveats which may be filed for the purpose of preventing such payment."

If the securities are presented, their redemption will be suspended and the presenter and the claimant will each be given an opportunity to establish ownership.

Subpart N—Claims on Account of Loss, Theft, Destruction, Mutilation or Defacement of Securities

§ 306.105 Statutory authority and requirements.

Section 8 of the Act of July 8, 1937 (50 Stat. 481), as amended (31 U.S.C. 738a), provides for relief, under certain conditions, on account of the loss, theft, destruction, mutilation or defacement of United States interest-bearing securities. To obtain relief the security must be fully identified and the pertinent facts proved to the satisfaction of the Secretary of the Treasury, and generally, a bond of indemnity in such form and with such surety, sureties or security as may be required to protect the interests of the United States, must be filed.

§ 306.106 Reports of loss, theft, destruction, mutilation or defacement of securities.

(a) *Loss or theft.* Report of the loss or theft of a security should be made promptly to the Bureau. The report should include:

(1) The name and present address of the owner, and his address at the time the security was issued, and, if the report is made by any other person, the capacity in which he represents the owner;

(2) The identification of the security by title of loan, issue date, interest rate, serial number and denomination, and in the case of a registered security, the exact form of inscription and a full description of any assignment, endorsement or other writing thereon; and

(3) A statement of the circumstances.

(b) *Destruction, mutilation or defacement.* If a security is destroyed, or becomes so mutilated or defaced as to impair its value to the owner, a report of the circumstances, as outlined in paragraph (a) of this section, must be made to the Bureau. All available portions of the mutilated or defaced security must also be submitted. In any appropriate case, a form for use in applying for relief will be furnished.

§ 306.107 Relief authorized for lost, stolen, destroyed, mutilated or defaced securities.

(a) *Registered securities.* Relief is authorized for a registered security not assigned in blank or not so assigned as to become, in effect, payable to bearer, when it has been established that the security has been lost, stolen, destroyed, mutilated or defaced. Relief is available in the same manner for bearer securities restrictively endorsed in accordance with the provisions of Department Circular No. 853, current revision (Part 328 of this chapter).

(b) *Bearer securities or registered securities so assigned as to become, in effect, payable to bearer.* Relief is authorized for bearer securities and registered securities so assigned as to be-

come, in effect, payable to bearer, proved to have been destroyed, mutilated or defaced. Relief will also be granted for such securities if they were lost or stolen under such circumstances and have been missing for such period of time after they have matured or become redeemable pursuant to a call for redemption as in the judgment of the Secretary of the Treasury establishes that they (1) have been destroyed or have become irretrievably lost, (2) are not held by any person as his own property and (3) will never become the basis of a valid claim against the United States.

(c) *Interest coupons.* Relief is authorized for interest coupons if it is established they were attached to a security at the time they were destroyed, mutilated or defaced.

§ 306.108 Type of relief granted.

When relief is granted for a lost, stolen, destroyed, mutilated or defaced security, it will be in the form of either (a) a substitute security marked "Duplicate," bearing the same issue date and showing the serial number of the original security, if the security for which relief is being granted has not matured or become redeemable pursuant to a call for redemption before maturity in accordance with its terms, or (b) payment, if the security has matured or become redeemable pursuant to a call. When a substitute is issued to replace a destroyed, mutilated or defaced coupon security it will have attached all coupons corresponding to those proved to have been attached thereto at the time of the mishap, except that any matured coupons will not be attached but will be paid by check. Relief will not be granted in any case before the expiration of six months from date of loss or theft.

§ 306.109 Nontransferable securities.

The provisions of this subpart shall apply to all nontransferable securities, other than United States Savings Bonds, subject only to the limitations imposed by the terms of the particular issues.

Subpart O—Miscellaneous Provisions

§ 306.115 Additional requirements.

In any case or any class of cases arising under these regulations the Secretary of the Treasury may require such additional evidence and a bond of indemnity with or without surety, as may in his judgment be necessary for the protection of the interests of the United States.

§ 306.116 Waiver of regulations.

The Secretary of the Treasury reserves the right, in his discretion, to waive or modify any provision or provisions of these regulations in any particular case or class of cases for the convenience of the United States or in order to relieve any person or persons of unnecessary hardship, if such action is not inconsistent with law, does not impair any existing rights, and he is satisfied that such action would not subject the United

States to any substantial expense or liability.

§ 306.117 Preservation of existing rights.

Nothing contained in these regulations shall limit or restrict existing rights which holders of securities heretofore issued may have acquired under the circulars offering such securities for sale or under the regulations in force at the time of acquisition.

§ 306.118 Supplements, amendments or revisions.

The Secretary of the Treasury may at any time, or from time to time, prescribe additional, supplemental, amendatory or revised regulations with respect to United States securities.

Appendix—Computation of Interest on Treasury Bonds, Treasury Notes, and Treasury Certificates of Indebtedness, and Computation of Discount on Treasury Bills

TREASURY BONDS, TREASURY NOTES, AND TREASURY CERTIFICATES OF INDEBTEDNESS

COMPUTATION OF INTEREST ON AN ANNUAL BASIS

ONE DAY'S INTEREST IS 1/365 OR 1/366 OF
1 YEAR'S INTEREST

Computation of interest will be made on an annual basis in all cases where interest is payable in one amount for the full term of the security, unless such term is an exact quarter-year (3 months) or an exact half-year (6 months), when it is provided that interest shall be computed on a quarterly or semiannual basis, respectively.

If the term of the securities is exactly one year, the interest is computed for the full period at the specified rate, regardless of the number of days in such period.

If the term of the securities is less than one full year, the annual interest period for purposes of computation is considered to be the full year from but not including the date of issue to and including the anniversary of such date.

If the term of the securities is more than one full year, computation is made on the basis of one full annual interest period, ending with the maturity date, and a fractional part of the preceding full annual interest period.

The computation of interest for any fractional part of an annual interest period is made on the basis of 365 actual days in any such period, or 366 days if February 29 falls within such annual period.

COMPUTATION OF INTEREST ON A SEMIANNUAL BASIS

ONE DAY'S INTEREST IS 1/181, 1/182, 1/183 OR
1/184 OF 1/2 YEAR'S INTEREST

Computation of interest will be made on a semiannual basis in all cases where interest is payable for one or more full half-year (6 months) periods, or for one or more full half-year periods and a fractional part of a half-year period. A semiannual interest period is an exact half-year or 6 months, for computation purposes, and many comprise 181, 182, 183 or 184 actual days.

An exact half-year's interest at the specified rate is computed for each full period of exactly 6 months, irrespective of the actual number of days in the half-year.

If the initial interest covers a fractional part of a half-year, computation is made on the basis of the actual number of days in the half-year (exactly 6 months) ending on the day such initial interest becomes due.

If the initial interest covers a period in excess of 6 months, computation is made on the basis of one full half-year period, ending with the interest due date, and a fractional part of the preceding full half-year period.

Interest for any fractional part of a full half-year period is computed on the basis of the exact number of days in the full period, including February 29 whenever it falls within such a period.

The number of days in any half-year period is shown in the following table:

For the half-year		Number of days	
Beginning from the 1st or 15th day of—	Ending on the 1st or 15th day of—	Regular year	Leap year
January.....	July.....	181	182
February.....	August.....	181	182
March.....	September.....	184	184
April.....	October.....	183	183
May.....	November.....	184	184
June.....	December.....	183	183
July.....	January.....	184	184
August.....	February.....	184	184
September.....	March.....	181	182
October.....	April.....	182	183
November.....	May.....	181	182
December.....	June.....	182	183
One year (any 2 consecutive half-years).....		365	366

COMPUTATION OF INTEREST ON A QUARTERLY BASIS

ONE DAY'S INTEREST IS 1/360, 1/365, 1/366, OR 1/367 OF 1/4 YEAR'S INTEREST

Computation of interest will be made on a quarterly basis in all cases where interest is payable for one or more full quarter-year periods, or for one or more full quarter-year periods and a fractional part of a quarter-year period.

A quarter-year interest period is an exact quarter-year of three months, and may comprise 90, 91, or 92 days. An exact quarter-year's interest is computed for each full quarter-year period irrespective of the actual number of days in the quarter-year. For a fractional part of any quarter-year computation is on the basis of the actual number of days in such quarter-year (February 29 being included if it falls within any such quarter-year). If the initial interest covers a fractional part of a quarter-year (preceding a full quarter-year period), computation is on the basis of the actual number of days in the quarter-year (exactly 3 months) ending on the day such initial interest becomes due; if the final interest covers a fractional part of a quarter-year (following a full quarter-year period), computation is on the basis of the actual number of days in the quarter-year beginning on the day such final interest begins to accrue and ending exactly three months thereafter. The number of days in any quarter-year period is shown in the following table:

For the quarter-year		Number of days	
Beginning from the 1st or 15th day of—	Ending on the 1st or 15th day of—	Regular year	Leap year
January.....	April.....	90	91
February.....	May.....	89	90
March.....	June.....	92	93
April.....	July.....	91	91
May.....	August.....	92	92
June.....	September.....	92	92
July.....	October.....	92	92
August.....	November.....	92	92
September.....	December.....	91	91
October.....	January.....	92	92
November.....	February.....	92	92
December.....	March.....	90	91
One year (any 4 consecutive quarters).....		365	366

Use of Interest Tables

In the appended tables decimals are set forth for use in computing interest for fractional parts of interest periods. The decimals cover interest on \$1,000 for one day in each possible quarterly (table I), semiannual (table II), and annual (table III) interest period, at all rates of interest, in steps of 1/8 percent, from 1/8 to 6 percent. The amount of interest accruing on any date (for a fractional part of an interest period) on \$1,000 face amount of any issue of Treasury bonds, Treasury notes, or Treasury certificates of indebtedness may be ascertained in the following way:

(1) The date of issue, the dates for the payment of interest, the basis (quarterly, semiannual or annual) upon which interest is computed, and the rate of interest (percent per annum) may be determined from the text of the security, or from the official circular governing the issue.

(2) Determine the interest period of which the fraction is a part, and calculate the number of days in the full period to determine the proper column to be used in selecting the decimal for one day's interest.

(3) Calculate the actual number of days in the fractional period from but not including the date of issue or the day on which the last preceding interest payment was made, to and including the day on which the next succeeding interest payment is due or the day as of which the transaction which terminates the accrual of additional interest is effected.

(4) Multiply the appropriate decimal (one day's interest on \$1,000) by the number of days in the fractional part of the interest period. The appropriate decimal will be found in the appended table for interest payable quarterly, semiannually, or annually, as the case may be, opposite the rate borne by the security, and in the column showing the full interest period of which the fractional period is a part. (For interest on any other amount, multiply the amount of interest on \$1,000 by the other amount expressed as a decimal of \$1,000.)

Treasury Bills

The methods of computing discount rates on U.S. Treasury Bills are given below:

Computation will be made on an annual basis in all cases. The annual period for bank discount is a year of 360 days, and all computations of such discount for a fractional part of a year will be made on that basis. The annual period for true discount is one full year from but not including the date of issue to and including the anniversary of such date. Computation of true discount for a fractional part of a year will be made on the basis of 365 days in the year, or 366 days if February 29 falls within the year.

Bank Discount

The bank discount rate on a Treasury bill may be ascertained by (1) subtracting the sale price of the bill from its face value to obtain the amount of discount; (2) dividing the amount of discount by the number of days the bill is to run to obtain the amount of discount per day; (3) multiplying the amount of discount per day by 360 (the number of days in a commercial year of 12 months of 30 days each) to obtain the amount of discount per year; and (4) dividing the amount of discount per year by the face value of the bill to obtain the bank discount rate.

For example:

91-day bill—dated April 1, 1954—
due July 1, 1954:

Principal amount—maturity value	\$100.00
Price at issue—amount received	99.50
Amount of discount.....	.50
\$0.50 ÷ 91 × 360 ÷ \$100 =	1.978 percent.

True Discount

The true discount rate on a Treasury bill of not more than one-half year in length may be ascertained by (1 and 2) obtaining the amount of discount per day by following the first two steps described under "Bank Discount;" (3) multiplying the amount of discount per day by the actual number of days in the year from date of issue (365 ordinarily, but 366 if February 29 falls within the year from date of issue) to obtain the amount of discount per year; and (4) dividing the amount of discount per year by the sale price of the bill to obtain the true discount rate.

For example:

91-day bill—dated April 1, 1954—
due July 1, 1954:

Principal amount—maturity value	\$100.00
Price at issue—amount received	99.50
Amount of discount.....	.50
\$0.50 ÷ 91 × 365 ÷ \$99.50 =	2.016 percent.

TABLE II—DECIMAL FOR 1 DAY'S INTEREST ON \$1,000 AT VARIOUS RATES OF INTEREST, PAYABLE SEMIANNUALLY OR ON A SEMIANNUAL BASIS, IN REGULAR YEARS OF 365 DAYS AND IN LEAP YEARS OF 366 DAYS

Rate per annum Percent	Interest period ending on the 1st or 15th of—			
	Half-year of 184 days—Regular year: January, February, September, November	Half-year of 183 days—Regular year: October, December, Leap year: April, June	Half-year of 182 days—Regular year: April, June, Leap year: March, May, July, August	Half-year of 181 days—Regular year: March, May, July, August
14	\$0.003 896 739	\$0.003 415 301	\$0.003 434 066	\$0.003 453 059
14	.006 793 478	.006 830 602	.006 868 132	.006 906 077
14	.010 190 917	.010 245 902	.010 300 887	.010 355 116
14	.013 588 356	.013 681 202	.013 773 954	.013 866 116
14	.016 983 800	.017 076 503	.017 170 330	.017 263 193
14	.020 380 244	.020 481 803	.020 584 398	.020 687 032
14	.023 777 688	.023 890 104	.024 003 462	.024 116 771
14	.027 175 132	.027 300 464	.027 425 827	.027 551 121
14	.030 572 576	.030 710 705	.030 848 963	.031 000 348
14	.033 969 020	.034 120 005	.034 271 050	.034 422 125
14	.037 366 464	.037 530 989	.037 695 514	.037 860 039
14	.040 763 908	.040 940 514	.041 117 020	.041 293 526
14	.044 161 352	.044 349 940	.044 538 526	.044 727 112
14	.047 558 796	.047 758 503	.047 958 210	.048 157 917
14	.050 956 240	.051 229 508	.051 502 776	.051 776 044
14	.054 353 684	.054 694 809	.055 036 037	.055 377 281
14	.057 751 128	.058 160 109	.058 569 191	.058 978 273
14	.061 148 572	.061 618 115	.062 087 158	.062 556 201
14	.064 546 016	.064 980 710	.065 429 753	.065 879 296
14	.067 943 460	.068 350 111	.068 801 319	.069 251 862
14	.071 340 904	.071 721 311	.072 112 718	.072 504 125
14	.074 738 348	.075 138 612	.075 539 451	.075 940 289
14	.078 135 792	.078 551 913	.078 963 121	.079 374 317
14	.081 533 236	.081 967 213	.082 407 882	.082 848 610
14	.084 930 680	.085 382 514	.085 833 648	.086 284 782
14	.088 328 124	.088 797 814	.089 259 174	.089 720 308
14	.091 725 568	.092 213 115	.092 719 780	.093 226 444
14	.095 123 012	.095 628 415	.096 134 069	.096 639 603
14	.098 519 456	.099 043 716	.099 587 912	.100 093 166
14	.101 915 900	.102 459 016	.103 021 978	.103 585 122
14	.105 312 344	.105 874 317	.106 456 044	.107 044 199
14	.108 709 788	.109 289 617	.109 890 110	.110 497 238
14	.112 107 232	.112 704 918	.113 324 176	.113 960 270
14	.115 504 676	.116 120 219	.116 758 242	.117 408 316
14	.118 902 120	.119 535 519	.120 192 308	.120 866 354
14	.122 299 564	.122 950 820	.123 626 374	.124 309 392
14	.125 697 008	.126 366 120	.127 060 440	.127 762 431
14	.129 094 452	.129 781 421	.130 494 505	.131 215 470
14	.132 491 896	.133 196 721	.133 928 571	.134 668 508
14	.135 889 340	.136 612 022	.137 362 637	.138 121 647
14	.139 286 784	.140 272 322	.141 046 835	.141 742 624
14	.142 684 228	.143 442 623	.144 230 769	.145 027 624
14	.146 081 672	.146 837 923	.147 684 835	.148 480 663
14	.149 479 116	.150 273 224	.151 096 901	.151 933 702
14	.152 876 560	.153 688 525	.154 532 967	.155 396 740
14	.156 274 004	.157 103 825	.157 967 033	.158 839 779
14	.159 671 448	.160 519 126	.161 401 099	.162 292 818
14	.163 068 892	.163 834 426	.164 833 165	.165 748 856

TABLE I—DECIMAL FOR 1 DAY'S INTEREST ON \$1,000 AT VARIOUS RATES OF INTEREST, PAYABLE QUARTERLY, OR ON A QUARTERLY BASIS, IN REGULAR YEARS OF 365 DAYS AND IN LEAP YEARS OF 366 DAYS

Rate per annum Percent	Interest period ending on the 1st or 15th of—			
	Quarter-year of 92 days—Regular year: January, February, June, August, September, October, November	Quarter-year of 91 days—Regular year: July, December, Leap year: March, April, May	Quarter-year of 90 days—Regular year: March, April, May	Quarter-year of 89 days—Regular year: May
14	\$0.003 396 739	\$0.003 434 066	\$0.003 472 222	\$0.003 511 236
14	.006 793 478	.006 868 132	.006 944 444	.007 022 472
14	.010 190 917	.010 372 166	.010 416 667	.010 533 708
14	.013 588 356	.013 736 264	.013 888 889	.014 044 944
14	.016 983 800	.017 170 330	.017 361 111	.017 556 180
14	.020 380 244	.020 604 398	.020 833 333	.021 067 416
14	.023 777 688	.024 038 586	.024 300 464	.024 572 527
14	.027 175 132	.027 472 527	.027 777 778	.028 089 888
14	.030 572 576	.030 906 563	.031 250 000	.031 601 124
14	.033 969 020	.034 340 659	.034 722 222	.035 112 360
14	.037 366 464	.037 774 725	.038 194 444	.038 623 596
14	.040 763 908	.041 208 791	.041 666 667	.042 134 831
14	.044 161 352	.044 642 827	.045 138 889	.045 646 087
14	.047 558 796	.048 076 923	.048 611 111	.049 157 303
14	.050 956 240	.051 510 969	.052 083 333	.052 668 539
14	.054 353 684	.054 945 055	.055 555 556	.056 179 775
14	.057 751 128	.058 379 121	.059 020 778	.059 691 011
14	.061 148 572	.061 813 167	.062 500 000	.063 202 247
14	.064 546 016	.065 247 253	.065 972 222	.066 713 483
14	.067 943 460	.068 681 319	.069 444 444	.070 224 719
14	.071 340 904	.072 114 385	.072 916 667	.073 735 955
14	.074 738 348	.075 540 451	.076 388 889	.077 247 191
14	.078 135 792	.078 963 516	.079 831 111	.080 728 427
14	.081 533 236	.082 417 582	.083 333 333	.084 269 663
14	.084 930 680	.085 851 045	.086 807 556	.087 780 899
14	.088 328 124	.089 285 714	.090 277 778	.091 292 135
14	.091 725 568	.092 719 780	.093 750 000	.094 803 371
14	.095 123 012	.096 153 846	.097 222 444	.098 314 607
14	.098 519 456	.099 587 912	.100 694 444	.101 825 843
14	.101 915 900	.103 021 978	.104 166 667	.105 337 079
14	.105 312 344	.106 466 044	.107 655 889	.108 848 315
14	.108 709 788	.109 890 110	.111 111 111	.112 359 551
14	.112 107 232	.113 324 176	.114 583 553	.115 870 787
14	.115 504 676	.116 758 242	.118 055 556	.119 392 022
14	.118 902 120	.120 192 308	.121 527 778	.122 863 354
14	.122 299 564	.123 626 374	.125 000 000	.126 404 494
14	.125 697 008	.127 060 440	.128 472 222	.129 915 730
14	.129 094 452	.130 494 505	.131 944 444	.133 426 866
14	.132 491 896	.133 928 571	.135 416 667	.136 933 202
14	.135 889 340	.137 362 637	.138 838 889	.140 449 535
14	.139 286 784	.140 796 703	.142 361 111	.143 960 674
14	.142 684 228	.144 230 769	.145 833 333	.147 471 910
14	.146 081 672	.147 684 835	.149 305 556	.150 863 146
14	.149 479 116	.151 096 901	.152 777 778	.154 494 382
14	.152 876 560	.154 532 967	.156 250 000	.158 005 618
14	.156 274 004	.157 967 033	.159 722 222	.161 516 854
14	.159 671 448	.161 401 099	.163 194 444	.165 028 090
14	.163 068 892	.164 833 165	.166 666 667	.168 539 328

TABLE III—DECIMAL FOR 1 DAY'S INTEREST ON \$1,000 AT VARIOUS RATES OF INTEREST, PAYABLE ANNUALLY OR ON AN ANNUAL BASIS, IN REGULAR YEARS OF 365 DAYS AND IN LEAP YEARS OF 366 DAYS.

Rate per annum	Regular year, 365 days	Leap year, 366 days
<i>Percent</i>		
1/4	\$0.003 424 658	\$0.003 415 301
1/2	.006 849 315	.006 830 601
3/4	.010 273 973	.010 245 902
1	.013 698 630	.013 661 202
1 1/4	.017 123 288	.017 076 503
1 1/2	.020 547 945	.020 491 803
1 3/4	.023 972 603	.023 907 104
2	.027 397 260	.027 322 404
2 1/4	.030 821 918	.030 737 705
2 1/2	.034 246 575	.034 153 005
2 3/4	.037 671 233	.037 568 306
3	.041 095 890	.040 983 607
3 1/4	.044 520 548	.044 398 907
3 1/2	.047 945 205	.047 814 208
3 3/4	.051 369 863	.051 229 508
4	.054 794 521	.054 644 809
4 1/4	.058 219 178	.058 060 109
4 1/2	.061 643 836	.061 475 410
4 3/4	.065 068 493	.064 890 710
5	.068 493 151	.068 306 011
5 1/4	.071 917 808	.071 721 311
5 1/2	.075 342 466	.075 136 612
5 3/4	.078 767 123	.078 551 913
6	.082 191 781	.081 967 213
6 1/4	.085 616 438	.085 382 514
6 1/2	.089 041 096	.088 797 814
6 3/4	.092 465 753	.092 213 115
7	.095 890 411	.095 628 415
7 1/4	.099 315 068	.099 043 716
7 1/2	.102 739 726	.102 459 016
7 3/4	.106 164 384	.105 874 317
8	.109 589 041	.109 289 617
8 1/4	.113 013 699	.112 704 918
8 1/2	.116 438 356	.116 120 219
8 3/4	.119 863 014	.119 535 519
9	.123 287 671	.122 950 820
9 1/4	.126 712 329	.126 366 120
9 1/2	.130 136 986	.129 781 421
9 3/4	.133 561 644	.133 196 721
10	.136 986 301	.136 612 022
10 1/4	.140 410 959	.140 027 322
10 1/2	.143 835 616	.143 442 623
10 3/4	.147 260 274	.146 857 923
11	.150 684 932	.150 273 224
11 1/4	.154 109 589	.153 688 525
11 1/2	.157 534 247	.157 103 825
11 3/4	.160 958 904	.160 519 126
12	.164 383 562	.163 934 426

Department Circular No. 530, Eighth Revision, dated December 26, 1957, as amended (31 CFR 315), is hereby further amended and issued as the Ninth Revision.

PART 315—REGULATIONS GOVERNING UNITED STATES SAVINGS BONDS

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- 315.90 Waiver of regulations.
- 315.91 Additional requirements; bond of indemnity; taxpayer identifying numbers.
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AUTHORITY: The provisions of this Part 315 issued under secs. 22 and 25 of the Second Liberty Bond Act, as amended, 49 Stat. 21, as amended, 73 Stat. 621 (31 U.S.C. 757c, 757c-1).

Subpart A—General Information

§ 315.0 Applicability of regulations.

The regulations in this part apply to all United States Savings Bonds of whatever series designation (hereinafter referred to as "savings bonds" or "bonds") bearing any issue dates whatever, to the extent specified herein and in the offering circulars governing such bonds. The provisions of these regulations with respect to bonds registered in the names of certain classes of individuals, fiduciaries, and organizations are equally applicable to bonds to which such individuals, fiduciaries, and organizations are otherwise shown to be entitled under these regulations. The provisions of Department Circular No. 300; current revision (Part 306 of this chapter), have no application to savings bonds.

§ 315.1 Official agencies.

The Bureau of the Public Debt of the Treasury Department is charged with matters relating to savings bonds. Correspondence concerning transactions after original issue and requests for appropriate forms should be addressed to (a) the Federal Reserve Bank or Branch of the district in which the correspondent is located, or (b) the Bureau of the Public Debt, Division of Loans and Currency Branch, 536 South Clark Street, Chicago, Ill., 60605, or (c) the Office of the Treasurer of the United States, Securities Division, Washington, D.C., 20220, except where specific instructions are otherwise given in these regulations. Notices or documents not filed in accordance with instructions in these regulations will not be recognized. The addresses of the Federal Reserve Banks and Branches are:

Federal Reserve Bank of Boston,
Boston, Mass., 02106.

Federal Reserve Bank of New York,
New York, N.Y., 10045.

Buffalo Branch,
Buffalo, N.Y., 14240.

Federal Reserve Bank of Philadelphia,
Philadelphia, Pa., 19101.

Federal Reserve Bank of Cleveland,
Cleveland, Ohio, 44101.

Cincinnati Branch,
Cincinnati, Ohio, 45201.

Pittsburgh Branch,
Pittsburgh, Pa., 15230.

Federal Reserve Bank of Richmond,
Richmond, Va., 23213.

Baltimore Branch,
Baltimore, Md., 21203.

Charlotte Branch,
Charlotte, N.C., 28201.

Federal Reserve Bank of Atlanta,
Atlanta, Ga., 30303.

Birmingham Branch,
Birmingham, Ala., 35202.

Jacksonville Branch,
Jacksonville, Fla., 32201.

Nashville Branch,
Nashville Tenn., 37203.

New Orleans Branch,
New Orleans, La., 70160.

Federal Reserve Bank of Chicago,
Post Office Box 834,
Chicago, Ill., 60690.

Detroit Branch,
Post Office Box 1059,
Detroit, Mich., 48231.

Federal Reserve Bank of St. Louis,
Post Office Box 442,
St. Louis, Mo., 63166.

Little Rock Branch,
Post Office Box 1261,
Little Rock, Ark., 72203.

Louisville Branch,
Post Office Box 899,
Louisville, Ky., 40201.

Memphis Branch,
Post Office Box 407,
Memphis, Tenn., 38101.

Federal Reserve Bank of Minneapolis,
Minneapolis, Minn., 55440.

Helena Branch,
Helena, Mont., 59601.

Federal Reserve Bank of Kansas City,
Kansas City, Mo., 64106.

Denver Branch,
Denver, Colo., 80217.

Oklahoma City Branch,
Oklahoma City, Okla., 73101.

Omaha Branch,
Omaha, Nebr., 68102.

Federal Reserve Bank of Dallas,
Station K,
Dallas, Tex., 75222.

El Paso Branch,
Post Office Box 100,
El Paso, Tex., 79999.

Houston Branch,
Post Office Box 2578,
Houston, Tex., 77001.

San Antonio Branch,
Post Office Box 1471,
San Antonio, Tex., 78206.

Federal Reserve Bank of San Francisco,
San Francisco, Calif., 94120.

Los Angeles Branch,
Post Office Box 2077,
Los Angeles, Calif., 90054.

Portland Branch,
Post Office Box 3456,
Portland, Oreg., 97208.

Salt Lake City Branch,
Post Office Box 780,
Salt Lake City, Utah, 84110.

Seattle Branch,
Post Office Box 3567,
Seattle, Wash., 98124.

§ 315.2 Definition of words and terms as used in these regulations.

(a) "Authorized issuing agent" means an incorporated bank, trust company, savings bank, savings and loan association, other organization, or instrumentality of the United States, qualified as an issuing agent under the provisions of Department Circular No. 657, current revision (Part 317 of this chapter).

(b) "Authorized paying agent" means an incorporated bank, trust company, savings bank, savings and loan association, or other organization qualified as a paying agent under the provisions of Department Circular No. 750, current revision (Part 321 of this chapter).

(c) "Court" means one which has jurisdiction over the parties and subject matter.

(d) "Extended maturity date" means the date on which any optional extension period ends.

(e) "Extended maturity value" means the value of a bond at the end of any optional extension period or periods under the terms of the circulars offering such bonds for sale.

(f) "Face value" of a bond refers to the value of the bond as shown on the face thereof.

(g) "Incompetent" refers to a person under any legal disability except minority.

(h) "Maturity date" means the date on which the bond will mature by the terms of the circular offering it for sale without regard to any optional extension period.

(i) "Optional extension period"¹ means any period after maturity during which the owner may retain the bonds and continue to earn interest on the maturity value in accordance with the terms of the circular offering such bonds for sale.

(j) "Payment" and "redemption" are used interchangeably, unless otherwise indicated. They refer to payment of a bond in accordance with these regulations.

(k) "Personal trust estate" means a trust estate established by natural persons in their own right for the benefit of themselves or other natural persons in whole or in part, and common trust funds comprised in whole or in part of such trust estates.

¹ All Series E bonds have a 10-year optional extension period. Those bearing issue dates of May 1, 1941, through May 1, 1949, have a second 10-year optional extension period. Series H bonds bearing issue dates of June 1, 1952, through January 1, 1957, have a 10-year optional extension period. Other bonds do not have this feature.

(l) "Presented and surrendered" and "presentation and surrender" mean the actual receipt of a bond, with an appropriate request for the particular transaction, by the Bureau of the Public Debt, Chicago or Washington offices, the Office of the Treasurer of the United States, Securities Division, or a Federal Reserve Bank or Branch, or, if the transaction is one which an authorized paying agent may handle, receipt by such authorized paying agent.

(m) "Representative of a minor's estate," "representative of an incompetent's estate," or "representative of an absentee's estate" means a guardian, conservator, or similar representative appointed by a court or otherwise legally qualified, regardless of the title by which designated. These terms do not refer to a voluntary guardian recognized under § 315.53, to a natural guardian, such as a parent, including a parent to whom custody of a child has been awarded through divorce proceedings or a parent by adoption, or to the executor or administrator of the estate of a decedent.

(n) "Reissue" means the cancellation and retirement of a bond and issue of a new bond or bonds of the same series, amount (face value) (or the remainder thereof in case of partial redemption), and issue date.

(o) "Taxpayer identifying number" means the appropriate identifying number as required on tax returns and other documents submitted to the Internal Revenue Service, i.e., an individual's social security account number or an employer identification number. The social security account number is composed of nine digits separated by two hyphens, for example, 123-45-6789; the employer identification number is composed of nine digits separated by one hyphen, for example, 12-3456789. The hyphens are an essential part of the numbers and must be included.

Subpart B—Registration

§ 315.5 General.

Savings bonds are issued only in registered form. The registration used on issue or reissue must express the actual ownership of and interest in the bond and, except as otherwise specifically provided in Subpart E and § 315.48, will be considered as conclusive of such ownership and interest. No designation of an attorney, agent, or other representative to request or receive payment on behalf of the owner or a coowner, nor any restriction on the right of the owner or a coowner to receive payment of the bond or interest, except as provided in these regulations, may be made in the registration or otherwise. Registrations requested in applications for purchase or reissue should be clear, accurate, and complete, conform with one of the forms set forth in this subpart, and include the appropriate taxpayer identifying num-

ber.² The registration of all bonds owned by the same person, organization, or fiduciary should be uniform with respect to the name of the owner and, in the case of a fiduciary, the description of the fiduciary capacity. The owner, co-owner, or beneficiary should be designated by the name by which he is ordinarily known or the one under which he does business, including preferably at least one full given name. The name may be preceded by any applicable title, such as "Dr." or "Rev.," or followed by "M.D.," "D.D.," or other similar designation. "Sr." or "Jr." or a similar suffix should be included, when ordinarily used. The name of a woman must be preceded by "Miss" or "Mrs.," unless some other applicable title or designation is used. A married woman's own given name, not that of her husband, must be used, for example, "Mrs. Mary A. Jones," not "Mrs. Frank B. Jones." The post office address should include, where appropriate, the number and street, route, or any other local feature, and the ZIP Code.

§ 315.6 Restrictions on registration.

(a) *Residence.* Registration of bonds is restricted on original issue, but not on authorized reissue, to persons (whether natural persons or others) who are:

(1) Residents of the United States, its territories and possessions, the Commonwealth of Puerto Rico, and the Canal Zone;

(2) Citizens of the United States temporarily residing abroad; and

(3) Civilian employees of the United States or members of its Armed Forces, regardless of their residence or citizenship.

However, other natural persons may be designated as coowners or beneficiaries with natural persons of the above classes, whether on original issue or reissue, except that registration is not permitted in any form which includes the name of any alien who is resident of any area with respect to which the Treasury Department restricts or regulates the de-

²It is not mandatory to include taxpayer identifying numbers in registrations of Series E bonds. Issuing agents for Series E bonds issued under payroll savings plans who desire to place such numbers on the bonds should obtain instructions from the Bureau of the Public Debt, Washington, D.C., 20220. As the numbers must be included in Series H bond registrations, they are included in the examples in § 315.7 for guidance. Series H bonds inscribed in the name of an individual, with or without a beneficiary, must show the individual's social security account number. The social security account number of either coowner may be shown on bonds registered in coownership form, except that if the coowners are husband and wife, the husband's number should be shown. If the coowners are a minor and an adult, the adult's number should be shown. Questions concerning taxpayer identifying numbers and correct forms of registration should be submitted to the Federal Reserve Bank or Branch of the appropriate district, or to the Bureau of the Public Debt, Division of Loans and Currency Branch, 536 South Clark Street, Chicago, Ill., 60605, or to the Office of the Treasurer of the United States, Securities Division, Washington, D.C., 20220.

livery of checks drawn against funds of the United States or any agency or instrumentality thereof.³

(b) *Minority.* (1) Bonds purchased by another person with funds belonging to a minor should be registered in the name of the minor without a coowner or beneficiary. A minor may name a coowner or beneficiary on bonds he purchases with his wages, earnings, or other funds belonging to him or under his control. A minor, whether or not under legal guardianship, may be named as owner, coowner, or beneficiary on bonds purchased by another individual with funds other than those belonging to the minor.

(2) If there is a representative of the minor's estate, bonds should be registered in the name of the minor, or in the name of the representative, followed in either case by an appropriate reference to the guardianship. Bonds purchased by a representative of two or more minors, even though appointed in a single proceeding, should be registered separately in a form to show each guardianship estate. A bond may be purchased as a gift to a minor under a gifts to minors statute in effect in a state in which either the donor or the minor resides, in which case the bond should be registered as provided in the statute, with the addition of a parenthetical reference identifying the statute if the registration does not clearly identify it. Registration in the name of a natural guardian is not authorized. See examples of forms of registration under § 315.7(b).

(c) *Incompetency.* Bonds should not be registered in the name of an incompetent unless there is a legal representative of his estate, except under the provisions of § 315.53. If there is a legal representative, the provisions of paragraph (b) of this section apply as to registration in the name of the legal representative or in the name of the incompetent followed by reference to the guardianship.

§ 315.7 Authorized forms of registration.

Subject to any limitations or restrictions contained in these regulations on the right of any person to be named as owner, coowner, or beneficiary, bonds may be registered in the following forms:²

(a) *Natural persons.* In the names of natural persons in their own right.

(1) *Single owner.* Example: John A. Jones (123-45-6789).

(2) *Coownership form—two persons (only).* In the alternative as coowners. Examples:

John A. Jones (123-45-789) or Mrs. Ella S. Jones.
Mrs. Ella S. Jones or John A. Jones (123-45-9876).

No other form of registration establishing coownership is authorized.

(3) *Beneficiary form—two persons (only).* Examples:

³See Department Circular No. 655, as amended (Part 211 of this chapter).

John A. Jones (123-45-6789) payable on death to Mrs. Ella S. Jones.
John A. Jones (123-45-6789) P.O.D. Mrs. Ella S. Jones.

"Payable on death" may be abbreviated to "P.O.D." as indicated in the last example. The first person named is hereinafter referred to as the owner and the second named person as the beneficiary.

(b) *Fiduciaries and private or public organizations.* Only the single owner form of registration is available for bonds owned by other than natural persons, and the registration must conform to the forms authorized in this subsection.

(1) *Fiduciaries.* In the names of any persons or organizations, public or private, as fiduciaries, but not where the fiduciary would hold the bonds merely or principally as security for the performance of a duty, obligation, or service.

(i) *Guardians, custodians, conservators, etc.* In the name and title or capacity of the legally appointed, designated or authorized representative or representatives of the estate of a minor, incompetent, aged person, absentee, etc., or in the name of such individual, followed by an appropriate reference to the estate and showing the nature of the legal disability or referring to the applicable statute. Examples:

William C. Jones, guardian (or conservator, trustee, etc.) of the estate of James F. Brown (123-45-6789), a minor (or an incompetent, aged person, infirm person, or absentee).

John Smith (123-45-6789), a minor (or an incompetent, aged person, infirm person, or absentee), under legal guardianship (or conservatorship or trusteeship, etc.) of Henry C. Smith.

John Smith (123-45-6789), an adult, under conservatorship of Henry Smith pursuant to Sec. 572, 1963 Iowa Probate Code.

John Smith (123-45-6789), a minor (or incompetent), under custodianship by designation of the Veterans Administration.

John Smith (123-45-6789), an incompetent for whom Henry C. Smith has been designated trustee by the Department of the Army pursuant to 37 U.S.C. 351-354.

William C. Jones, as custodian for John Smith (123-45-6789), under the California Uniform Gifts of Securities to Minors Act.

William C. Jones, as custodian for John Smith (123-45-6789), a minor, under the laws of Georgia (Chapter 48-3, Code of Georgia Ann.).

Richard Roe (123-45-6789), a minor (or an incapacitated adult), beneficiary for whom Reva Roe has been designated representative payee by the Secretary of Health, Education, and Welfare, pursuant to 42 U.S.C. 405(j).

(ii) *Executors, administrators, etc.*

(a) In the name of the representative or representatives of the estate of a decedent appointed by a court or otherwise legally qualified. The registration should include the name of the decedent and the name or names of all representatives. The name and title of the representative must be followed by adequate identifying reference to the estate. Example:

John Smith, executor of the will (or administrator of the estate) of Henry J. Smith, deceased (12-3456789).

(b) In the name of an executor authorized to administer a trust under the terms of a will although he is not named as trustee. Example:

John Smith, executor of the will of Henry J. Smith, deceased, in trust for Mrs. Jane Smith, with remainder over (12-3456789).

(iii) *Trustees*. In the name and title or capacity (or title or capacity alone where hereinafter provided) of the trustee or trustees of a single duly constituted trust estate (which will be considered as an entity), substantially in accordance with the examples set forth in this paragraph. Unless otherwise indicated, an adequate identifying reference should be made to the trust instrument or other authority creating the trust. A common trust fund established and maintained according to law by a financial institution duly authorized to act as a fiduciary will be considered as a single duly constituted trust estate within the meaning of these regulations.

(a) *Will, deed of trust, agreement or similar instrument*. Examples:

John Smith and the First National Bank, trustees under the will of Henry J. Smith, deceased (12-3456789).

The Second National Bank, trustee under an agreement with George E. White, dated February 1, 1935 (12-3456789).

If the authority creating the trust designates by title only an officer of a board or an organization as trustee, only the title of the officer should be used in the registration. Example:

Chairman, Board of Trustees, First Church of Christ, Scientist, of Chicago, Ill., in trust under the will of Henry J. Smith, deceased (12-3456789).

If the trustees are too numerous to be designated in the inscription by names and capacity, the names or some of the names may be omitted. Examples:

John Smith, Henry Jones, et al., trustees under the will of Henry J. Smith, deceased (12-3456789).

Trustees under the will of Henry J. Smith, deceased (12-3456789).

(b) *Pension, retirement, or similar fund, or employees' savings plan*. In the name and title (or title alone) of the trustee or trustees of a pension, retirement, or similar fund, or an employees' savings plan. If the instrument creating the trust provides that the trustees shall serve for a limited term, the names of the trustees may be omitted. Examples:

First National Bank and Trust Company, trustee of the Employees' Savings Plan of Jones Company, Inc., U/A dated Jan. 17, 1959 (12-3456789).

Trustees of the Employees' Savings Plan of Johnson Company, Inc., U/A dated Jan. 20, 1964 (12-3456789).

First National Bank, trustee of pension fund of Industrial Manufacturing Company, under agreement with said company dated March 31, 1949 (12-3456789).

Trustees of Retirement Fund of Industrial Manufacturing Company, under resolution adopted by its board of directors on March 31, 1949 (12-3456789).

(c) *Funds of a lodge, church, society, or similar organization*. If the funds of a lodge, church, society, or similar organization, whether incorporated or not,

are held in trust by a trustee or trustees or a board of trustees, only the capacity should be used in the registration. Examples:

Trustees of the First Baptist Church, Akron, Ohio, acting as a Board under Section 15 of its by-laws (12-3456789).

Trustees of Jamestown Lodge No. 1,000 Benevolent and Protective Order of Elks, under Section 10 of its by-laws (12-3456789).

Board of Trustees of the Lotus Club, Washington, Ind., under Article X of its constitution (12-3456789).

(d) *Public officers, corporations, or bodies*. If a public officer, public corporation, or public body acts as trustee under express authority of law, only the title should be used in the registration. Examples:

Rhode Island Sinking Fund Commission, trustee of the General Sinking Fund (12-3456789), under Chapter 35, General Laws of Rhode Island.

Superintendent of the Confederate Home for Men, in trust for the Benefit Fund (12-3456789), under section 3183c, Vernon's Civil Statutes of Texas Ann.

(e) *School, class, or activity fund*. If the principal or other officer of a public, private, or parochial school acts as trustee for the benefit of the student body or a class, group, or activity thereof, only the title should be used in the registration, and if the amount purchased for any one fund does not exceed \$500 (face value), no reference need be made to a trust instrument. Examples:

Principal, Western High School, in trust for Class of 1955 Library Fund (12-3456789).
Director of Athletics, Western High School, in trust for Student Activities Association under resolution adopted May 12, 1955 (12-3456789).

(iv) *Life tenants*. In the name of a life tenant, followed by adequate identifying reference to the instrument creating the life tenancy. Example:

Mrs. Jane Smith, life tenant under the will of Henry J. Smith, deceased (12-3456789).

(v) *Investment agents*. In the name of a bank, trust company, or other financial institution, or individual, holding funds of a religious, educational, charitable, or nonprofit organization, whether or not incorporated, as agent under an agreement with the organization for the sole purpose of investing and reinvesting the funds and paying the income to the organization. The name and designation of the agent should be followed by an adequate identifying reference to the agreement. Examples:

Black County National Bank, fiscal agent (12-3456789), under agreement with the Evangelical Lutheran Church of The Holy Trinity, dated December 28, 1949.

First National Bank and Trust Company, investment agent (12-3456789), under agreement with Central City Post No. 1000, Department of Illinois, American Legion.

(2) *Private organizations (corporations, associations, and partnerships, etc.)*. In the name of any private organization, but not in the names of commercial banks, which are defined for this purpose as those accepting demand deposits. The full legal name of the

organization, without mention of any officer or member by name or title, should be used, as follows:

(i) *A corporation*. A business, fraternal, religious, or other private corporation, followed preferably by the words "a corporation" (unless the fact of incorporation is shown in the name). Examples:

Smith Manufacturing Company, a corporation (12-3456789).
Jones and Brown, Inc. (12-3456789).

(ii) *An unincorporated association*. An unincorporated lodge, society, or similar self-governing association, followed preferably by the words "an unincorporated association." The term "an unincorporated association" should not be used to describe a trust fund, a board of trustees, a partnership, or a business conducted under a trade name or as a sole proprietorship. If the association is chartered by or affiliated with a parent organization, the name or designation of the subordinate or local organization should be given first, followed by the name of the parent organization. The name of the parent or national organization may be placed in parentheses and, if it is well known, may be abbreviated. Examples:

The Lotus Club, an unincorporated association (12-3456789).

Local 447, Brotherhood of Railroad Trainmen, an unincorporated association (12-3456789).

Eureka Lodge No. 317 (A.F. & A.M.), an unincorporated association (12-3456789).

(iii) *A partnership*. A partnership (which will be considered as an entity), followed by the words "a partnership." Examples:

Smith and Brown, a partnership (12-3456789).

Acme Novelty Company, a partnership (12-3456789).

(iv) *Institutions (churches, hospitals, homes, schools, etc.)*. In the name of a church, hospital, home, school, or similar institution conducted by a private organization or by private trustees, regardless of the manner in which it is organized or governed or title to its property is held. Examples:

Shriners' Hospital for Crippled Children, St. Louis, Mo. (12-3456789).

St. Mary's Roman Catholic Church, Albany, N.Y. (12-3456789).

Rodeph Shalom Sunday School, Philadelphia, Pa. (12-3456789).

(3) *Governmental units, agencies, and officers*. In the full legal name or title of the owner or official custodian of public funds, other than trust funds, as follows:

(i) Any governmental unit, as a state, county, city, town, village, or school district. Examples:

State of Maine (12-3456789).

Town of Rye, N.Y. (Street Improvement Fund) (12-3456789).

(ii) Any board, commission, government owned corporation, or other public body duly constituted by law. Example: Maryland State Highway Commission (12-3456789).

(iii) Any public officer designated by title only. **Example:**

Treasurer, City of Chicago (12-3456789).

(c) *Treasurer of the United States as coowner or beneficiary.* Those who desire to do so may make gifts to the United States by designating the Treasurer of the United States as coowner or beneficiary. Bonds so registered may not be reissued to change the designation. **Examples:**

John A. Jones 123-45-6789 or the Treasurer of the United States of America

John A. Jones 123-45-6789 P.O.D. the Treasurer of the United States of America

§ 315.8 Unauthorized registration.

A savings bond inscribed in a form not substantially in agreement with one of those authorized by this subpart will not be considered as validly issued, except that once it is established that the bond can be reissued in a form of registration which is valid under these regulations it will be considered as having been validly issued from the date of original issue.

Subpart C—Limitations on Holdings

§ 315.10 Amount which may be held.

The amounts of savings bonds of each series, issued in any one calendar year, which may be held by any one person at any one time, computed in accordance with the provisions of § 315.11, are limited as follows:⁴

(a) *Series E.* \$5,000 (face value) for each calendar year up to and including the calendar year 1947; \$10,000 (face value) for the calendar years 1948 to 1951, inclusive; \$20,000 (face value) for the calendar years 1952 to 1956, inclusive; \$10,000 (face value) for the calendar year 1957⁵ and each calendar year thereafter; except that trustees of an employees' savings plan (as defined in Department Circular No. 653, current revision) may purchase \$2,000 (face value) multiplied by the highest number of employees participating in the plan at any time during the calendar year in which the bonds are issued.

(b) *Series H.* \$20,000 (face value) for each calendar year up to and including the calendar year 1956; \$10,000 (face value) for the calendar years 1957⁵ to 1961, inclusive; \$20,000 (face value) for the calendar year 1962 and each calendar year thereafter.

⁴ Bonds of Series F, G, J and K, no longer available for purchase, are subject to the limitations on holdings and rules for computation of holdings set forth in Secs. 315.8 and 315.9 of Department Circular No. 530, Seventh Revision.

⁵ Effective May 1, 1957. Accordingly, investors who purchased \$20,000 (face value) of bonds of Series E bearing issue dates of January 1 through April 1 were not entitled to purchase additional bonds of that series during 1957. The same limitation applies to bonds of Series H bearing those issue dates. Investors who purchased less than \$10,000 (face value) of bonds of either series prior to May 1 were entitled only to purchase enough of either series to bring their total for that series for 1957 to \$10,000 (face value).

§ 315.11 Computation of amount.

(a) *Definition of "person".* The term "person" for purposes of this section shall mean any legal entity and shall include but not be limited to natural persons, corporations (public or private), partnerships, unincorporated associations, and trust estates. The holdings of each person individually and his holdings in any fiduciary capacity authorized by these regulations, such as, for example, his holdings as a guardian of the estate of a minor, as a life tenant, or as trustee under a will or deed of trust, shall be computed separately. A pension or retirement fund or an investment, insurance, annuity or similar fund or trust will be regarded as an entity regardless of the number of beneficiaries or the manner in which their respective interests are established or determined. Segregation of individual shares as a matter of bookkeeping or as a result of individual agreements with beneficiaries or the express designation of individual shares as separate trusts will not operate to constitute separate trusts under these regulations.

(b) *Bonds that must be included in computation.* Except as provided in paragraph (c) of this section, there must be taken into account in computing the holdings of each person:

(1) All bonds registered in the name of that person alone;

(2) All bonds registered in the name of the representative of the estate of that person;

(3) All bonds originally registered in the name of that person as coowner or reissued at the request of the original owner to add the name of that person as coowner or to designate him as coowner instead of a beneficiary. However, the amount of bonds of Series E and H held in coownership form may be applied to the holdings of either of the coowners but will not be applied to both, or the amount may be apportioned between them.

(c) *Bonds that may be excluded from computation.* There need not be taken into account:

(1) Bonds on which that person is named beneficiary;

(2) Bonds in which his interest is only that of a beneficiary under a trust;

(3) Bonds to which he has become entitled under § 315.66 as surviving beneficiary upon the death of the registered owner, as an heir or legatee of the deceased owner, or by virtue of the termination of a trust or the happening of any other event;

(4) Bonds of Series E purchased with the proceeds of matured bonds of Series A, C-1938, and D, where such matured bonds were presented for that purpose;

(5) Bonds of Series E bearing issue dates from May 1, 1941, to December 1, 1945, inclusive, held by individuals in their own right which are not more than \$5,000 (face value) in excess of the prescribed limit;

(6) Bonds of Series E or H reissued under § 315.61(a)(1);

(7) Bonds of Series E or H reissued in the name of a trustee of a personal trust

estate which did not represent excess holdings prior to such reissue;

(8) Bonds of Series E or H purchased with the proceeds of bonds of Series F, G, J, or K, at or after maturity, where such matured bonds are presented for that purpose in accordance with the provisions of Department Circulars Nos. 653, current revision (Part 316 of this chapter), offering bonds of Series E, and 905, current revision (Part 332 of this chapter), offering bonds of Series H;

(9) Bonds of Series H issued in exchange for bonds of Series E, F, or J under the provisions of Department Circular No. 1036, as amended.

§ 315.12 Disposition of excess.

If any person at any time acquires savings bonds issued during any one calendar year in excess of the prescribed amount, the excess must be immediately surrendered for refund of the purchase price, less (in the case of current income bonds) any interest which may have been paid thereon, or for such other adjustment as may be possible. For good cause found the Secretary of the Treasury may permit excess holdings to stand in any particular case or class of cases.

Subpart D—Limitation on Transfer or Pledge

§ 315.15 Limitation on transfer or pledge.

Savings bonds are not transferable and are payable only to the owners named thereon, except as specifically provided in these regulations, and then only in the manner and to the extent so provided. A savings bond may not be hypothecated, pledged as collateral, or used as security for the performance of an obligation, except as provided in § 315.16.

§ 315.16 Pledge under Department Circulars Nos. 154 and 657.

A bond may be pledged by the registered owner in lieu of surety under the provisions of Department Circular No. 154, Revised (Part 225 of this chapter) if the bond approving officer is the Secretary of the Treasury, in which case an irrevocable power of attorney shall be executed authorizing the Secretary of the Treasury to request payment. A bond may also be deposited as security with a Federal Reserve Bank under the provisions of Department Circular No. 657, current revision (Part 317 of this chapter), by an institution certified under that circular as an issuing agent for Series E bonds.

Subpart E—Limitation on Judicial Proceedings—No Stoppage or Caveats Permitted

§ 315.20 General.

(a) No judicial determination will be recognized which would give effect to an attempted voluntary transfer inter vivos of a bond or would defeat or impair the rights of survivorship conferred by these regulations upon a surviving coowner or beneficiary, and all other provisions of this subpart are subject to this restriction. Otherwise, a claim against an owner or coowner of a savings bond and

conflicting claims as to ownership of, or interest in, such bond as between co-owners or between the registered owner and beneficiary will be recognized, when established by valid judicial proceedings, upon presentation and surrender of the bond, but only as specifically provided in this subpart.

(b) Neither the Treasury Department nor any agency for the issue, reissue, or redemption of savings bonds will accept notices of adverse claims or of pending judicial proceedings or undertake to protect the interests of litigants who do not have possession of a bond.

§ 315.21 Payment to judgment creditors.

(a) **Creditors.** Payment (but not reissue) of a savings bond registered in single ownership, coownership, or beneficiary form will be made to the purchaser at a sale under a levy or to the officer authorized to levy upon the property of the registered owner or coowner under appropriate process to satisfy a money judgment. Payment will be made to such purchaser or officer only to the extent necessary to satisfy the judgment and will be limited to the redemption value current sixty days after the termination of judicial proceedings or current at the time the bond is received, whichever is smaller. Payment of a bond registered in coownership form pursuant to a judgment or levy against only one of the coowners will be limited to the extent of that coowner's interest in the bond; this interest may be established by an agreement between the coowners or by a judgment, decree, or order of court entered in a proceeding to which both coowners are parties.

(b) **Trustees in bankruptcy and receivers.** Payment of a savings bond will be made to a trustee in bankruptcy, a receiver of an insolvent's estate, a receiver in equity, or a similar officer of the court, under the applicable provisions of paragraph (a) of this section, except that payment will be made at the redemption value current on the date of payment.

§ 315.22 Payment or reissue pursuant to judgment.

(a) **Divorce.** A decree of divorce ratifying or confirming a property settlement agreement or otherwise settling the respective interests of the parties in a bond will not be regarded as a proceeding giving effect to an attempted voluntary transfer under the provisions of § 315.20. Consequently, reissue of a savings bond may be made to eliminate the name of one spouse as owner, coowner, or beneficiary, or to substitute the name of one spouse for that of the other as owner, coowner, or beneficiary pursuant to such a decree. The evidence required under § 315.23 must be submitted in any case. Where the decree does not set out the terms of the property settlement agreement a certified copy of the agreement must also be submitted. If bonds are registered with a person other than one of the spouses as owner or coowner there must be sub-

mitted either a request for reissue by such person or a certified copy of a judgment, decree, or order of court entered in a proceeding to which he was a party, determining the extent of the interest in the bond held by the spouse whose name is to be eliminated, and reissue will be permitted only to the extent of the spouse's interest in the bonds. Payment rather than reissue will be made if requested.

(b) **Gifts causa mortis.** A bond belonging solely to one person will be paid or reissued on the request of the person found by a court to be entitled thereto by reason of a gift causa mortis by the sole owner.

(c) **Date for determining rights.** For the purpose of determining whether or not reissue shall be made under this section pursuant to judicial proceedings, the rights of all parties involved shall be those existing under these regulations at the time of the entry of the final judgment, decree, or order.

§ 315.23 Evidence necessary.

To establish the validity of judicial proceedings, there must be submitted certified copies of a final judgment, decree, or order of court and of any necessary supplementary proceedings. If the judgment, decree, or order of court was rendered more than six months prior to the presentation of the bond, there must also be submitted a certificate from the clerk of the court, under its seal, dated within six months of the presentation of the bond showing that the judgment, decree, or order of court is in full force. A request for payment by a trustee in bankruptcy must be supported by duly certified evidence of his appointment and qualification. A request for payment by a receiver of an insolvent's estate must be supported by a copy of the order appointing him, certified by the clerk of the court, under its seal, as being in full force on a date not more than six months prior to the date of the presentation of the bond. A request for payment by a receiver in equity or a similar officer of the court, other than a receiver of an insolvent's estate, must be supported by a copy of an order authorizing him to present the bond for redemption, certified by the clerk of the court, under its seal, as being in full force on a date not more than six months prior to the presentation of the bond.

Subpart F—Relief for Loss, Theft, Destruction, Mutilation, Defacement, or Nonreceipt of Bonds

§ 315.25 After receipt by owner or his representative.

Relief, either by the issue of a substitute bond marked "Duplicate" or by payment, may be given for the loss, theft, destruction, mutilation, or defacement of a bond after receipt by the owner or his representative, under section 8 of the Act of July 8, 1937, as amended (50 Stat. 481, as amended; 31 U.S.C. 738a). In granting relief under the act, the Secretary of the Treasury may require a bond of indemnity in such form and with such

surety as may be deemed necessary for the protection of the United States of America. In all cases the bond must be identified and the applicant must submit satisfactory evidence of loss, theft, or destruction, or a satisfactory explanation of the mutilation or defacement. Relief on account of loss or theft ordinarily will not be granted until six months after the date of receipt by the Bureau of the Public Debt of the notice of such loss or theft.

§ 315.26 Procedure to be followed.

(a) Immediate notice of the facts concerning the loss, theft, destruction, mutilation, or defacement of a bond, together with its complete description (series, year and month of issue, serial number, name and address of the registered owner or coowners), should be given to the Bureau of the Public Debt, Division of Loans and Currency Branch. That office will furnish the proper application form and instructions.

(b) The application must be made by the person or persons (including both coowners, if living), authorized under these regulations to request payment of the bond, except as follows:

(1) If the bond is in beneficiary form and the owner and beneficiary are both living, both ordinarily will be required to join in the application.

(2) If a minor named on a bond as owner, coowner, or beneficiary is not of sufficient competency and understanding to request payment, both parents ordinarily will be required to join in the application.

§ 315.27 Nonreceipt of bond.

If a bond, on original issue or on reissue, is not received from the issuing agent by the registered owner or other person to whom delivery of the bond was directed, the issuing agent should be notified as promptly as possible and given all information available about the transaction. The agent will then obtain appropriate instructions and forms. After approval of the application for relief, relief will be granted by the issuance of a bond, bearing the same issue date as the bond which was not received.

§ 315.28 Recovery or receipt of bonds reported lost, stolen, destroyed or not received.

If a bond reported lost, stolen, destroyed, or not received, is recovered or received before relief is granted, the Bureau of the Public Debt, Division of Loans and Currency Branch, should be notified promptly. If recovered or received after relief is granted, the bond should be surrendered promptly to the same office for cancellation.

Subpart G—Interest

§ 315.30 General.

Savings bonds are issued in two forms:

(a) Appreciation bonds, issued on a discount basis and redeemable before final maturity at increasing fixed redemption values; and

(b) Current income bonds, issued at par, bearing interest payable semian-

nually* and redeemable before final maturity at par or at fixed redemption values less than par.

§ 315.31 Appreciation bonds.

Bonds issued on a discount basis increase in redemption value at the end of the first half-year from issue date and at the end of each successive half-year period thereafter until their maturity date, when the full face amount becomes payable.⁷ Bonds of Series E bearing issue dates of May 1, 1941, through May 1, 1949, will continue to increase in redemption value after original maturity for twenty years and those bearing issue dates beginning with June 1, 1949, for ten years after original maturity, in accordance with the provision of Department Circular No. 653, current revision.⁸ The increment in value (interest) on appreciation bonds is payable only on redemption of the bonds, whether before, at, or after maturity or extended maturity.

§ 315.32 Current income bonds.

(a) *Interest rates.* The interest payable on a current income bond is fixed by the provisions of the Department circular offering the particular series of bonds to the public.⁹

(b) *Method of interest payments.* Interest due on a current income bond is payable semiannually beginning six months from its issue date and will be paid on each interest payment date by check drawn to the order of the person or persons in whose names the bond is inscribed, in the same form as their names appear in the inscription on the bond, and mailed to the address of record (that given for the delivery of interest checks in the application for purchase or the request for reissue or, if no

instruction is given as to the delivery of interest checks, the address given for the owner or the first-named coowner), except that:

(1) In the case of a bond registered in the form "A payable on death to B" the check will be drawn to the order of "A" alone until the Bureau of the Public Debt, Division of Loans and Currency Branch, receives notice of A's death, from which time the payment of interest will be suspended until the bond is presented for payment or reissue. Interest so withheld will be paid to the person found to be entitled to the bond.

(2) Upon receipt of notice of the death of the coowner to whom interest is being mailed, payment of interest will be suspended until a request for change of address is received from the other coowner, if living, or, if not, until satisfactory evidence is submitted as to who is authorized to endorse and collect such checks on behalf of the estate of the last deceased coowner in accordance with the provisions of Subpart O of this part.

(3) Upon receipt of notice of the death of the owner of a bond, payment of interest on the bond will be suspended until satisfactory evidence is submitted as to who is authorized to endorse and collect such checks on behalf of the estate of the decedent, in accordance with the provisions of Subpart O of this part.

(4) Whenever practicable the accounts for all current income bonds of the same series, with the same inscription, on which interest is payable on the same dates, will be consolidated and a single check will be issued on each interest payment date for interest on all such bonds. The check inscription may vary from the inscriptions on the bonds in cases of very long inscriptions or where there is lack of uniformity in the inscriptions on the bonds.

(5) The interest due at maturity in the case of bonds for which an optional extension privilege has not been granted and at the final maturity for all bonds for which an optional extension privilege has been granted will be paid with the principal and in the same manner. However, if the registered owner of a bond in beneficiary form dies on or after the due date without having presented and surrendered the bond for payment or authorized reissue, and is survived by the beneficiary, the interest may be paid to the legal representative of or the person entitled to the registered owner's estate. To obtain such payment, the bonds with a request therefor by the beneficiary should be submitted together with evidence as required in Subpart O.

(c) *Notices affecting delivery of interest checks.* Notices affecting the delivery of interest checks, including changes in addresses, should be sent to the Bureau of the Public Debt, Division of Loans and Currency Branch, 536 South Clark Street, Chicago, Ill., 60605. Each bond should be described in the notice by issue date, serial number, series (including year of issue), and inscription appearing on the face of the bond. The bonds should not be submitted. The notice must be signed by the owner or a coowner, or in the case

of a minor or incompetent as provided in paragraph (d) or (e) of this section. A notice which would affect delivery of an interest check will be acted upon as rapidly as possible, but if the notice is not received at least one month before an interest payment date, no assurance can be given that action can be taken in time to make the change, or suspend the mailing of the interest due on that date.

(d) *Representative appointed for the estate of a minor, incompetent, absentee, etc.* Interest on current income bonds will be paid to the representative appointed for the estate of the owner of such bonds who is a minor, incompetent, absentee, etc., in accordance with the provisions of § 315.50 relating to payment of the bonds. However, if the registration of the bonds does not include reference to the owner's status, the bonds should be submitted to the Bureau of the Public Debt, Division of Loans and Currency Branch, at the address shown in paragraph (c) of this section, or to a Federal Reserve Bank for appropriate reissue so that interest checks may be properly drawn and delivered. They must be accompanied by the proof of appointment required by § 315.50.

(e) *Adult incompetent's estate having no representative.* If an adult owner of a current income bond is incompetent to endorse and collect the interest checks and no legal guardian or similar representative is legally qualified to do so, the relative responsible for his care and support, or some other appropriate person, may apply to the Bureau of the Public Debt, Division of Loans and Currency Branch, for recognition as voluntary guardian for the purpose of receiving, endorsing, and collecting the checks. Form PD 2513 should be used in making application for this purpose.

(f) *Reissue during interest period.* Physical reissue of a bond will be made as soon as practicable without regard to interest payment dates. If a current income bond is reissued between interest payment dates, interest for the entire period will ordinarily be paid on the next interest payment date, by check drawn to the order of the person in whose name the bond is reissued. However, if reissue is made during the month preceding an interest payment date, the interest due on the first day of the next month may in some cases be paid to the former owner or the representative of his estate.

(g) *Termination of interest.* Interest on current income bonds will cease at maturity, or extended maturity in the case of bonds for which an optional extension period has been granted, or in case of redemption prior to maturity, on the last day of the interest period immediately preceding the date of redemption, except that, if the date of redemption falls on an interest payment date, interest will cease on that date. For example, if a bond on which interest is payable on January 1 and July 1 is redeemed on September 1, interest will cease on the preceding July 1, and no adjustment of interest will be made for the period from July 1 to September 1. The same rules apply in case of partial

*The final interest on bonds of Series H bearing issue dates of June 1, 1952, through January 1, 1957, covers a period of two months, from 9½ years to 9 years, 8 months. Bonds so dated will continue to earn interest for a 10-year optional extension period, during which time interest will accrue and be paid beginning six months from the original maturity date, in accordance with the provisions of Department Circular No. 905, current revision. Since May 1, 1957, the only current income bonds on sale are those of Series H. See Department Circulars Nos. 654, Third Revision, as amended, for Series G, and 906, as amended, for Series K.

⁷Series E bonds issued on or before April 30, 1952, and Series F bonds, the sale of which was terminated April 30, 1952, increased in redemption value at the end of the first year from issue date; Series E Bonds issued on and after May 1, 1952, and Series J bonds, the sale of which began on May 1, 1952, increased in redemption value at the end of the first half-year from issue date. The last increase in redemption value of Series E bonds issued on or after May 1, 1952, prior to the start of the 10-year optional extension period covers these periods: Two months, from 9½ years through 9 years, 8 months, for bonds issued before February 1, 1957; five months, from 8½ years through 8 years, 11 months, for bonds issued on or after February 1, 1957, but before June 1, 1959; and three months, from 7½ years through 7 years, 9 months, for bonds issued on or after June 1, 1959.

⁸See Tables of Redemption Values at end of that circular for extended maturity values.

redemption with respect to the amount redeemed.

(h) *Endorsement of checks.* Interest checks may be collected upon the endorsement of the payee or his authorized representative in accordance with the regulations governing the endorsement and payment of Government warrants and checks, which are contained in Department Circular No. 21, Revised, as amended (Part 360 of this chapter). A form for the appointment of an attorney in fact for this purpose may be obtained from the Office of the Treasurer of the United States or from any Federal Reserve Bank. If the owner is incompetent or deceased and no legal representative of his estate has been or will be appointed, the Bureau of the Public Debt, Division of Loans and Currency Branch (address given in paragraph (c) of this section), or a Federal Reserve Bank will furnish instructions upon request.

(i) *Nonreceipt or loss of check.* If an interest check is not received or is lost after receipt, the Bureau of the Public Debt, Division of Loans and Currency Branch, should be notified of the facts and given information concerning the amount, number, and inscription of the bonds, as well as a description of the check, if possible.

Subpart H—General Provisions for Payment and Redemption

§ 315.35 Provisions applicable both before and after maturity.³

Payment of a savings bond will be made to the person or persons entitled thereto under the provisions of these regulations upon presentation of the bond with an appropriate request for payment, except that checks in payment will not be delivered to addresses in areas with respect to which the Treasury Department restricts or regulates the delivery of checks drawn against funds of the United States or any agency or instrumentality thereof.³ Payment will be made without regard to any notice of adverse claims to a bond and no stoppage or caveat against payment in accordance with the registration will be entered.

§ 315.36 Before maturity.

(a) *At option of owner.* Pursuant to its terms, a savings bond may not be called for redemption by the Secretary of the Treasury prior to maturity, or extended maturity in case of bonds for which an optional extension period has been granted, but may be redeemed in whole or in part at the option of the owner prior to maturity, or extended maturity, under the terms and conditions set forth in the offering circular for each series and in accordance with the provisions of these regulations, following presentation and surrender as provided in this subpart.

(b) *Series E.* A bond of Series E will be redeemed at any time after two months from issue date without advance

notice, at the appropriate redemption value as shown in the revision of Department Circular No. 653 current at the time of redemption.

(c) *Series H, J and K.* A bond of Series J or K will be redeemed on one calendar month's notice, and a bond of Series H will be redeemed after six months from issue date on one calendar month's notice, in writing to a Federal Reserve Bank or Branch, or the Bureau of the Public Debt, Division of Loans and Currency Branch, or the Office of the Treasurer of the United States, Securities Division. Such notice may be given separately or by presenting and surrendering the bond with a duly executed request for payment. Payment will be made as of the first day of the first month following by at least one full calendar month the date of receipt of notice. For example, if notice is received on June 1, payment will be made as of July 1, but if notice is received between June 2 and July 1, inclusive, payment ordinarily will be made as of August 1. If notice is given separately, the bond must be presented and surrendered with a duly executed request for payment to the same agency to which notice is given, not less than 20 days before the date on which payment is to be made. For example, if notice is received on June 15, the bond should be received not later than July 12. (See § 315.32(g) for provisions as to interest on current income bonds redeemed prior to maturity.) A bond of Series H will be redeemed at PAR. A bond of Series J or K will be redeemed at the appropriate redemption value as shown in the table printed on the bond, except as provided in paragraph (d), of this section. (See § 315.37 for provisions as to notice to redeem current income bonds for which an optional extension period has been granted.)

(d) *Series K: Redemption at par.* (1) A bond of Series K issued in exchange for matured bonds of Series E under the provisions of Department Circular No. 906 is payable at par.

(2) A bond of Series K registered in the name of a natural person or persons in their own right will be paid at par upon the request of the person entitled to the bond upon the death of the owner or either coowner.

(3) A bond of Series K held by a trustee, life tenant, or other fiduciary (exclusive of trustees of a pension, retirement, investment, insurance, annuity or similar fund, or employees' savings plan) will be paid at par upon appropriate request upon the termination, in whole or in part, of a trust, life tenancy, or other fiduciary estate by reason of the death of a natural person, but in the case of partial termination, redemption at par will be made to the extent of not more than the pro rata portion of the trust or fiduciary estate so terminated. Bonds of Series K held by a financial institution in its name as trustee of its common trust fund will be paid at par upon the request of the fiduciary upon the termination, in whole or in part, of a participating trust by reason of the death of a natural person, to the extent of not more than the pro rata portion of the common trust fund so terminated.

The option to receive payment at par under subparagraph (d) (2) and (3) of this section may be exercised by a signed request for payment or by express written notice, in either case specifying that redemption at par is desired. Payment may be postponed to the second interest payment date following the date of death, if so requested; otherwise, payment will be made in regular course. A death certificate or other acceptable evidence of death must be submitted. In no case of redemption at par before maturity under subparagraph (2) and (3) of this paragraph will interest be payable beyond the second interest payment date following the date of death.

(e) *Withdrawal of request for redemption.* An owner who has presented and surrendered a savings bond to the Treasury Department or a Federal Reserve Bank, or an authorized paying agent, for payment, with an appropriate request for payment, may withdraw such request if notice of intent to withdraw is given to and received by the same agency to which the bond was presented prior to the issuance of a check in payment by the Treasury Department or a Federal Reserve Bank, or payment by the authorized paying agent. Such request may be withdrawn under the same conditions by the executor or administrator of the estate of a deceased owner, or by the person or persons entitled to the bond under Subpart O of this part, or by the representative of the estate of a person under legal disability, unless presentation and surrender of the bond have cut off rights of survivorship under the provisions of Subpart M or Subpart N of this part.

§ 315.37 At or after maturity.

Pursuant to its terms, a savings bond of any series will be paid at or after maturity at the maturity value fixed by the terms of the Department Circular offering the particular series of bonds to the public, current at the time of redemption, and in no greater amount. No advance notice will be required for the redemption of matured savings bonds except that any current income bond for which an optional extension period has been provided will, beginning with the first day of the third calendar month following the calendar month in which the bond originally matured, be regarded as unmatured until it reaches its final maturity date, and the same notice prior to redemption will be required for it as required for bonds of the same series which have not reached original maturity.

§ 315.38 Requests for payment.

(a) *Form and execution of requests.* A request for payment of a bond must be executed on the form appearing on the back of the bond unless (1) the bond is accepted by an authorized paying agent for payment or for presentation to a Federal Reserve Bank for payment without the owner's signature to the request for payment under the provisions of Department Circular No. 888, current revision (Part 330 of this chapter), or (2) authority is given for the execution of a separate or detached request.

³Bonds of Series A through D and Series F and G have all now matured. They earn no interest after maturity. Any such bonds which have not been redeemed should be presented for payment.

(b) *Date of request.* Ordinarily, requests executed more than six months before the date of receipt of a bond for payment will not be accepted; nor will a bond, ordinarily, be accepted for redemption more than three calendar months prior to the date redemption is requested under these regulations.

(c) *Identification and signature of owner.* Unless the bond is presented under the provisions of paragraph (a) of this section or § 315.39(b), an owner in whose name the bond is inscribed or other person entitled to payment under the provisions of these regulations must appear before and establish his identity to an officer authorized to certify requests for payment (see Subpart I of this part), and in the presence of such officer sign the request for payment in ink, adding in the space provided the address to which the check issued in payment is to be mailed. A signature made by mark (X) must be witnessed by at least one disinterested person in addition to the certifying officer and must be attested by endorsement in the blank space, substantially as follows: "Witness to the above signature by mark," followed by the signature and address of the witness. If the name of the owner or other person entitled to payment as it appears in the registration or in evidence on file in the Bureau of the Public Debt, Division of Loans and Currency Branch, has been changed by marriage or in any other legal manner, the signature to the request for payment should show both names and the manner in which the change was made, for example, "Mrs. Mary T. Jones Smith (Mrs. Mary T. J. Smith or Mrs. Mary T. Smith), changed by marriage from Miss Mary T. Jones," or "John R. Young, changed by order of court from Hans R. Jung." (See § 315.49.) No request signed in behalf of the owner or person entitled to payment by an agent or a person acting under a power of attorney will be recognized by the Treasury Department, except when pledged in lieu of surety under Department Circular No. 154, Revised (Part 225 of this chapter), as provided in § 315.16.

(d) After the request for payment has been signed by the owner, the certifying officer should complete and sign the certificate following the request for payment and the bond should then be presented and surrendered as provided in § 315.39(a).

§ 315.39 Presentation and surrender.

(a) *All series.* Except for cases coming within the provisions of paragraph (b) of this section, after the request for payment has been duly signed by the owner and certified as provided in Subpart I of this part, the bond should be presented and surrendered to (1) a Federal Reserve Bank or Branch, (2) the Bureau of the Public Debt, Division of Loans and Currency Branch, or (3) the Office of the Treasurer of the United States, Securities Division. Usually payment will be expedited by surrender to a Federal Reserve Bank or Branch. In all cases presentation will be at the expense and risk of the owner. Payment will be made by check drawn to the

order of the registered owner or other person entitled and mailed to the address given in the request for payment or, if no address is given, to the address shown in instructions accompanying the bond.

(b) *Optional procedure limited to bonds of Series A to E, inclusive, in the names of individual owners or coowners only.* A natural person whose name is inscribed on the face of a bond of Series A, B, C, D, or E, either as owner or co-owner in his own right, may present such bond for redemption to an authorized paying agent. An owner who is not known to the paying agent must establish his identity to the agent. (See § 315.43.) The owner must sign the request for payment, and add his home or business address. Even though the request for payment may have been signed, or signed and certified, before presentation of the bond, the representative of the paying agent must be satisfied that the person presenting the bond for payment is the owner or coowner and may require him to sign the request for payment again. If the bond is in order for payment, the paying agent will make immediate payment at the appropriate redemption value without charge to the owner. This procedure is not applicable to partial redemption cases, or deceased owner cases, or other cases in which documentary evidence is required.

§ 315.40 Partial redemption.

A bond of any series may be redeemed in part at current redemption value but only in amounts corresponding to authorized denominations, upon presentation and surrender of the bond in accordance with § 315.39(a). In any case in which partial redemption is authorized, before the request for payment is signed the phrase "to the extent of \$----- (face value) and reissue of the remainder" should be added to the first sentence of the request. Upon partial redemption of the bond, the remainder will be reissued as of the original issue date, as provided in Subpart J of this part. For payment of interest on current income bonds in case of partial redemption, see Subpart G of this part.

§ 315.41 Nonreceipt or loss of checks issued in payment.

In case a check in payment of a bond surrendered for redemption is not received within a reasonable time or in case such check is lost after receipt, notice should be given to the same agency to which the bond was surrendered for payment, accompanied by a description of the bond by series, denomination, serial number, and registration. The notice should state whether or not the check was received and should give the date upon which the bond was surrendered for payment.

Subpart I—Certifying Officers

§ 315.42 Certifying officers.

The following officers are authorized to certify requests for payment and forms with respect to bonds:

(a) *At United States post offices.* Any postmaster, acting postmaster, or inspector in charge or other post office

official or clerk designated for that purpose. One or more of these officials will be found at every United States post office, classified branch, or station. A post office official or clerk other than a postmaster, acting postmaster, or inspector in charge should certify in the name of the postmaster or acting postmaster, followed by his own signature and official title, for example, "John Doe, postmaster, by Richard Roe, postal cashier." Signatures of these officers should be authenticated by a legible imprint of the post office dating stamp.

(b) *At banks, trust companies, and branches.* Any officer of any bank or trust company incorporated in the United States (including for this purpose its territories and possessions and the Commonwealth of Puerto Rico) or domestic or foreign branch of such bank or trust company; any officer of a Federal Reserve Bank, Federal Land Bank, and Federal Home Loan Bank; any employee of any such bank or trust company expressly authorized by the corporation for that purpose, who should sign over the title "Designated Employee"; and Federal Reserve Agents and Assistant Federal Reserve Agents located at the several Federal Reserve Banks. Certifications by any of these officers or designated employees should be authenticated by either a legible impression of the corporate seal of the bank or trust company or, in the case of banks or trust companies and their branches which are authorized issuing agents for bonds of Series E, by a legible imprint of the issuing agent's dating stamp.

(c) *Issuing agents not banks or trust companies.* Any officer of a corporation not a bank or trust company and of any other organization which is an authorized issuing agent for bonds of Series E. All certifications by such officers must be authenticated by a legible imprint of the issuing agent's dating stamp.

(d) *Commissioned and warrant officers of armed forces.* Commissioned and warrant officers of any of the armed forces of the United States, but only for members and the families of members of their respective services and civilian employees at Posts or Bases or Stations. Such certifying officer should indicate his rank and state that the person signing the request is one of the class whose request he is authorized to certify.

(e) *United States officials.* Judges, clerks, and deputy clerks of United States courts, including United States courts for the territories, possessions, the Commonwealth of Puerto Rico, and the Canal Zone; United States Commissioners; United States Attorneys; United States Collectors of customs and their deputies; Regional Commissioners and District Directors of Internal Revenue and Internal Revenue agents; the officer in charge of any home, hospital, or other facility of the Veterans Administration, but only for patients and employees of such facilities; certain officers of Federal penal institutions designated for that purpose by the Secretary of the Treasury; certain officers of the United States Public Health Service Hospitals at Lexington, Kentucky, and Fort Worth, Texas, and of United States Marine Hos-

pitals at Fort Stanton, New Mexico, and Carville, Louisiana, designated for that purpose by the Secretary of the Treasury (in each case, however, only for inmates or employees of the institution involved).

(f) *Officers authorized in particular localities.* Certain designated officers in the Treasury Department; the Governor and Treasurer of Puerto Rico; the Governor and Commissioner of Finance of the Virgin Islands; the Governor and Director of Finance of Guam; the Governor and Director of Administrative Services of American Samoa; the Governor, paymaster, or acting paymaster and collector or acting collector of the Panama Canal; and postmasters and acting postmasters of the Bureau of Posts of the Canal Zone.

(g) *In foreign countries.* In a foreign country requests for payment may be signed in the presence of and be certified by any United States diplomatic or consular representative, or the manager or other officer of a foreign branch of a bank or trust company incorporated in the United States whose signature is attested by an impression of the corporate seal or is certified to the Treasury Department. If such an officer is not available, requests for payment may be signed in the presence of and be certified by a notary or other officer authorized to administer oaths, but his official character and jurisdiction should be certified by a United States diplomatic or consular officer under seal of his office.

(h) *Special provisions.* In the event none of the officers authorized to certify requests for payment of bonds is readily accessible, the Commissioner of the Public Debt, the Deputy Commissioner of the Public Debt in Charge of the Chicago Office, the Treasurer of the United States, or any Federal Reserve Bank or Branch is authorized to make special provision for any particular case.

§ 315.43 General instructions to certifying officers.

A certifying officer should require that a person presenting bonds, or forms with respect thereto, establish his identity by positive and reliable evidence before the bonds or forms are signed, unless the presenter is personally well known to the officer. Such officer and, if he is an officer or employee of an organization, the organization will be held fully responsible for the adequacy of the identification. The certifying officer should place an adequate notation on the back of the bond or form, or on a separate record, showing exactly how identification was established. The certifying officer must affix to the certification his official signature, title, seal or dating stamp, address (if not shown in the seal or stamp), and the date of execution. Officers of Veterans Administration Facilities, Public Health Service Hospitals, Marine Hospitals, and Federal penal institutions should use the seal of the particular institution or service, where such seal is available. A certifying officer other than a post office official, officer of a bank or trust company, or officer of an issuing agent, who does not possess an official seal should add a statement to that effect to his certification.

§ 315.44 Interested person not to certify.

A certifying officer may not certify a request for payment of a bond, or a form with respect to a bond, in which he has or is acquiring an interest, either in his own right or in a representative capacity.

Subpart J—Reissue and Denominational Exchange

§ 315.45 General.

(a) Reissue of a bond may be made only under the conditions specified in these regulations. Reissue is not authorized solely for the purpose of effecting an exchange as between authorized denominations, but in case of authorized reissue the new bond or bonds may be issued in any authorized denomination or denominations.

(b) Reissue will not be made if the request therefor is received less than one full calendar month before the maturity date, except for bonds of Series E and H for which optional extension periods have been provided in Department Circulars Nos. 653 and 905, current revisions (Parts 316 and 332 of this chapter). In the case of such bonds, reissue will not be made if the request is received less than one full month before the extended maturity date. However, a request for reissue of a bond received prior to its maturity, or its extended maturity date, will be effective to establish ownership as though the requested reissue had been made.

(c) A request for reissue of a bond received on or after its maturity, or its extended maturity date, will not be effective to name a coowner or beneficiary or to promote a beneficiary to a coowner, but requests for reissue in the names of persons who have become entitled by operation of law will be recognized as establishing the right of those persons to receive payment.

(d) Reissues under the provisions of this subpart may be made only at (1) a Federal Reserve Bank or Branch, (2) the Bureau of the Public Debt, Division of Loans and Currency Branch, or (3) the Office of the Treasurer of the United States, Securities Division.

§ 315.46 Requests for reissue.

A request for reissue should be made on the prescribed form by the person authorized under these regulations to make such request. Appropriate forms may be obtained from any Federal Reserve Bank, the Office of the Treasurer of the United States, or the Bureau of the Public Debt, Division of Loans and Currency Branch.

§ 315.47 Effective date.

In any case of authorized reissue, the Treasury Department will treat the receipt by (a) a Federal Reserve Bank or Branch, or (b) the Bureau of the Public Debt, Division of Loans and Currency Branch, or (c) the Office of the Treasurer of the United States, Securities Division, of a bond and an appropriate request for reissue thereof as determining the date upon which the reissue is effective. If the owner or either co-owner of a bond dies after he has pre-

sented and surrendered the bond for authorized reissue, the bond will be regarded as though reissued in the decedent's lifetime.

§ 315.48 Correction of errors.

Reissue of a bond may be made to correct an error in the original issue, upon appropriate request supported by satisfactory proof of the error.

§ 315.49 Change of name.

An owner, coowner, or beneficiary whose name is changed by marriage, divorce, annulment, order of court, or in any other legal manner after the issue of a bond should submit the bond with a request on Form PD 1474 for reissue to substitute the new name for the name inscribed on the bond. The signature to the request for reissue should show the new name, the manner in which the change was made and the former name. If the change of name was made other than by marriage, the request must be supported by satisfactory proof of the change.

Subpart K—Minors, Incompetents, Aged Persons, Absentees, etc.

§ 315.50 Payment to representative of estate.

If the form of registration of a savings bond indicates that the owner is a minor, incompetent, aged person, absentee, etc., and there is a representative of his estate, payment will be made to such representative. The request for payment appearing on the back of the bond should be signed by the representative as such, for example, "John A. Jones, guardian (committee) of the estate of Henry W. Smith, a minor (incompetent, absentee)." Unless the form of registration gives the name of the representative requesting payment, a certificate or a certified copy of the letters of appointment from the court making the appointment, under court seal, or other proof of qualification if not appointed by a court, should be submitted. Except in the case of corporate fiduciaries, such evidence should state that the appointment is in full force and should be dated not more than one year prior to presentation of the bond for payment. Where the form of registration does not indicate that there is a representative of the estate of a minor owner, a notice that there is such a representative will not be accepted for the purpose of preventing payment to the minor or to a parent or other person on behalf of the minor, as provided in §§ 315.51 and 315.52. However, if the representative of the estate of a minor, incompetent, aged person, absentee, etc., presents for payment a bond registered in the name of his ward during the ward's lifetime, accompanied by proof of his qualification, payment will be made to such representative.

§ 315.51 Payment to minors.

If the owner of a savings bond is a minor and the form of registration does not indicate that there is a representative of his estate, payment will be made to him upon his request, provided he is of sufficient competency to sign his

name to the request for payment and to understand the nature of the transaction. In general, the fact that the request for payment has been signed by a minor and duly certified will be accepted as sufficient proof of competency and understanding.

§ 315.52 Payment to a parent or other person on behalf of a minor.

If the owner of a savings bond is a minor and the form of registration does not indicate that there is a representative of his estate, and if such minor owner is not of sufficient competency to sign his name to the request for payment and to understand the nature of the transaction, payment will be made to either parent of the minor with whom he resides or, if the minor does not reside with either parent, then to the person who furnishes his chief support. His parent or the person furnishing his chief support should execute the request for payment and furnish a certificate, which may be typed or written on the back of the bond, as to his right to act for the minor. If a parent signs the request, the certificate and signature thereto should be in substantially the following form:

"I certify that I am the mother (or father) of John C. Jones and the person with whom he resides. He is ----- years of age and is not of sufficient competency and understanding to make this request.

"Mrs. Mary Jones
on behalf of John C. Jones."

If a person other than a parent signs the request, the certificate and signature thereto, including a reference to the person's relationship, if any, to the minor, should be in substantially the following form:

"I certify that John C. Jones does not reside with either parent and that I furnish his chief support. He is ----- years of age and is not of sufficient competency and understanding to make this request.

"Mrs. Alice Brown, grandmother,
on behalf of John C. Jones."

§ 315.53 Payment or reinvestment upon request of voluntary guardian of incompetent.

If the adult owner of a bond is incompetent to request and receive payment thereof and no other person is legally qualified to do so, the relative responsible for his care and support or some other person may submit an application as voluntary guardian for redemption of the bond in the following cases:

(a) Where the proceeds of the bond are needed for the support of the incompetent or that of a person legally dependent upon him for support, and the total face amount of bonds belonging to the incompetent for which redemption is requested in any ninety-day period does not exceed \$1,000;

(b) Where the bond has matured and it is desired to redeem it and reinvest the proceeds in savings bonds. The proceeds of any matured appreciation type bonds ordinarily will be required to be reinvested in Series E bonds. The proceeds of matured current income bonds may be invested in Series H or Series E bonds. The new bonds must be registered in the name of the incompetent

followed by "an incompetent." A living coowner or beneficiary named on the matured bonds must be designated on the new bonds unless he is a competent adult and furnishes a certified statement consenting to omission of his name. If an amount insufficient to purchase an additional bond of any authorized denomination of any series remains after the reinvestment, the voluntary guardian may if he so desires, furnish additional funds sufficient to purchase another bond of either series in the lowest available denomination. If additional funds are not furnished, the remaining amount will be paid to the voluntary guardian for the use and benefit of the incompetent.

§ 315.54 Reissue.

A bond of which a minor or other person under legal disability is the owner or in which he has an interest may be reissued upon an authorized reissue transaction under the following conditions:

(a) A minor of sufficient competency to sign his name to the request and to understand the nature of the transaction may request reissue to add a coowner or beneficiary to a bond registered in his name alone or to which he is entitled in his own right.

(b) A bond on which a minor is named as beneficiary or coowner may be reissued in the name of a custodian for the minor under a statute authorizing gifts to minors upon the request of the adult whose name appears on the bond as owner or coowner.

(c) Except to the extent provided in paragraphs (a) and (b) of this section, reissue will be restricted to a form of registration which does not adversely affect the existing ownership or interest of the minor or such other person. Requests for reissue should be executed by the person authorized to request payment under §§ 315.50, 315.52 and 315.53, and in the same manner.

Subpart L—Natural Person as Sole Owner

§ 315.55 Payment.

A savings bond registered in the name of a natural person in his own right, without a coowner or beneficiary, will be paid to him during his lifetime under Subpart H of this part. Upon the death of the owner such bond will be considered as belonging to his estate and will be paid under Subpart O of this part, except as otherwise provided in these regulations.

§ 315.56 Reissue for certain purposes.

A savings bond registered in the name of a natural person in his own right may be reissued upon appropriate request by him (subject to the provisions of § 315.54), upon presentation and surrender during his lifetime, for the following purposes:

(a) *Addition of a coowner or beneficiary.* To name another natural person as coowner or as beneficiary. Form PD 1787 should be used.

(b) *Divorce or annulment.* To name as registered owner the other party to a divorce or annulment occurring after is-

sue of the bond. Form PD 3360 should be used.

(c) *Certain degrees of relationship.* To name as registered owner a person related to the owner as provided in § 315.61(a)(1)(i), with a beneficiary or coowner, if so desired. Form PD 3360 should be used.

(d) *Trustees.* To name the trustee of (1) a personal trust estate created by the owner, or (2) a trust created by other than the owner if the beneficiary of the trust and the owner are related as provided in § 315.61(a)(1)(i). Form PD 1851 should be used.

Subpart M—Two Natural Persons as Coowners

§ 315.60 Payment during the lives of both coowners.

A savings bond registered in coownership form, for example, "John A. Jones or Mrs. Mary C. Jones," will be paid to either upon his separate request, and upon payment to him the other shall cease to have any interest in the bond. If both request payment jointly, payment will be made by check drawn to their order jointly, for example, "John A. Jones AND Mrs. Mary C. Jones."

§ 315.61 Reissue during the lives of both coowners.

(a) *General.* A bond registered in coownership form may be reissued upon its presentation and surrender during the lifetime and competency of both coowners, upon the request of both, as follows:

(1) In the name of either coowner, alone or with a new coowner or beneficiary—

(i) If the coowner whose name is to remain on the bond is related to the coowner whose name is to be eliminated as: husband, wife; parent, child (including stepchild); brother, sister (including the half blood, stepbrother, stepsister, or brother or sister through adoption); grandparent, grandchild; great grandparent, great grandchild; uncle, aunt, nephew, niece (including a child of a brother or sister of the present spouse); granduncle, grandaunt, grandnephew, grandniece; father-in-law, mother-in-law, son-in-law, daughter-in-law; brother-in-law, sister-in-law.

(ii) If one of them marries after issue of the bond.

(iii) If they are divorced or legally separated from each other, or their marriage is annulled, after issue of the bond.

(2) In the name of a third person related to either coowner, as provided in subparagraph (1)(i) of this paragraph, with a coowner or beneficiary, if so desired. (Form PD 1938 should be used for any of the above classes.)

(3) In the name of a trustee of (i) a personal trust estate created by either coowner, or (ii) a trust created by other than a coowner if the beneficiary of the trust is related to either coowner as provided in subparagraph (1)(i) of this paragraph. Form PD 1851 should be used.

(b) *Minor coowners.* A request for reissue signed by a minor coowner of sufficient competency to sign his name to the request and understand the nature

of the transaction, and for whose estate no representative has been appointed, will be recognized if the bond is to be reissued in his name alone, or in his name with a new coowner or beneficiary. A request for reissue to eliminate the other coowner, signed in behalf of a minor coowner by the representative of his estate will be recognized; however, a request to eliminate the name of the minor will be recognized only if supported by evidence that a court has ordered the representative to request such reissue (see § 315.23). A minor coowner for whose estate no representative has been appointed may be promoted to sole owner upon the request of the competent coowner. A competent coowner may, upon his own request, have the bond reissued to remove his name and name a custodian for the minor under a statute authorizing gifts to minors.

(c) *Incompetent coowners.* Reissue will not be made if one coowner is incompetent and a representative of the incompetent's estate has not been appointed, except to add "an incompetent" after his name or to eliminate the other coowner from the registration. If there is a representative, the provisions of paragraph (b) of this section apply as to his execution of a request for reissue.

§ 315.62 After the death of one or both coowners.

If either coowner dies without the bond having been presented and surrendered for payment or authorized reissue, the survivor will be recognized as the sole and absolute owner. Thereafter, payment or reissue will be made as though the bond were registered in the name of the survivor alone (see Subpart L of this part), except that a request for reissue by him must be supported by proof of death of the other coowner, and except further that after the death of the survivor proof of death of both coowners and of the order in which they died will be required. The presentation and surrender of a bond by one coowner for payment establishes his right to receive the proceeds of the bond, and if he should die before the transaction is completed, payment will be made to the legal representative of, or persons entitled to, his estate in accordance with the provisions of Subpart O of this part. If either coowner dies after the bond has been presented and surrendered for authorized reissue (see § 315.47), the bond will be regarded as though reissued during his lifetime.

§ 315.63 Upon death of both coowners in a common disaster, etc.

If both coowners die under such conditions that it cannot be established either by presumption of law or otherwise which died first, the bond will be considered as belonging to the estates of both equally, and payment or reissue will be made accordingly. (See Subpart O of this part.)

Subpart N—Two Natural Persons as Owner and Beneficiary

§ 315.65 During the lifetime of the registered owner.

A savings bond registered in beneficiary form, for example, "John A. Jones

payable on death to Mrs. Mary C. Jones," will be paid or reissued upon presentation and surrender during the lifetime of the registered owner, as follows:

(a) *Payment.* The bond will be paid to the registered owner during his lifetime upon his properly executed request as though no beneficiary had been named in the registration. The presentation and surrender of the bond by the registered owner for payment establishes his exclusive right to the proceeds of the bond, and if he should die before the transaction is completed, payment will be made to the legal representative of, or the persons entitled to, his estate upon receipt of proof of the appointment and qualification of the representative or the identity of the persons entitled, in accordance with the provisions of Subpart O of this part.

(b) *Reissue.* (1) The bond will be reissued on a duly certified request of the owner:

(i) To name the beneficiary designated on the bond as coowner. Form PD 1787 should be used.

(ii) To eliminate his name as owner and to name as owner a custodian for the beneficiary, if a minor, under a statute authorizing gifts to minors. Form PD 3360 should be used.

(iii) To eliminate the beneficiary, to substitute another person as beneficiary, or to name another person as coowner, if the request of the owner is supported by the beneficiary's duly certified consent to elimination of his name or by proof of his death.¹⁰ Form PD 1787 should be used.

(iv) In the name of a trustee of (a) a personal trust estate created by the owner, or (b) a trust created by other than the owner if the owner and the beneficiary of the trust are related as provided in § 315.61(a)(1)(i), and the request of the owner is supported by the duly certified consent of the beneficiary, or by proof of his death.¹⁰ Form PD 1851 should be used by the owner and the beneficiary.

§ 315.66 After the death of the registered owner.

If the registered owner dies without the bond having been presented and surrendered for payment or authorized reissue and is survived by the beneficiary, upon proof of death of the owner the beneficiary will be recognized as the sole and absolute owner, and payment or reissue will be made as though the bond were registered in his name alone (see Subpart L of this part).

Subpart O—Deceased Owners

§ 315.70 General.

Upon the death of the owner of a savings bond who is not survived by a coowner or designated beneficiary and who had not during his lifetime presented and surrendered the bond for payment or an authorized reissue, the bond will be considered as belonging to his estate and will be paid or reissued accordingly as hereinafter provided, except that reissue under this subpart will not be permitted if otherwise in conflict with these regulations. If the person entitled is an alien who is a resident of an area with respect to which the Treasury Department restricts or regulates the delivery of checks drawn against funds of the United States of America or any agency or instrumentality thereof, payment of the principal of and interest on the bond will not be made to such person so long as the restriction applies.⁹ A creditor is entitled only to payment of a bond to the extent of not more than the unpaid balance of his claim.

§ 315.71 Special provisions applicable to small amounts of savings bonds, interest checks or redemption checks.

Entitlement to, or the authority to dispose of, a small amount of bonds and checks issued in payment thereof or in payment of interest thereon, belonging to the estate of a decedent, may be established through the use of certain short forms, according to the aggregate face amount of bonds and checks involved (excluding checks representing interest on the bonds), as indicated by the following table:

Amount	Circumstances	Form	To be executed by
\$100.....	No administration.....	PD 2216.....	Person who paid burial expenses.
\$500.....	Estate being administered.....	PD 2488-1.....	Executor or administrator.
\$500.....	Estate settled.....	PD 2458.....	Former executor or administrator, attorney or other qualified person.

§ 315.72 Estates administered.

(a) *In course of administration.* If the estate of a decedent is being administered in court, the bond will be paid to the duly qualified representative of the estate or will be reissued in the names of the persons entitled to share in the estate, upon the request of the representative and compliance with the following requirements:

(1) Where there are two or more legal representatives, all must join in the request for payment or reissue, except as provided in §§ 315.77 and 315.78.

¹⁰ The provisions of this section do not apply to bonds on which the Treasurer of the United States of America is named as beneficiary.

(2) The request for payment or reissue should be signed in the form, for example, "John A. Jones, administrator of the estate (or executor of the will) of Henry W. Jones, deceased," and must be supported by proof of the representative's authority in the form of a court certificate or a certified copy of the representative's letters of appointment. The certificate or the certification to the letters must be under seal of the court and, except in the case of a corporate representative, must contain a statement that the appointment is in full force and should be dated within six months of the

⁹ See Department Circular No. 655, as amended (Part 211 of this chapter).

date of presentation of the bond, unless the certificate or letters show that the appointment was made within one year immediately prior to such presentation.

(3) In case of reissue the legal representative of the estate should certify that each person in whose name reissue is requested is entitled to the extent specified for each and has consented to such reissue. A request for reissue by the legal representative should be made on Form PD 1455. If a person in whose name reissue is requested desires to name a coowner or beneficiary, such person should execute an additional request for that purpose, using Form PD 1787.

(b) *After settlement through court proceedings.* If the estate of the decedent has been settled in court, the bond will be paid to, or reissued in the name of, the person entitled thereto as determined by the court. The request for payment or reissue should be made by the person shown to be entitled, supported by a duly certified copy of the representative's final account as approved by the court, decree of distribution, or other pertinent court records, supplemented, if there are two or more persons having an apparent interest in the bond, by an agreement executed by them concerning the disposition of the bond. Form PD 1787 should be used.

§ 315.73 Estates not administered.

(a) *Special provisions under State laws.* When there is special provision under State law for the recognition or appointment of someone to receive or distribute the assets of a decedent's estate after compliance with the requirements of such law, the person authorized to receive or distribute the assets of the decedent's estate may submit appropriate evidence thereof, certified under court seal, for the purpose of receiving payment or making distribution of a bond.

(b) *Agreement of persons entitled.* When it appears that no legal representative of a decedent's estate has been, or will be appointed, the bond will be paid to, or reissued in the name of, the person or persons entitled, including those entitled as donees of a gift causa mortis, pursuant to an agreement and request by all persons entitled to share in the decedent's personal estate. A form of agreement for settlement without administration, Form PD 1946-1, should be used for cases in which the total face amount of bonds and redemption and interest checks belonging to the decedent's estate is in excess of \$500. Where the total face amount does not exceed \$500, Form PD 1946 may be used. If the persons entitled to share in the personal estate include minors or incompetents, payment or reissue of the bond will not be permitted without administration except to them or in their names unless their interests are otherwise protected to the satisfaction of the Treasury Department.

Subpart P—Fiduciaries

§ 315.75 Payment.

A savings bond registered in the name of a fiduciary or otherwise belonging to

a fiduciary estate will be paid to the fiduciary or fiduciaries in accordance with the provisions of §§ 315.77 and 315.78.

§ 315.76 Reissue.

(a) *In the name of person entitled—*
(1) *Distribution of trust estate in kind.* A bond to which a beneficiary of a trust estate has become lawfully entitled in his own right or in a fiduciary capacity, in whole or in part, under the terms of a trust instrument, will be reissued in his name to the extent of his interest, upon the request of the trustee or trustees and their certification that such person is entitled and has agreed to reissue in his name.

(2) *After termination of trust estate.* If the person who would be lawfully entitled to a bond upon the termination of a trust does not desire to have distribution made to him in kind, as provided in subparagraph (1) of this paragraph, the trustee or trustees should present the bond for payment before the estate is terminated. If, however, the estate is terminated without such payment or reissue having been made, the bond will thereafter be paid to or reissued in the name of the person lawfully entitled upon his request and satisfactory proof of ownership, supplemented, if there are two or more persons having any apparent interest in the bond, by an agreement executed by all such persons concerning the disposition of the bond.

(3) *Upon termination of guardianship estate.* If the estate of a minor or incompetent or of an absentee is terminated, during the ward's lifetime, a bond registered to show that there is a representative of the estate will be reissued in the name of the former ward upon the representative's request and certification that the former ward is entitled and has agreed to reissue in his name (Form PD 1455 should be used), or will be paid to or reissued in the name of the former ward upon his own request, supported in either case by satisfactory evidence that his disability has been removed or that an absentee has returned to claim his property. Certification by the representative that a former minor has attained his majority, that a former incompetent has been legally restored to competency, that a legal disability of a female ward has been removed by marriage, if the state law so provides, or that an absentee has appeared to claim his property, will ordinarily be accepted as sufficient (see § 315.77 if the representative's name is not shown in the registration). Upon the termination of the estate as the result of the death of the ward, a bond registered to show that there is a representative of his estate will be reissued in accordance with the provisions of Subpart O of this part.

(4) *Upon termination of life estate.* Upon the death of a life tenant, a bond registered in his name as life tenant may be reissued in the name of the person or persons entitled pursuant to an agreement and request of all of the persons having an interest in the remainder.

(b) *In the name of a succeeding fiduciary.* If a fiduciary in whose name a bond is registered has been succeeded

by another, the bond will be reissued in the name of the succeeding fiduciary upon appropriate request and satisfactory evidence of successorship. Form PD 1455 should be used.

(c) *In the name of financial institution as trustee of common trust fund.* A bond held by a bank, trust company, or other financial institution as a trustee, guardian or similar representative, executor or administrator may be reissued in its name as trustee of its common trust fund to the extent that participation therein by the institution in such capacity is authorized by law or applicable regulations. A request for reissue to the institution as trustee of its common trust fund should be executed on its behalf in the capacity in which the bond is held and by the co-fiduciary, if any. Form PD 1455 should be used.

§ 315.77 Requests for reissue or payment prior to maturity or extended maturity.

The following rules apply to both requests for reissue and payment by fiduciaries: A request for reissue or payment prior to maturity, or extended maturity for bonds for which an optional extension period has been provided, must be signed by all acting fiduciaries unless by express statute, decree of court, or the terms of the instrument under which the fiduciaries are acting, some one or more of them may properly execute the request. If the fiduciaries named in the registration are still acting, no further evidence of authority will be required. Otherwise, a request must be supported by evidence as specified below:

(a) *Fiduciaries by title only.* If the bond is registered in the titles, without the names, of fiduciaries not acting as a board, satisfactory evidence of their incumbency must be furnished, except in the case of bonds registered in the title of public officers as trustees.

(b) *Succeeding fiduciaries.* If the fiduciaries in whose names the bond is registered have been succeeded by other fiduciaries, satisfactory evidence of successorship must be furnished.

(c) *Boards, committees, etc.* A savings bond registered in the name of a board, committee, commission, or other body, empowered to act as a unit and to hold title to the property of a religious, educational, charitable, or non-profit organization or public corporation will be paid upon a request for payment signed in the name of the board or other body by an authorized officer thereof. A request so signed and duly certified will ordinarily be accepted without further evidence of the officer's authority. The check in payment of the bond will be drawn in the name of the board or other body as fiduciary for the organization named in the registration or shown by satisfactory evidence to be entitled as successor thereto.

(d) *Corporate fiduciaries.* If a public or private corporation or a political body, such as a state or county, is acting as a fiduciary, a request must be signed in the name of the corporation or other body in the fiduciary capacity in which it is acting, by an authorized officer thereof. A request so signed and

duly certified will ordinarily be accepted without further evidence of the officer's authority.

(e) *Registration not disclosing trust or other fiduciary estate.* If the registration of the bond does not show that it belongs to a trust or other fiduciary estate or does not identify the estate to which it belongs, satisfactory evidence of ownership must be furnished in addition to any other evidence required by this section.

§ 315.78 Requests for payment at or after maturity.

A request for payment at or after maturity, or extended maturity for bonds for which an optional extension period has been provided, signed by any one or more acting fiduciaries, will be accepted. Payment ordinarily will be made by check drawn as the bond is inscribed.

Subpart Q—Private Organizations (Corporations, Associations, Partnerships, etc.) and Governmental Agencies, Units and Officers

§ 315.80 Payment to corporations or unincorporated associations.

A savings bond registered in the name of a private corporation or an unincorporated association will be paid to the corporation or unincorporated association upon request for payment on its behalf by a duly authorized officer thereof. The signature to the request should be in the form, for example, "The Jones Coal Company, a corporation, by John Jones, President," or "The Lotus Club, an unincorporated association, by William A. Smith, Treasurer." A request for payment so signed and duly certified will ordinarily be accepted without further evidence of the officer's authority.

§ 315.81 Payment to partnerships.

A savings bond registered in the name of an existing partnership will be paid upon a request for payment signed by a general partner. The signature to the request should be in the form, for example, "Smith and Jones, a partnership, by John Jones, a general partner." A request for payment so signed and duly certified will ordinarily be accepted as sufficient evidence that the partnership is still in existence and that the person signing the request is duly authorized.

§ 315.82 Reissue or payment to successors of corporations, unincorporated associations, or partnerships.

A savings bond registered in the name of a private corporation, an unincorporated association, or a partnership which has been succeeded by another corporation, unincorporated association, or partnership by operation of law or otherwise, as the result of merger, consolidation, incorporation, reincorporation, conversion, or reorganization, or which has been lawfully succeeded in any manner whereby the business or activities of the original organization are continued without substantial change, will be paid to or reissued in the name of the succeeding organization upon appropriate request on its be-

half, supported by satisfactory evidence of successorship. Form PD 1540 should be used.

§ 315.83 Reissue or payment on dissolution of corporation or partnership.

(a) *Corporations.* A savings bond registered in the name of a private corporation which is in the process of dissolution will be paid to the authorized representative of the corporation upon a duly executed request for payment, supported by satisfactory evidence of the representative's authority. Upon the termination of dissolution proceedings, the bond may be reissued in the names of those persons, other than creditors, entitled to the assets of the corporation, to the extent of their respective interests. Reissue under this subsection will be made upon the duly executed request of the authorized representative of the corporation and upon proof that all statutory provisions governing the dissolution of the corporation have been complied with and that the persons in whose names reissue is requested are entitled and have agreed to the reissue. If the dissolution proceedings are under the direction of a court, a certified copy of an order of the court, showing the authority of the representative to make the distribution requested, must be furnished.

(b) *Partnerships.* A savings bond registered in the name of a partnership which has been dissolved by death or withdrawal of a partner, or in any other manner, will be paid upon a request for payment by any partner or partners authorized by law to act on behalf of the dissolved partnership, or will be paid to or reissued in the names of the persons, other than creditors, entitled thereto as the result of such dissolution to the extent of their respective interests, upon their request supported by satisfactory evidence of their title, including proof that the debts of the partnership have been paid or properly provided for. Form PD 2514 should be used.

§ 315.84 Payment to institutions (churches, hospitals, homes, schools, etc.).

A savings bond registered in the name of a church, hospital, home, school, or similar institution without reference in the registration to the manner in which it is organized or governed or to the manner in which title to its property is held will be paid upon a request for payment signed on behalf of such institution by an authorized representative. For the purpose of this section, a request for payment signed by a pastor of a church, superintendent of a hospital, president of a college, or by any official generally recognized as having authority to conduct the financial affairs of the particular institution will ordinarily be accepted without further proof of his authority. The signature to the request should be in the form, for example, "Shriners' Hospital for Crippled Children, St. Louis, Mo., by William A. Smith, superintendent," or "St. Mary's Roman Catholic Church, Albany, N.Y., by John Jones, pastor."

§ 315.85 Reissue in name of trustee or agent for investment purposes.

A savings bond registered in the name of a religious, educational, charitable or nonprofit organization, whether or not incorporated, may be reissued in the name of a bank, trust company or other financial institution, or an individual, as trustee or agent under an agreement with the organization under which the trustee or agent holds funds of the organization, in whole or in part, for the purpose of investing and reinvesting the principal and paying the income to the organization. Form PD 2177 should be used and should be signed on behalf of the organization by an authorized officer.

§ 315.86 Reissue upon termination of investment agency.

A savings bond registered in the name of a bank, trust company, or other financial institution, or individual, as agent for investment purposes only, under an agreement with a religious, educational, charitable, or nonprofit organization, may be reissued in the name of the organization upon termination of the agency. The former agent should request such reissue and should certify that the organization is entitled by reason of the termination of the agency, using Form PD 1455. If such request and certification are not obtainable, the bond will be reissued in the name of the organization upon its own request, supported by satisfactory evidence of the termination of the agency.

§ 315.87 Payment to governmental agencies and units.

A savings bond registered in the name of a state, county, city, town, or village, or in the name of a federal, state, or local governmental agency such as a board, commission, or corporation, will be paid upon a request signed in the name of the governmental agency or unit by a duly authorized officer thereof. A request for payment so signed and duly certified will ordinarily be accepted without further proof of the officer's authority.

§ 315.88 Payment to Government of officers.

A savings bond registered in the official title of an officer of a governmental agency or unit will be paid upon a request for payment signed by the designated officer. The fact that the request for payment is so signed and duly certified will ordinarily be accepted as proof that the person signing is the incumbent of the designated office.

Subpart R—Miscellaneous Provisions

§ 315.90 Waiver of regulations.

The Secretary of the Treasury reserves the right, in his discretion, to waive or modify any provision or provisions of these regulations in any particular case or class of cases for the convenience of the United States of America or in order to relieve any person or persons of unnecessary hardship, if such action would not be inconsistent with law and would not impair any existing rights, and if he is satisfied that such action would not

subject the United States of America to any substantial expense or liability.

§ 315.91 Additional requirements; bond of indemnity; taxpayer identifying numbers.

The Secretary of the Treasury may require (a) such additional evidence as he may consider necessary or advisable, (b) a bond of indemnity, with or without surety, in any case where he may consider such a bond necessary for the protection of the interests of the United States of America, and (c) without prior notice, that appropriate taxpayer identifying numbers be furnished for issue, reissue, or payment of any savings bond.

§ 315.92 Preservation of rights.

Nothing contained in these regulations shall be construed to limit or restrict existing rights which holders of savings bonds heretofore issued may have acquired under the circulars offering the bonds for sale or under the regulations in force at the time of purchase.

§ 315.93 Supplements, amendments, or revisions.

The Secretary of the Treasury may at any time, or from time to time, prescribe additional, supplemental, amendatory, or revised rules and regulations governing United States Savings Bonds.

PART 316—OFFERING OF UNITED STATES SAVINGS BONDS, SERIES E

Department Circular No. 653, Fifth Revision, dated September 23, 1959, as amended (31 CFR 316), is hereby further amended and issued as the Sixth Revision.¹

Sec.

- 316.1 Offering of bonds.
- 316.2 Description of bonds currently offered.
- 316.3 Governing regulations.
- 316.4 Registration.
- 316.5 Limitations on holdings.
- 316.6 Purchase of bonds.
- 316.7 Delivery of bonds by mail.
- 316.8 Extended terms and improved yields for outstanding bonds.
- 316.9 Taxation.
- 316.10 Payment or redemption.
- 316.11 Reservation as to issue of bonds.
- 316.12 Preservation of rights.
- 316.13 Fiscal agents.
- 316.14 Reservations as to terms of offer.

AUTHORITY: The provisions of this Part 316 issued under authority of sections 22 and 25 of the Second Liberty Bond Act, as amended, 49 Stat. 21, as amended, and 73 Stat. 621 (31 U.S.C. 757c, 757c-1).

§ 316.1 Offering of bonds.

The Secretary of the Treasury offers for sale to the people of the United States, United States Savings Bonds of Series E, hereinafter generally referred to as Series E bonds. These bonds are substantially a continuation of the Series E bonds heretofore available, except as

¹The basic terms of the bonds offered under the Fifth Revision have not been changed. The material in the Fifth Revision and its three amendments has been reorganized and edited in connection with the publication of the 1965 edition of Title 31 of the Code of Federal Regulations.

otherwise indicated herein. This offering of bonds will continue until terminated by the Secretary of the Treasury.

§ 316.2 Description of bonds currently offered.

(a) *General.* Series E bonds bear a facsimile of the signature of the Secretary of the Treasury and of the Seal of the Treasury Department. The bonds are issued only in registered form and are nontransferable.

(b) *Denominations and prices.* Series E bonds are issued on a discount basis of 75 percent of their face values. The denominations and issue prices are:

Denomination (face value)	Issue (purchase) price
\$25	\$18.75
\$50	37.50
\$75	56.25
\$100	75.00
\$200	150.00
\$500	375.00
\$1,000	750.00
\$10,000	7,500.00
\$100,000 ²	75,000.00

(c) *Inscription and issue.* At the time of issue the issuing agent will (1) inscribe on the face of each Series E bond the name and address of the owner, and the name of the beneficiary, if any, or the name and address of one coowner, and the name of the other coowner, (2) enter in the upper right-hand portion of the bond the issue date, and (3) imprint the agent's dating stamp in the lower right-hand portion to show the date the bond is actually inscribed. A Series E bond shall be valid only if an authorized issuing agent receives payment therefor and duly inscribes, dates, stamps, and makes delivery of the bond in accordance with the purchaser's instructions. The Treasury Department may require, without prior notice, that the appropriate identifying number as required on tax returns and other documents submitted to the Internal Revenue Service be furnished for inclusion in the inscription.

(d) *Term.* A Series E bond shall be dated as of the first day of the month in which payment of the issue price is received by an agent authorized to issue such bonds. This date is the issue date and the bond will mature and be payable at face value 7 years and 9 months from such issue date. The bond may not be called for redemption by the Secretary of the Treasury prior to maturity or the end of the extended maturity period (see § 316.8(a)(1)). The bond may be redeemed at the owner's option at any time after two months from issue date at fixed redemption values; however, the Treasury Department may require reasonable notice of presentation of a bond for redemption prior to maturity. The owner has the option of continuing to hold the bond for an extended maturity period at a rate of interest to be determined prior to the original maturity of such bond.

(e) *Investment yield (interest).* The investment yield (interest) on a Series E

²The \$100,000 denomination is available only for purchase by trustees of employees' savings plans as described in Sec. 316.5(c).

bond will be approximately 3.75 percent per annum compounded semiannually if the bond is held to maturity;³ but the yield will be less if the bond is redeemed prior to maturity. The interest will be paid as a part of the redemption value. During the first six months from issue date the bonds will be redeemable only at issue price. The redemption value will increase at the end of the first half-year period from issue date and successive periods thereafter (see Table 1).

§ 316.3 Governing regulations.

Series E bonds are subject to the regulations of the Treasury Department, now or hereafter prescribed, governing United States Savings Bonds, contained in Department Circular No. 530, current revision (Part 315 of this chapter).⁴

§ 316.4 Registration.

(a) *General.* Generally, only residents of the United States, its territories and possessions, the Commonwealth of Puerto Rico, the Canal Zone and citizens of the United States temporarily residing abroad are eligible to be named as owners of Series E bonds. The bonds may be registered in the names of natural persons in their own right as provided in paragraph (b) of this section, and in the names and titles or capacities of fiduciaries and organizations as provided in paragraph (c) of this section. Full information regarding authorized forms of registration and restrictions with respect thereto will be found in the governing regulations.

(b) *Natural persons in their own right.* The bonds may be registered in the names of natural persons (whether adults or minors) in their own right, in single ownership, coownership, and beneficiary forms.

(c) *Others.* The bonds may be registered in single ownership form in the names of fiduciaries and private and public organizations, as follows:

(1) *Fiduciaries.* In the names of and showing the titles or capacities of any persons or organizations, public or private, as fiduciaries (including trustees, legal guardians or similar representatives, and certain custodians), but not where the fiduciary would hold the bonds merely or principally as security for the performance of a duty, obligation, or service.

(2) *Private and public organizations.* In the names of private or public organizations (including private corporations, partnerships, and unincorporated associations, and States, counties, public corporations, and other public bodies) in

³Under authority of section 25, 73 Stat. 621 (31 U.S.C. 757c-1), the President of the United States on September 22, 1959, concluded that with respect to Series E bonds it was necessary in the national interest to exceed the maximum interest rate and investment yield prescribed by section 22 of the Second Liberty Bond Act, as amended (31 U.S.C. 757c).

⁴Copies may be obtained from any Federal Reserve Bank or Branch, or the Bureau of the Public Debt, Washington, D.C., 20220, or its Chicago office, 536 South Clark St., Chicago, Ill., 60605.

their own right, but not in the names of commercial banks.⁵

§ 316.5 Limitations on holdings.

The amount of Series E bonds originally issued during any one calendar year that may be held by any one person, at any one time, computed in accordance with the governing regulations, is limited, as follows:

(a) *General limitation.* \$10,000 (face value) for the calendar year 1959 and each calendar year thereafter.

(b) *Special limitation for owners of savings bonds of Series F, G, J and K.* Owners, except commercial banks⁶ in their own right (as distinguished from a representative or fiduciary capacity), of outstanding bonds of Series F and G, all of which are now matured, and bonds of Series J and K, at or after maturity, may purchase Series E bonds with the proceeds of redemption without regard to the general limitation on holdings, under the following restrictions and conditions:

(1) The bonds must be presented to a Federal Reserve Bank or Branch, the Office of the Treasurer of the United States, Securities Division, or the Bureau of the Public Debt, Division of Loans and Currency Branch, for the specific purpose of taking advantage of this privilege. The Series E bonds will be dated as of the first day of the month in which the bonds presented are received by the agency.

(2) Series E bonds may be purchased with the proceeds of the bonds presented only up to the denominational amounts that the proceeds thereof will fully cover. Any difference between such proceeds and the purchase price of the Series E bonds will be paid to the owner.

(3) The Series E bonds will be registered in the name of the owner in any authorized form of registration, subject to the restrictions prescribed by the governing regulations.

(4) This privilege will continue until terminated by the Secretary of the Treasury.

(c) *Special limitation for employees' savings plans.* \$2,000 (face value) multiplied by the highest number of participants in an employees' savings plan, as defined in subparagraph (1) of this paragraph, at any time during the year in which the bonds are issued.⁶

(1) *Definition of plan and conditions of eligibility.* (i) The employees' savings plan must have been established by the employer for the exclusive and irrevocable benefit of his employees or their beneficiaries, afford employees the means of making regular savings from their wages through payroll deductions, and provide for employer contributions to be added to such savings.

(ii) The entire assets thereof must be credited to the individual accounts of participating employees and assets credited to the account of an employee may be distributed only to him or his beneficiary, except as otherwise provided herein.

(iii) Series E bonds may be purchased only with assets credited to the accounts of participating employees and only if the amount taken from any account at any time for that purpose is equal to the purchase price of a bond or bonds in an authorized denomination or denominations, and shares therein are credited to the accounts of the individuals from which the purchase price thereof was derived, in amounts corresponding with their shares. For example, if \$37.50 credited to the account of John Jones is commingled with funds credited to the accounts of other employees to make a total of \$7,500, with which a Series E bond in denomination of \$10,000 (face value) is purchased in January 1965 and registered in the name and title of the trustee or trustees, the plan must provide, in effect, that John Jones' account shall be credited to show that he is the owner of a Series E bond in the denomination of \$50 (face value) bearing the issue date of January 1, 1965.

(iv) Each participating employee shall have an irrevocable right at any time to demand and receive from the trustee or trustees all assets credited to his account or the value thereof, if he so prefers, without regard to any condition other than the loss or suspension of the privilege of participating further in the plan, except that a plan will not be deemed to be inconsistent herewith if it limits or modifies the exercise of any such right by providing that the employer's contribution does not vest absolutely until the employee shall have made contributions under the plan in each of not more than 60 calendar months succeeding the month for which the employer's contribution is made.

(v) Upon the death of an employee, his beneficiary shall have the absolute and unconditional right to demand and receive from the trustee or trustees all the assets credited to the account of the employee, or the value thereof, if he so prefers.

(vi) When settlement is made with an employee or his beneficiary with respect to any Series E bond registered in the name and title of the trustee or trustees in which the employee has a share (see subdivision (ii) of this subparagraph), the bond must be submitted for redemption or reissue to the extent of such share; if an employee or his beneficiary is to receive distribution in kind, bonds bearing the same issue dates as those credited to the employee's account will be reissued in the name of the distributee to the extent to which he is entitled, in authorized denominations, in any authorized form of registration, upon the request and certification of the trustee or trustees in accordance with the regulations governing United States Savings Bonds.

(2) *Definitions of terms used in this section and related provisions.* (i) The term "savings plan" includes any regula-

tions issued under the plan with regard to Series E bonds; a copy of the plan and any such regulations, together with a copy of the trust agreement certified by a trustee to be true copies, must be submitted to the Federal Reserve Bank of the District in order to establish the eligibility of the trustee or trustees to purchase bonds in excess of the general limitation in any calendar year.

(ii) The term "assets" means all funds, including the employees' contributions and employer's contributions and assets purchased therewith as well as accretions thereto, such as dividends on stock, the increment in value on bonds and all other income; but, notwithstanding any other provision of this section, the right to demand and receive "all assets" credited to the account of an employee shall not be construed to require the distribution of assets in kind when it would not be possible or practicable to make such distribution; for example, Series E bonds may not be reissued in unauthorized denominations, and fractional shares of stock are not readily distributable in kind.

(iii) The term "beneficiary" means the person or persons, if any, designated by the employee in accordance with the terms of the plan to receive the benefits of the trust upon his death or the estate of the employee, and the term "distributee" means the employee or his beneficiary.

§ 316.6 Purchase of bonds.

Series E bonds may be purchased, as follows:

(a) *Over-the-counter for cash—*(1) *Bonds registered in names of natural persons in their own right only.* At such incorporated banks, trust companies, and other agencies as have been duly qualified as issuing agents and at selected United States post offices.

(2) *Bonds registered in all authorized forms.* At Federal Reserve Banks and Branches and at the Office of the Treasurer of the United States, Securities Division, Washington, D.C., 20220.

(b) *On mail order.* By mail upon application to any Federal Reserve Bank or Branch or to the Office of the Treasurer of the United States, Securities Division, Washington, D.C., 20220, accompanied by a remittance to cover the issue price. Any form of exchange, including personal checks, will be accepted subject to collection. Checks or other forms of exchange should be drawn to the order of the Federal Reserve Bank or the Treasurer of the United States, as the case may be. Checks payable by endorsement are not acceptable. Any depository qualified pursuant to the provisions of Treasury Department Circular No. 92, Revised, as amended (Part 203 of this chapter), will be permitted to make payment by credit for bonds applied for on behalf of its customers up to any amount for which it shall be qualified in excess of existing deposits, when so notified by the Federal Reserve Bank of its district.

(c) *Savings stamps.* Savings stamps, in authorized denominations, may be purchased at any post-office where Series E bonds are on sale and at such other

⁵ Commercial banks, as defined in Section 315.7(d)(2) of Department Circular No. 530, current revision, the governing regulations, for this purpose are those accepting demand deposits.

⁶ Savings and vacation plans may be eligible for this special limitation. Questions concerning eligibility of such plans should be addressed to the Bureau of the Public Debt, Division of Loans and Currency Branch, 536 South Clark St., Chicago, Ill., 60605.

agencies as may be designated from time to time. The stamps may be used to accumulate credits for the purchase of Series E bonds. Albums for affixing the stamps will be available without charge, and such albums will be receivable by any authorized issuing agent in the amount of the affixed stamps on the purchase price of the bonds.

§ 316.7 Delivery of bonds by mail.

Issuing agents are authorized to deliver Series E bonds by mail at the risk and expense of the United States, at the address given by the purchaser, but only within the United States, its territories and possessions, the Commonwealth of Puerto Rico, and the Canal Zone. No mail deliveries elsewhere will be made. If purchased by citizens of the United States temporarily residing abroad, the bonds will be delivered at such address in the United States as the purchaser directs.

§ 316.8 Extended terms and improved yields for outstanding bonds.

(a) Optional extension privileges—

(1) *General.* The term "optional extension privilege," when used herein, means the privilege of retaining Series E bonds after maturity for a period, known as the extended maturity period," or as the "second extended maturity period," and of earning interest upon the maturity values or extended maturity values thereof, as the case may be.⁷ The tables at the end of this circular, which are incorporated herein, show the redemption values and investment yields. No special action is required of owners desiring to take advantage of any optional extension privilege. Merely by continuing to hold their bonds after maturity, they will continue to earn further interest. Interest will accrue at the end of the first half-year period following maturity or extended maturity and at the end of each successive half-year period thereafter until final maturity.

(2) *For bonds with issue dates of May 1, 1941, through May 1, 1949.* Owners of Series E bonds with issue dates of May 1, 1941, through May 1, 1949, have the option of retaining their bonds for a second extended maturity period of ten years.

(3) *For bonds with issue dates of June 1, 1949, through April 1, 1957.* Owners of Series E bonds with issue dates of June 1, 1949, through April 1, 1957, have the option of continuing to hold their bonds for an extended maturity period of ten years.

(4) *For bonds with issue date of May 1, 1957, or thereafter.* Owners of Series E bonds with issue date of May 1, 1957, or thereafter have the option of continuing to hold such bonds for an ex-

⁷The redemption value of any bond at original maturity is the base upon which interest will accrue during the extended maturity period. The redemption value of any bond at the end of the extended maturity period is the base upon which interest accrues during the second extended maturity period.

tended maturity period of ten years at rates of interest to be determined prior to the original maturity of such bonds.

(b) *Improved yields—*(1) *For bonds with issue dates of May 1, 1941, through May 1, 1949.* The investment yields on outstanding Series E bonds with issue dates of May 1, 1941, through May 1, 1949, have been increased for the remaining period of their extended maturity by not less than six-tenths of one percent per annum on bonds with issue dates of May 1, 1941, through April 1, 1942, and five-tenths of one percent per annum on bonds with issue dates of May 1, 1942, through May 1, 1949, if held to the end of the extended maturity period, and by lesser amounts if redeemed earlier.⁸ The resulting yields are in terms of rate percent per annum, compounded semiannually. The first increase accrued one-half year after June 1, 1959, for bonds with the issue month of June or December of any year prior to 1949. For any other bond referred to in this paragraph, the increase accrued one-half year from the next date, after June 1, 1959, on which, in accordance with its original terms, the redemption value increased. See Tables 2 through 19 for revised redemption values and investment yields.

(2) *For bonds with issue dates of June 1, 1949, through April 1 1957.⁹* The investment yields on outstanding Series E bonds with issue dates of June 1, 1949, through April 1, 1957, have been increased for the extended maturity period by approximately three-fourths of one percent per annum, compounded semiannually for bonds held at the end of that period and by lesser amounts if redeemed earlier. See Tables 20 through 37 for revised redemption values and investment yields.

(3) *For bonds with issue dates of May 1, 1957, through May 1, 1959.⁹* The in-

⁸The investment yields for the full extended maturity period of the bonds referred to in § 316.8 (a) (2) and (b) (1) were, according to issue dates, as follows:

May 1, 1941, through April 1, 1942.....	2.90
May 1, 1942, through May 1, 1949.....	3.00

percent per annum, compounded semiannually.

⁹The investment yields for the full original maturity period of bonds referred to in § 316.8(b) (2) and (3), were according to issue dates, as follows:

December 1, 1949, through April 1, 1952.....	2.90
May 1, 1952, through January 1, 1957.....	3.00
February 1, 1957, through May 1, 1959.....	3.25

These yields were increased, effective one-half year from the next date after June 1, 1959, on which the redemption value increased, by not less than six-tenths of one percent for bonds with issue dates of December 1, 1949, through April 1, 1952, and by five-tenths of one percent for bonds with issue dates of May 1, 1952, through May 1, 1959. All of these yields are in terms of rate percent per annum, compounded semiannually.

vestment yields on outstanding Series E bonds with issue dates of May 1, 1957, through May 1, 1959, have been increased by five-tenths of one percent per annum if held to original maturity and by lesser amounts if redeemed earlier. The resulting yields are in terms of rate percent per annum, compounded semiannually. The first increase accrued one-half year from June 1, 1959, for any bond with the issue month of June or December of any year prior to 1959. For any other bond referred to in this paragraph the increase accrued one-half year from the next date, after June 1, 1959, on which, in accordance with its original terms, its redemption value increased. See Tables 38 through 42 for the revised redemption values and investment yields.

§ 316.9 Taxation.

(a) *General.* For the purpose of determining taxes and tax exemptions, the increment in value represented by the difference between the price paid for Series E bonds (which are issued on a discount basis) and the redemption value received therefor shall be considered as interest. Such interest is subject to all taxes imposed under the Internal Revenue Code of 1954. The bonds are subject to estate, inheritance, gift, or other excise taxes, whether Federal or State, but are exempt from all taxation now or hereafter imposed on the principal or interest thereof by any State, or any of the possessions of the United States, or by any local taxing authority.

(b) *Federal income tax on Series E bonds.* An owner of Series E bonds who is a cash basis taxpayer and accordingly not required to report the increase in redemption value of his bonds each year as it accrues is required to include such amount in gross income for Federal income tax purposes for the taxable year of final maturity, actual redemption, or other disposition, whichever is earlier. An owner not reporting the increase in redemption value of such bonds currently for income tax purposes may elect in any year prior to final maturity, subject to the provisions of Section 454 of the Internal Revenue Code of 1954 and the regulations prescribed thereunder, for such year and subsequent years to report such income annually. An owner who is required, or chooses, to report the increase in redemption value of his bonds each year as it accrues must continue to do so so long as he retains the bonds, unless in accordance with the income tax regulations he obtains permission from the Internal Revenue Service to change to a different method of reporting income from such obligations. Inquiry concerning further information on Federal taxes should be addressed to the District Director, Internal Revenue Service, of the taxpayer's district, or the Internal Revenue Service, Washington, D.C., 20224.

§ 316.10 Payment or redemption.

(a) *General.* A Series E bond may be redeemed in accordance with its terms at the appropriate redemption value as

shown in the applicable tables hereof for bonds bearing various issue dates back to May 1, 1941. The redemption value of bonds in the denomination of \$100,000¹ (which was authorized as of January 1, 1954) are not shown in the tables. However, the redemption values of bonds in that denomination will be equal to the total redemption values of ten \$10,000 bonds bearing the same issue dates. The redemption values before maturity of bonds in the denominations of \$75 (which was authorized as of May 1, 1964) are set forth in Table 1. A Series E bond in a denomination higher than \$25 (face value) may be redeemed in part but only in the amount of an authorized denomination or multiple thereof.

(b) *Federal Reserve Banks and Branches and Treasurer of the United States.* Owners of Series E bonds may obtain payment upon presentation and surrender of the bonds to a Federal Reserve Bank or Branch or to the Office of the Treasurer of the United States, Securities Division, Washington, D.C., 20220, with the requests for payment on the bonds duly executed and certified in accordance with the governing regulations.

(c) *Incorporated banks, trust companies and other financial institutions.* An individual (natural person) whose name is inscribed on a Series E bond either as owner or coowner in his own right may also present such bond to any incorporated bank or trust company or other financial institution which is qualified as a paying agent under Department Circular No. 750, current revision (Part 321 of this chapter). If such bond is in order for payment by the paying agent, the owner or coowner, upon establishing his identity to the satisfaction of the agent and upon signing the request for payment and adding his home or business address, may receive immediate payment of the current redemption value.

§ 316.14 Reservations as to terms of offer.

The Secretary of the Treasury may at any time or from time to time supplement or amend the terms of this offering of bonds (Part 316 of this chapter), or of any amendments or supplements thereto.

TABLES OF REDEMPTION VALUES AND INVESTMENT YIELDS FOR UNITED STATES SAVINGS BONDS OF SERIES E

Each table shows: (1) How bonds of Series E bearing the issue dates covered by the table, by denominations, increase in redemption value during successive half-year periods following issue; (2) the approximate investment yield on the purchase price from issue date to the beginning of each half-year period; and (3) the approximate investment yield on the current redemption value from the beginning of each half-year period to maturity. Yields are expressed in terms of rate per annum, compounded semiannually.

TABLE 1—BONDS BEARING ISSUE DATES BEGINNING JUNE 1, 1959

Issue price.....	\$18.75	\$37.50	\$56.25	\$75.00	\$150.00	\$375.00	\$750.00	\$7,500	Approximate investment yield	
Maturity value.....	25.00	50.00	75.00	100.00	200.00	500.00	1,000.00	10,000		
Period after issue date	(1) Redemption values during each half-year period ¹ (Values increase on first day of period shown)								(2) On purchase price from issue date to beginning of each half-year period ¹	(3) On current redemption value from beginning of each half-year period ¹ to maturity
First ½ year.....	\$18.75	\$37.50	\$56.25	\$75.00	\$150.00	\$375.00	\$750.00	\$7,500	Percent 0.00	Percent *3.75
½ to 1 year.....	18.91	37.82	56.73	75.64	151.28	378.20	756.40	7,564	1.71	3.89
1 to 1½ years.....	19.19	38.38	57.57	76.76	153.52	383.80	767.60	7,676	2.33	3.96
1½ to 2 years.....	19.51	39.02	58.53	78.04	156.08	390.20	780.40	7,804	2.67	4.01
2 to 2½ years.....	19.90	39.80	59.70	79.60	159.20	398.00	796.00	7,960	3.00	4.01
2½ to 3 years.....	20.28	40.56	60.84	81.12	162.24	405.60	811.20	8,112	3.16	4.03
3 to 3½ years.....	20.66	41.32	61.98	82.64	165.28	413.20	826.40	8,264	3.26	4.05
3½ to 4 years.....	21.07	42.14	63.21	84.28	168.56	421.40	842.80	8,428	3.36	4.06
4 to 4½ years.....	21.50	43.00	64.50	86.00	172.00	430.00	860.00	8,600	3.45	4.06
4½ to 5 years.....	21.95	43.90	65.85	87.80	175.60	439.00	878.00	8,780	3.53	4.04
5 to 5½ years.....	22.40	44.80	67.20	89.60	179.20	448.00	896.00	8,960	3.59	4.03
5½ to 6 years.....	22.86	45.72	68.58	91.44	182.88	457.20	914.40	9,144	3.64	4.02
6 to 6½ years.....	23.32	46.64	69.96	93.28	186.56	466.40	932.80	9,328	3.67	4.01
6½ to 7 years.....	23.79	47.58	71.37	95.16	190.32	475.80	951.60	9,516	3.70	4.01
7 to 7½ years.....	24.27	48.54	72.81	97.08	194.16	485.40	970.80	9,708	3.72	3.99
7½ years to 7 years and 9 months.....	24.75	49.50	74.25	99.00	198.00	495.00	990.00	9,900	3.74	4.06
Maturity value (7 years and 9 months from issue date).....	25.00	50.00	75.00	100.00	200.00	500.00	1,000.00	10,000	3.75	-----

* Approximate investment yield for entire period from issuance to maturity.
¹ 3-month period in the case of the 7½ year to 7 year and 9 month period.

TABLE 2—BONDS BEARING ISSUE DATE OF MAY 1, 1941

Issue price.....	\$18.75	\$37.50	\$75.00	\$375.00	\$750.00	Approximate investment yield*	
Original maturity value.....	25.00	50.00	100.00	500.00	1,000.00		
First extended maturity value.....	33.63	67.26	134.52	672.60	1,345.20		
Period after first extended maturity (beginning 20 years after issue date)	(1) Redemption values during each half-year period (Values increase on first day of period shown)					(2) On purchase price from issue date to beginning of each half-year period	(3) On current redemption value from beginning of each half-year period to second extended maturity
Second extended maturity period						Percent	Percent
First ½ year.....	\$33.63	\$67.26	\$134.52	\$672.60	\$1,345.20	2.94	3.75
½ to 1 year.....	34.26	68.52	137.04	685.20	1,370.40	2.96	3.75
1 to 1½ years.....	34.90	69.80	139.60	698.00	1,396.00	2.98	3.75
1½ to 2 years.....	35.56	71.12	142.24	711.20	1,422.40	3.00	3.75
2 to 2½ years.....	36.22	72.44	144.88	724.40	1,448.80	3.02	3.75
2½ to 3 years.....	36.90	73.80	147.60	738.00	1,476.00	3.03	3.75
3 to 3½ years.....	37.60	75.20	150.40	752.00	1,504.00	3.05	3.75
3½ to 4 years.....	38.30	76.60	153.20	766.00	1,532.00	3.06	3.75
4 to 4½ years.....	39.02	78.04	156.08	780.40	1,560.80	3.08	3.75
4½ to 5 years.....	39.75	79.50	159.00	795.00	1,590.00	3.09	3.75
5 to 5½ years.....	40.50	81.00	162.00	810.00	1,620.00	3.10	3.75
5½ to 6 years.....	41.25	82.50	165.00	825.00	1,650.00	3.12	3.75
6 to 6½ years.....	42.03	84.06	168.12	840.60	1,681.20	3.13	3.75
6½ to 7 years.....	42.82	85.64	171.28	856.40	1,712.80	3.14	3.75
7 to 7½ years.....	43.62	87.24	174.48	872.40	1,744.80	3.15	3.75
7½ to 8 years.....	44.44	88.88	177.76	888.80	1,777.60	3.16	3.75
8 to 8½ years.....	45.27	90.54	181.08	905.40	1,810.80	3.17	3.75
8½ to 9 years.....	46.12	92.24	184.48	922.40	1,844.80	3.18	3.75
9 to 9½ years.....	46.98	93.96	187.92	939.60	1,879.20	3.19	3.75
9½ to 10 years.....	47.86	95.72	191.44	957.20	1,914.40	3.20	3.76
Second extended maturity value (20 years from original maturity date) ¹	48.76	97.52	195.04	975.20	1,950.40	3.21	-----

* Calculated on basis of \$1,000 bond (face value).
¹ 30 years from issue date.

§ 316.11 Reservation as to issue of bonds.

The Secretary of the Treasury reserves the right to reject any application for Series E bonds, in whole or in part, and to refuse to issue or permit to be issued hereunder any such bonds in any case or any class or classes of cases if he deems such action to be in the public interest, and his action in any such respect shall be final.

§ 316.12 Preservation of rights.

Nothing contained herein shall limit or restrict rights which owners of Series E bonds heretofore issued may have acquired under offers previously in force.

§ 316.13 Fiscal agents.

Federal Reserve Banks and Branches, as fiscal agents of the United States, are authorized to perform such services as may be requested of them by the Secretary of the Treasury in connection with the issue, delivery, redemption, and payment of Series E bonds.

PROPOSED RULE MAKING

TABLE 3—BONDS BEARING ISSUE DATES FROM JUNE 1 THROUGH NOVEMBER 1, 1941

Issue price.....	\$18.75	\$37.50	\$75.00	\$375.00	\$750.00	Approximate investment yield*	
Original maturity value.....	25.00	50.00	100.00	500.00	1,000.00		
First extended maturity value..	33.73	67.46	134.92	674.60	1,349.20		
Period after first extended maturity (beginning 20 years after issue date)	(1) Redemption values during each half-year period (Values increase on first day of period shown)					(2) On purchase price from issue date to beginning of each half-year period	(3) On current redemption value from beginning of each half-year period to second extended maturity
	Second extended maturity period						
First ½ year.....	\$33.73	\$67.46	\$134.92	\$674.60	\$1,349.20	Percent 2.96	Percent 3.75
½ to 1 year.....	34.36	68.72	137.44	687.20	1,374.40	2.98	3.75
1 to 1½ years.....	35.01	70.02	140.04	700.20	1,400.40	3.00	3.75
1½ to 2 years.....	35.66	71.32	142.64	713.20	1,426.40	3.01	3.75
2 to 2½ years.....	36.33	72.66	145.32	726.60	1,453.20	3.03	3.75
2½ to 3 years.....	37.01	74.02	148.04	740.20	1,480.40	3.05	3.75
3 to 3½ years.....	37.71	75.42	150.84	754.20	1,508.40	3.06	3.75
3½ to 4 years.....	38.41	76.82	153.64	768.20	1,536.40	3.07	3.75
4 to 4½ years.....	39.13	78.26	156.52	782.60	1,565.20	3.09	3.75
4½ to 5 years.....	39.87	79.74	159.48	797.40	1,594.80	3.10	3.75
5 to 5½ years.....	40.62	81.24	162.48	812.40	1,624.80	3.12	3.75
5½ to 6 years.....	41.38	82.76	165.52	827.60	1,655.20	3.13	3.75
6 to 6½ years.....	42.15	84.30	168.60	843.00	1,686.00	3.14	3.75
6½ to 7 years.....	42.94	85.88	171.76	858.80	1,717.60	3.15	3.75
7 to 7½ years.....	43.75	87.50	175.00	875.00	1,750.00	3.16	3.75
7½ to 8 years.....	44.57	89.14	178.28	891.40	1,782.80	3.17	3.75
8 to 8½ years.....	45.40	90.80	181.60	908.00	1,816.00	3.18	3.75
8½ to 9 years.....	46.26	92.52	185.04	925.20	1,850.40	3.19	3.75
9 to 9½ years.....	47.12	94.24	188.48	942.40	1,884.80	3.20	3.75
9½ to 10 years.....	48.01	96.02	192.04	960.20	1,920.40	3.21	3.75
Second extended maturity value (20 years from original maturity date) 1.....	48.91	97.82	195.64	978.20	1,956.40	3.22	-----

* Calculated on basis of \$1,000 bond (face value).
 1 30 years from issue date.

TABLE 4—BONDS BEARING ISSUE DATES FROM DECEMBER 1, 1941, THROUGH APRIL 1, 1942

Issue price.....	\$18.75	\$37.50	\$75.00	\$375.00	\$750.00	Approximate investment yield*	
Original maturity value.....	25.00	50.00	100.00	500.00	1,000.00		
First extended maturity value..	33.83	67.66	135.32	676.60	1,353.20		
Period after first extended maturity (beginning 20 years after issue date)	(1) Redemption values during each half-year period (Values increase on first day of period shown)					(2) On purchase price from issue date to beginning of each half-year period	(3) On current redemption value from beginning of each half-year period to second extended maturity
	Second extended maturity period						
First ½ year.....	\$33.83	\$67.66	\$135.32	\$676.60	\$1,353.20	Percent 2.97	Percent 3.75
½ to 1 year.....	34.46	68.92	137.84	689.20	1,378.40	2.99	3.75
1 to 1½ years.....	35.11	70.22	140.44	702.20	1,404.40	3.01	3.75
1½ to 2 years.....	35.77	71.54	143.08	715.40	1,430.80	3.03	3.75
2 to 2½ years.....	36.44	72.88	145.76	728.80	1,457.60	3.04	3.75
2½ to 3 years.....	37.12	74.24	148.48	742.40	1,484.80	3.06	3.75
3 to 3½ years.....	37.82	75.64	151.28	756.40	1,512.80	3.07	3.75
3½ to 4 years.....	38.53	77.06	154.12	770.60	1,541.20	3.09	3.75
4 to 4½ years.....	39.25	78.50	157.00	785.00	1,570.00	3.10	3.75
4½ to 5 years.....	39.99	79.98	159.96	799.80	1,599.60	3.12	3.75
5 to 5½ years.....	40.74	81.48	162.96	814.80	1,629.60	3.13	3.75
5½ to 6 years.....	41.50	83.00	166.00	830.00	1,660.00	3.14	3.75
6 to 6½ years.....	42.28	84.56	169.12	845.60	1,691.20	3.15	3.75
6½ to 7 years.....	43.07	86.14	172.28	861.40	1,722.80	3.16	3.75
7 to 7½ years.....	43.88	87.76	175.52	877.60	1,755.20	3.17	3.75
7½ to 8 years.....	44.70	89.40	178.80	894.00	1,788.00	3.18	3.75
8 to 8½ years.....	45.54	91.08	182.16	910.80	1,821.60	3.19	3.75
8½ to 9 years.....	46.39	92.78	185.56	927.80	1,855.60	3.20	3.75
9 to 9½ years.....	47.26	94.52	189.04	945.20	1,890.40	3.21	3.75
9½ to 10 years.....	48.15	96.30	192.60	963.00	1,926.00	3.22	3.74
Second extended maturity value (20 years from original maturity date) 1.....	49.05	98.10	196.20	981.00	1,962.00	3.23	-----

* Calculated on basis of \$1,000 bond (face value).
 1 30 years from issue date.

TABLE 5—BONDS BEARING ISSUE DATE OF MAY 1, 1942

Issue price.....	\$18. 75	\$37. 50	\$75. 00	\$375. 00	\$750. 00	Approximate investment yield*	
Original maturity value.....	25. 00	50. 00	100. 00	500. 00	1, 000. 00		
First extended maturity value..	34. 09	68. 18	136. 36	681. 80	1, 363. 60		
Period after first extended maturity (beginning 20 years after issue date)	(1) Redemption values during each half-year period (Values increase on first day of period shown)					(2) On purchase price from issue date to beginning of each half-year period	(3) On current redemption value from beginning of each half-year period to second extended maturity
	Second extended maturity period						
First ½ year.....	\$34. 09	\$68. 18	\$136. 36	\$681. 80	\$1, 363. 60	Percent 3. 01	Percent 3. 75
½ to 1 year.....	34. 73	69. 46	138. 92	694. 60	1, 389. 20	3. 03	3. 75
1 to 1½ years.....	35. 38	70. 76	141. 52	707. 60	1, 415. 20	3. 05	3. 75
1½ to 2 years.....	36. 04	72. 08	144. 16	720. 80	1, 441. 60	3. 06	3. 75
2 to 2½ years.....	36. 72	73. 44	146. 88	734. 40	1, 468. 80	3. 08	3. 75
2½ to 3 years.....	37. 41	74. 82	149. 64	748. 20	1, 496. 40	3. 09	3. 75
3 to 3½ years.....	38. 11	76. 22	152. 44	762. 20	1, 524. 40	3. 11	3. 75
3½ to 4 years.....	38. 82	77. 64	155. 28	776. 40	1, 552. 80	3. 12	3. 75
4 to 4½ years.....	39. 55	79. 10	158. 20	791. 00	1, 582. 00	3. 13	3. 75
4½ to 5 years.....	40. 29	80. 58	161. 16	805. 80	1, 611. 60	3. 15	3. 75
5 to 5½ years.....	41. 05	82. 10	164. 20	821. 00	1, 642. 00	3. 16	3. 75
5½ to 6 years.....	41. 82	83. 64	167. 28	836. 40	1, 672. 80	3. 17	3. 75
6 to 6½ years.....	42. 60	85. 20	170. 40	852. 00	1, 704. 00	3. 18	3. 75
6½ to 7 years.....	43. 40	86. 80	173. 60	868. 00	1, 736. 00	3. 19	3. 75
7 to 7½ years.....	44. 22	88. 44	176. 88	884. 40	1, 768. 80	3. 20	3. 75
7½ to 8 years.....	45. 04	90. 08	180. 16	900. 80	1, 801. 60	3. 21	3. 75
8 to 8½ years.....	45. 89	91. 78	183. 56	917. 80	1, 835. 60	3. 22	3. 75
8½ to 9 years.....	46. 75	93. 50	187. 00	935. 00	1, 870. 00	3. 23	3. 75
9 to 9½ years.....	47. 63	95. 26	190. 52	952. 60	1, 905. 20	3. 24	3. 74
9½ to 10 years.....	48. 52	97. 04	194. 08	970. 40	1, 940. 80	3. 25	3. 75
Second extended maturity value (20 years from original maturity date) ¹	49. 43	98. 86	197. 72	988. 60	1, 977. 20	3. 26	-----

* Calculated on basis of \$1,000 bond (face value).
¹ 30 years from issue date.

TABLE 6—BONDS BEARING ISSUE DATES FROM JUNE 1 THROUGH NOVEMBER 1, 1942

Issue price.....	\$18. 75	\$37. 50	\$75. 00	\$375. 00	\$750. 00	Approximate investment yield*	
Original maturity value.....	25. 00	50. 00	100. 00	500. 00	1, 000. 00		
First extended maturity value..	34. 17	68. 34	136. 68	683. 40	1, 366. 80		
Period after first extended maturity (beginning 20 years after issue date)	(1) Redemption values during each half-year period (Values increase on first day of period shown)					(2) On purchase price from issue date to beginning of each half-year period	(3) On current redemption value from beginning of each half-year period to second extended maturity
	Second extended maturity period						
First ½ year.....	\$34. 17	\$68. 34	\$136. 68	\$683. 40	\$1, 366. 80	Percent 3. 02	Percent 3. 75
½ to 1 year.....	34. 81	69. 62	139. 24	696. 20	1, 392. 40	3. 04	3. 75
1 to 1½ years.....	35. 46	70. 92	141. 84	709. 20	1, 418. 40	3. 06	3. 75
1½ to 2 years.....	36. 13	72. 26	144. 52	722. 60	1, 445. 20	3. 07	3. 75
2 to 2½ years.....	36. 81	73. 62	147. 24	736. 20	1, 472. 40	3. 09	3. 75
2½ to 3 years.....	37. 50	75. 00	150. 00	750. 00	1, 500. 00	3. 10	3. 75
3 to 3½ years.....	38. 20	76. 40	152. 80	764. 00	1, 528. 00	3. 12	3. 75
3½ to 4 years.....	38. 92	77. 84	155. 68	778. 40	1, 556. 80	3. 13	3. 75
4 to 4½ years.....	39. 64	79. 28	158. 56	792. 80	1, 585. 60	3. 14	3. 75
4½ to 5 years.....	40. 39	80. 78	161. 56	807. 60	1, 615. 60	3. 16	3. 75
5 to 5½ years.....	41. 15	82. 30	164. 60	823. 00	1, 646. 00	3. 17	3. 75
5½ to 6 years.....	41. 92	83. 84	167. 68	838. 40	1, 676. 80	3. 18	3. 75
6 to 6½ years.....	42. 70	85. 40	170. 80	854. 00	1, 708. 00	3. 19	3. 75
6½ to 7 years.....	43. 50	87. 00	174. 00	870. 00	1, 740. 00	3. 20	3. 75
7 to 7½ years.....	44. 32	88. 64	177. 28	886. 40	1, 772. 80	3. 21	3. 75
7½ to 8 years.....	45. 15	90. 30	180. 60	903. 00	1, 806. 00	3. 22	3. 75
8 to 8½ years.....	46. 00	92. 00	184. 00	920. 00	1, 840. 00	3. 23	3. 74
8½ to 9 years.....	46. 86	93. 72	187. 44	937. 20	1, 874. 40	3. 24	3. 74
9 to 9½ years.....	47. 74	95. 48	190. 96	954. 80	1, 909. 60	3. 25	3. 74
9½ to 10 years.....	48. 63	97. 26	194. 52	972. 60	1, 945. 20	3. 26	3. 74
Second extended maturity value (20 years from original maturity date) ¹	49. 54	99. 08	198. 16	990. 80	1, 981. 60	3. 26	-----

* Calculated on basis of \$1,000 bond (face value).
¹ 30 years from issue date.

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TABLE 7—BONDS BEARING ISSUE DATES FROM DECEMBER 1, 1942, THROUGH May 1, 1943

Issue price.....	\$18.75	\$37.50	\$75.00	\$375.00	\$750.00	Approximate investment yield*	
Original maturity value.....	25.00	50.00	100.00	500.00	1,000.00		
First extended maturity value.....	34.26	68.52	137.04	685.20	1,370.40		
Period after first extended maturity (beginning 20 years after issue date)	(1) Redemption values during each half-year period (Values increase on first day of period shown)					Percent	Percent
	Second extended maturity period						
First 1/2 year.....	\$34.26	\$68.52	\$137.04	\$685.20	\$1,370.40	3.04	3.75
1/2 to 1 year.....	34.90	69.80	139.60	698.00	1,396.00	3.05	3.75
1 to 1 1/2 years.....	35.56	71.12	142.24	711.20	1,422.40	3.07	3.75
1 1/2 to 2 years.....	36.22	72.44	144.88	724.40	1,448.80	3.09	3.75
2 to 2 1/2 years.....	36.90	73.80	147.60	738.00	1,476.00	3.10	3.75
2 1/2 to 3 years.....	37.59	75.18	150.36	751.80	1,503.60	3.12	3.75
3 to 3 1/2 years.....	38.30	76.60	153.20	766.00	1,532.00	3.13	3.75
3 1/2 to 4 years.....	39.02	78.04	156.08	780.40	1,560.80	3.14	3.75
4 to 4 1/2 years.....	39.75	79.50	159.00	795.00	1,590.00	3.16	3.75
4 1/2 to 5 years.....	40.49	80.98	161.96	809.80	1,619.60	3.17	3.75
5 to 5 1/2 years.....	41.25	82.50	165.00	825.00	1,650.00	3.18	3.75
5 1/2 to 6 years.....	42.03	84.06	168.12	840.60	1,681.20	3.19	3.75
6 to 6 1/2 years.....	42.82	85.64	171.28	856.40	1,712.80	3.20	3.75
6 1/2 to 7 years.....	43.62	87.24	174.48	872.40	1,744.80	3.21	3.75
7 to 7 1/2 years.....	44.44	88.88	177.76	888.80	1,777.60	3.22	3.75
7 1/2 to 8 years.....	45.27	90.54	181.08	905.40	1,810.80	3.23	3.75
8 to 8 1/2 years.....	46.12	92.24	184.48	922.40	1,844.80	3.24	3.75
8 1/2 to 9 years.....	46.98	93.96	187.92	939.60	1,879.20	3.25	3.76
9 to 9 1/2 years.....	47.86	95.72	191.44	957.20	1,914.40	3.26	3.77
9 1/2 to 10 years.....	48.76	97.52	195.04	975.20	1,950.40	3.27	3.77
Second extended maturity value (20 years from original maturity date)¹.....	49.68	99.36	198.72	993.60	1,987.20	3.27	-----

* Calculated on basis of \$1,000 bond (face value).
 ¹ 30 years from issue date.

TABLE 8—BONDS BEARING ISSUE DATES FROM JUNE 1 THROUGH NOVEMBER 1, 1943

Issue price.....	\$18.75	\$37.50	\$75.00	\$375.00	\$750.00	Approximate investment yield*	
Original maturity value.....	25.00	50.00	100.00	500.00	1,000.00		
First extended maturity value.....	34.34	68.68	137.36	686.80	1,373.60		
Period after first extended maturity (beginning 20 years after issue date)	(1) Redemption values during each half-year period (values increase on first day of period shown)					Percent	Percent
	Second extended maturity period						
First 1/2 year.....	\$34.34	\$68.68	\$137.36	\$686.80	\$1,373.60	3.05	3.75
1/2 to 1 year.....	34.98	69.96	139.92	699.60	1,399.20	3.07	3.75
1 to 1 1/2 years.....	35.64	71.28	142.56	712.80	1,425.60	3.08	3.75
1 1/2 to 2 years.....	36.31	72.62	145.24	726.20	1,452.40	3.10	3.75
2 to 2 1/2 years.....	36.99	73.98	147.96	739.80	1,479.60	3.11	3.75
2 1/2 to 3 years.....	37.68	75.36	150.72	753.60	1,507.20	3.13	3.75
3 to 3 1/2 years.....	38.39	76.78	153.56	767.80	1,535.60	3.14	3.75
3 1/2 to 4 years.....	39.11	78.22	156.44	782.20	1,564.40	3.15	3.75
4 to 4 1/2 years.....	39.84	79.68	159.36	796.80	1,593.60	3.17	3.75
4 1/2 to 5 years.....	40.59	81.18	162.36	811.80	1,623.60	3.18	3.75
5 to 5 1/2 years.....	41.35	82.70	165.40	827.00	1,654.00	3.19	3.75
5 1/2 to 6 years.....	42.13	84.26	168.52	842.60	1,685.20	3.20	3.75
6 to 6 1/2 years.....	42.92	85.84	171.68	858.40	1,716.80	3.21	3.75
6 1/2 to 7 years.....	43.72	87.44	174.88	874.40	1,748.80	3.22	3.75
7 to 7 1/2 years.....	44.54	89.08	178.16	890.80	1,781.60	3.23	3.75
7 1/2 to 8 years.....	45.37	90.74	181.48	907.40	1,814.80	3.24	3.75
8 to 8 1/2 years.....	46.23	92.46	184.92	924.60	1,849.20	3.25	3.74
8 1/2 to 9 years.....	47.09	94.18	188.36	941.80	1,883.60	3.26	3.75
9 to 9 1/2 years.....	47.98	95.96	191.92	959.60	1,919.20	3.27	3.74
9 1/2 to 10 years.....	48.87	97.74	195.48	977.40	1,954.80	3.27	3.77
Second extended maturity value (20 years from original maturity date)¹.....	49.79	99.58	199.16	995.80	1,991.60	3.28	-----

* Calculated on basis of \$1,000 bond (face value).
 ¹ 30 years from issue date.

TABLE 9—BONDS BEARING ISSUE DATES FROM DECEMBER 1, 1943, THROUGH MAY 1, 1944

Issue price.....	\$18.75	\$37.50	\$75.00	\$375.00	\$750.00	Approximate investment yield*	
Original maturity value.....	25.00	50.00	100.00	500.00	1,000.00		
First extended maturity value..	34.43	68.86	137.72	688.60	1,377.20		
Period after first extended maturity (beginning 20 years after issue date)	(1) Redemption values during each half-year period (values increase on first day of period shown)					(2) On purchase price from issue date to beginning of each half-year period	(3) On current redemption value from beginning of each half-year period to second extended maturity
	Second extended maturity period						
						Percent	Percent
First ½ year.....	\$34.43	\$68.86	\$137.72	\$688.60	\$1,377.20	3.06	3.75
½ to 1 year.....	35.08	70.16	140.32	701.60	1,403.20	3.08	3.75
1 to 1½ years.....	35.73	71.46	142.92	714.60	1,429.20	3.09	3.75
1½ to 2 years.....	36.40	72.80	145.60	728.00	1,456.00	3.11	3.75
2 to 2½ years.....	37.09	74.18	148.36	741.80	1,483.60	3.12	3.75
2½ to 3 years.....	37.78	75.56	151.12	755.60	1,511.20	3.14	3.75
3 to 3½ years.....	38.49	76.98	153.96	769.80	1,539.60	3.15	3.75
3½ to 4 years.....	39.21	78.42	156.84	784.20	1,568.40	3.16	3.75
4 to 4½ years.....	39.95	79.90	159.80	799.00	1,598.00	3.18	3.75
4½ to 5 years.....	40.70	81.40	162.80	814.00	1,628.00	3.19	3.75
5 to 5½ years.....	41.46	82.92	165.84	829.20	1,658.40	3.20	3.75
5½ to 6 years.....	42.24	84.48	168.96	844.80	1,689.60	3.21	3.75
6 to 6½ years.....	43.03	86.06	172.12	860.60	1,721.20	3.22	3.75
6½ to 7 years.....	43.83	87.66	175.32	876.60	1,753.20	3.23	3.75
7 to 7½ years.....	44.66	89.32	178.64	893.20	1,786.40	3.24	3.75
7½ to 8 years.....	45.49	90.98	181.96	909.80	1,819.60	3.25	3.75
8 to 8½ years.....	46.35	92.70	185.40	927.00	1,854.00	3.26	3.74
8½ to 9 years.....	47.22	94.44	188.88	944.40	1,888.80	3.27	3.74
9 to 9½ years.....	48.10	96.20	192.40	962.00	1,924.00	3.28	3.75
9½ to 10 years.....	49.00	98.00	196.00	980.00	1,960.00	3.28	3.76
Second extended maturity value (20 years from original maturity date) ¹	49.92	99.84	199.68	998.40	1,996.80	3.29	-----

* Calculated on basis of \$1,000 bond (face value).
¹ 30 years from issue date.

TABLE 10—BONDS BEARING ISSUE DATES FROM JUNE 1 THROUGH NOVEMBER 1, 1944

Issue price.....	\$7.50	\$18.75	\$37.50	\$75.00	\$375.00	\$750.00	Approximate investment yield*
Original maturity value.....	10.00	25.00	50.00	100.00	500.00	1,000.00	
First extended maturity value..	13.80	34.51	69.02	138.04	690.20	1,380.40	
Period after first extended maturity (beginning 20 years after issue date)	(1) Redemption values during each half-year period (values increase on first day of period shown)					(2) On purchase price from issue date to beginning of each half-year period	(3) On current redemption value from beginning of each half-year period to second extended maturity
	Second extended maturity period						
							Percent
First ½ year.....	\$13.80	\$34.51	\$69.02	\$138.04	\$690.20	\$1,380.40	3.07
½ to 1 year.....	14.06	35.16	70.32	140.64	703.20	1,406.40	3.09
1 to 1½ years.....	14.33	35.82	71.64	143.28	716.40	1,432.80	3.11
1½ to 2 years.....	14.60	36.49	72.98	145.96	729.80	1,459.60	3.12
2 to 2½ years.....	14.87	37.17	74.34	148.68	743.40	1,486.80	3.13
2½ to 3 years.....	15.15	37.87	75.74	151.48	757.40	1,514.80	3.15
3 to 3½ years.....	15.43	38.58	77.16	154.32	771.60	1,543.20	3.16
3½ to 4 years.....	15.72	39.30	78.60	157.20	786.00	1,572.00	3.17
4 to 4½ years.....	16.02	40.04	80.08	160.16	800.80	1,601.60	3.19
4½ to 5 years.....	16.32	40.79	81.58	163.16	815.80	1,631.60	3.20
5 to 5½ years.....	16.62	41.55	83.10	166.20	831.00	1,662.00	3.21
5½ to 6 years.....	16.93	42.33	84.66	169.32	846.60	1,693.20	3.22
6 to 6½ years.....	17.25	43.13	86.26	172.52	862.60	1,725.20	3.23
6½ to 7 years.....	17.58	43.94	87.88	175.76	878.80	1,757.60	3.24
7 to 7½ years.....	17.90	44.76	89.52	179.04	895.20	1,790.40	3.25
7½ to 8 years.....	18.24	45.60	91.20	182.40	912.00	1,824.00	3.26
8 to 8½ years.....	18.58	46.45	92.90	185.80	929.00	1,858.00	3.27
8½ to 9 years.....	18.93	47.33	94.66	189.32	946.60	1,893.20	3.28
9 to 9½ years.....	19.28	48.21	96.42	192.84	964.20	1,928.40	3.28
9½ to 10 years.....	19.65	49.12	98.24	196.48	982.40	1,964.80	3.29
Second extended maturity value (20 years from original maturity date) ¹	20.02	50.04	100.08	200.16	1,000.80	2,001.60	3.30

* Calculated on basis of \$1,000 bond (face value).
¹ 30 years from issue date.

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TABLE 11—BONDS BEARING ISSUE DATES FROM DECEMBER 1, 1944, THROUGH MAY 1, 1945

Issue price.....	\$7.50	\$18.75	\$37.50	\$75.00	\$375.00	\$750.00	Approximate investment yield*	
Original maturity value.....	10.00	25.00	50.00	100.00	500.00	1,000.00		
Period after original maturity (beginning 10 years after issue date)	(1) Redemption values during each half-year period (values increase on first day of period shown)						(2) On purchase price from issue date to beginning of each half-year period	(3) On current redemption value from beginning of each half-year period (a) to first extended maturity
	First extended maturity period							
First ½ year.....	\$10.00	\$25.00	\$50.00	\$100.00	\$500.00	\$1,000.00	Percent 2.90	
½ to 1 year.....	10.15	25.37	50.75	101.50	507.50	1,015.00	2.90	
1 to 1½ years.....	10.30	25.75	51.50	103.00	515.00	1,030.00	2.90	
1½ to 2 years.....	10.45	26.12	52.25	104.50	522.50	1,045.00	2.91	
2 to 2½ years.....	10.60	26.50	53.00	106.00	530.00	1,060.00	2.90	
2½ to 3 years.....	10.76	26.90	53.80	107.60	538.00	1,076.00	2.91	
3 to 3½ years.....	10.92	27.30	54.60	109.20	546.00	1,092.00	2.91	
3½ to 4 years.....	11.08	27.70	55.40	110.80	554.00	1,108.00	2.91	
4 to 4½ years.....	11.24	28.10	56.20	112.40	562.00	1,124.00	2.91	
4½ to 5 years.....	11.40	28.50	57.00	114.00	570.00	1,140.00	2.91	

Redemption values and investment yields to first extended maturity on basis of June 1, 1950 revision¹

5 to 5½ years.....	\$11.58	\$28.96	\$57.92	\$115.84	\$579.20	\$1,158.40	2.92	3.58
5½ to 6 years.....	11.77	29.43	58.86	117.72	588.60	1,177.20	2.93	3.62
6 to 6½ years.....	11.96	29.91	59.82	119.64	598.20	1,196.40	2.94	3.67
6½ to 7 years.....	12.16	30.41	60.82	121.64	608.20	1,216.40	2.95	3.71
7 to 7½ years.....	12.37	30.92	61.84	123.68	618.40	1,236.80	2.96	3.77
7½ to 8 years.....	12.58	31.46	62.92	125.84	629.20	1,258.40	2.98	3.83
8 to 8½ years.....	12.80	32.00	64.00	128.00	640.00	1,280.00	2.99	3.93
8½ to 9 years.....	13.05	32.62	65.24	130.48	652.40	1,304.80	3.02	3.95
9 to 9½ years.....	13.30	33.25	66.50	133.00	665.00	1,330.00	3.04	3.99
9½ to 10 years.....	13.56	33.90	67.80	135.60	678.00	1,356.00	3.06	4.07
First extended maturity value (10 years from original maturity date) ²	13.84	34.59	69.18	138.36	691.80	1,383.60	3.09	-----
Period after first extended maturity (beginning 20 years after issue date)	Second extended maturity period						(b) to second extended maturity	
First ½ year.....	\$13.84	\$34.59	\$69.18	\$138.36	\$691.80	\$1,383.60		3.09
½ to 1 year.....	14.10	35.24	70.48	140.96	704.80	1,409.60	3.10	3.75
1 to 1½ years.....	14.36	35.90	71.80	143.60	718.00	1,436.00	3.12	3.75
1½ to 2 years.....	14.63	36.57	73.14	146.28	731.40	1,462.80	3.13	3.75
2 to 2½ years.....	14.90	37.26	74.52	149.04	745.20	1,490.40	3.15	3.75
2½ to 3 years.....	15.18	37.96	75.92	151.84	759.20	1,518.40	3.16	3.75
3 to 3½ years.....	15.47	38.67	77.34	154.68	773.40	1,546.80	3.17	3.75
3½ to 4 years.....	15.76	39.39	78.78	157.56	787.80	1,575.60	3.18	3.75
4 to 4½ years.....	16.05	40.13	80.26	160.52	802.60	1,605.20	3.20	3.75
4½ to 5 years.....	16.35	40.88	81.76	163.52	817.60	1,635.20	3.21	3.75
5 to 5½ years.....	16.66	41.65	83.30	166.60	833.00	1,666.00	3.22	3.75
5½ to 6 years.....	16.97	42.43	84.86	169.72	848.60	1,697.20	3.23	3.75
6 to 6½ years.....	17.29	43.23	86.46	172.92	864.60	1,729.20	3.24	3.75
6½ to 7 years.....	17.62	44.04	88.08	176.16	880.80	1,761.60	3.25	3.75
7 to 7½ years.....	17.94	44.86	89.72	179.44	897.20	1,794.40	3.26	3.75
7½ to 8 years.....	18.28	45.71	91.42	182.84	914.20	1,828.40	3.27	3.74
8 to 8½ years.....	18.62	46.56	93.12	186.24	931.20	1,862.40	3.27	3.75
8½ to 9 years.....	18.98	47.44	94.88	189.76	948.80	1,897.60	3.28	3.74
9 to 9½ years.....	19.33	48.32	96.64	193.28	966.40	1,932.80	3.29	2.75
9½ to 10 years.....	19.69	49.23	98.46	196.92	984.60	1,969.20	3.30	2.74
Second extended maturity value (20 years from original maturity date) ²	20.06	50.15	100.30	200.60	1,003.00	2,006.00	3.31	-----

* Calculated on basis of \$1,000 bond (face value).

** Approximate investment yield from beginning of each half-year period to first extended maturity, at first extended maturity value prior to June 1, 1950 revision.

† Approximate investment yield from effective date of June 1, 1950 revision to first extended maturity.

‡ For redemption values and investment yields during original maturity period see Department Circular No. 653, Fifth Revision, dated September 23, 1950.

¹ 20 years from issue date. ² 30 years from issue date.

TABLE 12—BONDS BEARING ISSUE DATES FROM JUNE 1 THROUGH NOVEMBER 1, 1946

Issue price..... Original maturity value.....	\$7.50	\$18.75	\$37.50	\$75.00	\$150.00	\$375.00	\$750.00	Approximate investment yield*	
	10.00	25.00	50.00	100.00	200.00	500.00	1,000.00	(2) On pur- chase price from issue date to begin- ning of each half-year period	(3) On cur- rent redemp- tion value from begin- ning of each half-year period (a) to first extended maturity
Period after original maturity (beginning 10 years after issue date)	(1) Redemption values during each half-year period (values increase on first day of period shown)								
	First extended maturity period								
First 1/2 year.....	\$10.00	\$25.00	\$50.00	\$100.00	\$200.00	\$500.00	\$1,000.00	Percent 2.90	Percent 3.00
1/2 to 1 year.....	10.15	25.37	50.75	101.50	203.00	507.50	1,015.00	2.90	3.00
1 to 1 1/2 years.....	10.30	25.75	51.50	103.00	206.00	515.00	1,030.00	2.90	3.00
1 1/2 to 2 years.....	10.45	26.12	52.25	104.50	209.00	522.50	1,045.00	2.91	3.01
2 to 2 1/2 years.....	10.60	26.50	53.00	106.00	212.00	530.00	1,060.00	2.90	3.02
2 1/2 to 3 years.....	10.78	26.90	53.80	107.60	215.20	538.00	1,076.00	2.91	3.02
3 to 3 1/2 years.....	10.92	27.30	54.60	109.20	218.40	546.00	1,092.00	2.91	3.02
3 1/2 to 4 years.....	11.08	27.70	55.40	110.80	221.60	554.00	1,108.00	2.91	3.03
4 to 4 1/2 years.....	11.24	28.10	56.20	112.40	224.80	562.00	1,124.00	2.91	3.04

Redemption values and investment yields to first extended maturity on basis of June 1, 1959, revision¹

4 1/2 to 5 years.....	\$11.40	\$28.51	\$57.02	\$114.04	\$228.08	\$570.20	\$1,140.40	2.91	3.09
5 to 5 1/2 years.....	11.59	28.97	57.94	115.88	231.76	579.40	1,158.80	2.92	3.03
5 1/2 to 6 years.....	11.78	29.46	58.92	117.84	235.68	589.20	1,178.40	2.94	3.06
6 to 6 1/2 years.....	11.98	29.95	59.90	119.80	239.60	599.00	1,198.00	2.95	3.70
6 1/2 to 7 years.....	12.18	30.46	60.92	121.84	243.68	609.20	1,218.40	2.96	3.74
7 to 7 1/2 years.....	12.39	30.98	61.96	123.92	247.84	619.60	1,239.20	2.96	3.80
7 1/2 to 8 years.....	12.61	31.52	63.04	126.08	252.16	630.40	1,260.80	2.99	3.86
8 to 8 1/2 years.....	12.83	32.07	64.14	128.28	256.56	641.40	1,282.80	3.00	3.95
8 1/2 to 9 years.....	13.08	32.60	65.33	130.76	261.52	653.80	1,307.60	3.03	3.98
9 to 9 1/2 years.....	13.33	33.33	66.66	133.32	266.64	666.60	1,333.20	3.05	4.01
9 1/2 to 10 years.....	13.60	33.99	67.98	135.96	271.92	679.80	1,359.60	3.07	4.06
First extended maturity value (20 years from original maturity date) ²	13.87	34.68	69.36	138.72	277.44	693.60	1,387.20	3.10	-----
Period after first extended maturity (beginning 20 years after issue date)	Second extended maturity period								(b) to second extended maturity
First 1/2 year.....	\$13.87	\$34.68	\$69.36	\$138.72	\$277.44	\$693.60	\$1,387.20	3.10	3.75
1/2 to 1 year.....	14.13	35.33	70.66	141.32	282.64	706.60	1,413.20	3.11	3.75
1 to 1 1/2 years.....	14.40	36.09	71.98	143.96	287.92	719.80	1,439.60	3.13	3.75
1 1/2 to 2 years.....	14.67	36.87	73.34	146.68	293.36	733.40	1,466.80	3.14	3.75
2 to 2 1/2 years.....	14.94	37.34	74.72	149.44	298.88	747.20	1,494.40	3.16	3.75
2 1/2 to 3 years.....	15.22	38.06	76.12	152.24	304.48	761.20	1,522.40	3.17	3.75
3 to 3 1/2 years.....	15.51	38.77	77.54	155.08	310.16	775.40	1,550.80	3.18	3.75
3 1/2 to 4 years.....	15.80	39.50	79.00	158.00	316.00	790.00	1,580.00	3.20	3.75
4 to 4 1/2 years.....	16.10	40.24	80.48	160.96	321.92	804.80	1,609.60	3.21	3.75
4 1/2 to 5 years.....	16.40	40.99	81.98	163.96	327.92	819.80	1,639.60	3.22	3.75
5 to 5 1/2 years.....	16.70	41.76	83.52	167.04	334.08	835.20	1,670.40	3.23	3.75
5 1/2 to 6 years.....	17.02	42.54	85.08	170.16	340.32	850.80	1,701.60	3.24	3.75
6 to 6 1/2 years.....	17.34	43.34	86.68	173.36	346.72	866.80	1,733.60	3.25	3.75
6 1/2 to 7 years.....	17.66	44.15	88.30	176.60	353.20	883.00	1,766.00	3.26	3.75
7 to 7 1/2 years.....	17.99	44.98	89.96	179.92	359.84	899.60	1,799.20	3.27	3.75
7 1/2 to 8 years.....	18.33	45.82	91.64	183.28	366.56	916.40	1,832.80	3.28	3.75
8 to 8 1/2 years.....	18.67	46.68	93.36	186.72	373.44	933.60	1,867.20	3.28	3.75
8 1/2 to 9 years.....	19.02	47.56	95.12	190.24	380.48	951.20	1,902.40	3.29	3.74
9 to 9 1/2 years.....	19.38	48.45	96.90	193.80	387.60	969.00	1,938.00	3.30	3.74
9 1/2 to 10 years.....	19.74	49.36	98.72	197.44	394.88	987.20	1,974.40	3.31	3.73
Second extended maturity value (20 years from original maturity date) ²	20.11	50.28	100.56	201.12	402.24	1,005.60	2,011.20	3.32	-----

* Calculated on basis of \$1,000 bond (face value).
 ** Approximate investment yield from beginning of each half-year period to first extended maturity, at first extended maturity value prior to June 1, 1959 revision.
 † Approximate investment yield from effective date of June 1, 1959 revision to first extended maturity.
 ‡ For redemption values and investment yields during original maturity period see Department Circular No. 663, Fifth Revision, dated September 23, 1959.
 2 20 years from issue date. 3 30 years from issue date.

PROPOSED RULE MAKING

TABLE 13—BONDS BEARING ISSUE DATES FROM DECEMBER 1, 1945, THROUGH MAY 1, 1946

Issue price.....	\$7.50	\$18.75	\$37.50	\$75.00	\$150.00	\$375.00	\$750.00	Approximate investment yield ^a	
Original maturity value.....	10.00	25.00	50.00	100.00	200.00	500.00	1,000.00		
Period after original maturity (beginning 10 years after issue date)	(1) Redemption values during each half-year period (values increase on first day of period shown)							(2) On purchase price from issue date to beginning of each half-year period	(3) On current redemption value from beginning of each half-year period (a) to first extended maturity
	First extended maturity period								
First ½ year.....	\$10.00	\$25.00	\$50.00	\$100.00	\$200.00	\$500.00	\$1,000.00	Percent	Percent
½ to 1 year.....	10.15	25.37	50.75	101.50	203.00	507.50	1,015.00	2.90	**3.00
1 to 1½ years.....	10.30	25.75	51.50	103.00	206.00	515.00	1,030.00	2.90	**3.00
1½ to 2 years.....	10.45	26.12	52.25	104.50	209.00	522.50	1,045.00	2.91	**3.01
2 to 2½ years.....	10.60	26.50	53.00	106.00	212.00	530.00	1,060.00	2.90	**3.02
2½ to 3 years.....	10.76	26.90	53.80	107.60	215.20	538.00	1,076.00	2.91	**3.02
3 to 3½ years.....	10.92	27.30	54.60	109.20	218.40	546.00	1,092.00	2.91	**3.02
3½ to 4 years.....	11.08	27.70	55.40	110.80	221.60	554.00	1,108.00	2.91	†3.53

Redemption values and investment yields to first extended maturity on basis of June 1, 1950, revision¹

4 to 4½ years.....	\$11.24	\$28.11	\$56.22	\$112.44	\$224.88	\$562.20	\$1,124.40	2.91	3.58
4½ to 5 years.....	11.41	28.52	57.04	114.08	228.16	570.40	1,140.80	2.91	3.64
5 to 5½ years.....	11.60	29.00	58.00	116.00	232.00	580.00	1,160.00	2.93	3.66
5½ to 6 years.....	11.80	29.49	58.98	117.96	235.92	589.80	1,179.60	2.94	3.69
6 to 6½ years.....	12.00	29.99	59.98	119.96	239.92	599.80	1,199.60	2.96	3.73
6½ to 7 years.....	12.20	30.51	61.02	122.04	244.08	610.20	1,220.40	2.97	3.77
7 to 7½ years.....	12.42	31.04	62.08	124.16	248.32	620.80	1,241.60	2.99	3.82
7½ to 8 years.....	12.63	31.58	63.16	126.32	252.64	631.60	1,263.20	3.00	3.89
8 to 8½ years.....	12.86	32.14	64.28	128.56	257.12	642.80	1,285.60	3.02	3.97
8½ to 9 years.....	13.11	32.77	65.54	131.08	262.16	655.40	1,310.80	3.04	3.99
9 to 9½ years.....	13.36	33.41	66.82	133.64	267.28	668.20	1,336.40	3.06	4.03
9½ to 10 years.....	13.63	34.07	68.14	136.28	272.56	681.40	1,362.80	3.09	4.11
First extended maturity value (20 years from original maturity date) ²	13.91	34.77	69.54	139.08	278.16	695.40	1,390.80	3.11	-----
Period after first extended maturity (beginning 20 years after issue date)	Second extended maturity period							(b) to second extended maturity	
First ½ year.....	\$13.91	\$34.77	\$69.54	\$139.08	\$278.16	\$695.40	\$1,390.80	3.11	3.75
½ to 1 year.....	14.17	35.42	70.84	141.68	283.36	708.40	1,416.80	3.13	3.75
1 to 1½ years.....	14.44	36.09	72.18	144.36	288.72	721.80	1,443.60	3.14	3.75
1½ to 2 years.....	14.70	36.76	73.52	147.04	294.08	735.20	1,470.40	3.16	3.75
2 to 2½ years.....	14.98	37.45	74.90	149.80	299.60	749.00	1,498.00	3.17	3.75
2½ to 3 years.....	15.26	38.15	76.30	152.60	305.20	763.00	1,526.00	3.18	3.75
3 to 3½ years.....	15.55	38.87	77.74	155.48	310.96	777.40	1,554.80	3.19	3.75
3½ to 4 years.....	15.84	39.60	79.20	158.40	316.80	792.00	1,584.00	3.21	3.75
4 to 4½ years.....	16.14	40.34	80.68	161.36	322.72	806.80	1,613.60	3.22	3.75
4½ to 5 years.....	16.44	41.10	82.20	164.40	328.80	822.00	1,644.00	3.23	3.75
5 to 5½ years.....	16.75	41.87	83.74	167.48	334.96	837.40	1,674.80	3.24	3.75
5½ to 6 years.....	17.06	42.65	85.30	170.60	341.20	853.00	1,706.00	3.25	3.75
6 to 6½ years.....	17.38	43.45	86.90	173.80	347.60	869.00	1,738.00	3.26	3.75
6½ to 7 years.....	17.71	44.27	88.54	177.08	354.16	885.40	1,770.80	3.27	3.75
7 to 7½ years.....	18.04	45.10	90.20	180.40	360.80	902.00	1,804.00	3.28	3.74
7½ to 8 years.....	18.38	45.94	91.88	183.76	367.52	918.80	1,837.60	3.29	3.75
8 to 8½ years.....	18.72	46.80	93.60	187.20	374.40	936.00	1,872.00	3.29	3.75
8½ to 9 years.....	19.07	47.68	95.36	190.72	381.44	953.60	1,907.20	3.30	3.75
9 to 9½ years.....	19.43	48.58	97.16	194.32	388.64	971.60	1,943.20	3.31	3.73
9½ to 10 years.....	19.80	49.49	98.98	197.96	395.92	989.80	1,979.60	3.32	3.72
Second extended maturity value (20 years from original maturity date) ³	20.16	50.41	100.82	201.64	403.28	1,008.20	2,016.40	3.32	-----

* Calculated on basis of \$1,000 bond (face value).
 ** Approximate investment yield from beginning of each half-year period to first extended maturity, at first extended maturity value prior to June 1, 1950 revision.
 † Approximate investment yield from effective date of June 1, 1950 revision to first extended maturity.
¹ For redemption values and investment yields during original maturity period see Department Circular No. 653, Fifth Revision, dated September 23, 1950. ² 20 years from issue date. ³ 30 years from issue date.

TABLE 14—BONDS BEARING ISSUE DATES FROM JUNE 1 THROUGH NOVEMBER 1, 1960

Issue price..... Original maturity value.....	\$7.50	\$18.75	\$37.50	\$75.00	\$150.00	\$375.00	\$750.00	Approximate investment yield*	
	10.00	25.00	50.00	100.00	200.00	500.00	1,000.00	(2) On purchase price from issue date to beginning of each half-year period	(3) On current redemption value from beginning of each half-year period (a) to first extended maturity
Period after original maturity (beginning 10 years after issue date)	(1) Redemption values during each half-year period (values increase on first day of period shown)								
	First extended maturity period								
First 1/2 year.....	\$10.00	\$25.00	\$50.00	\$100.00	\$200.00	\$500.00	\$1,000.00	Percent 2.90	Percent **3.00
1/2 to 1 year.....	10.15	25.37	50.75	101.50	203.00	507.50	1,015.00	2.90	**3.00
1 to 1 1/2 years.....	10.30	25.75	51.50	103.00	206.00	515.00	1,030.00	2.90	**3.00
1 1/2 to 2 years.....	10.45	26.12	52.25	104.50	209.00	522.50	1,045.00	2.91	**3.01
2 to 2 1/2 years.....	10.60	26.50	53.00	106.00	212.00	530.00	1,060.00	2.90	**3.02
2 1/2 to 3 years.....	10.76	26.90	53.80	107.60	215.20	538.00	1,076.00	2.91	**3.02
3 to 3 1/2 years.....	10.92	27.30	54.60	109.20	218.40	546.00	1,092.00	2.91	13.52

Redemption values and investment yields to first extended maturity on basis of June 1, 1959 revision¹

3 1/2 to 4 years.....	\$11.08	\$27.71	\$55.42	\$110.84	\$221.68	\$554.20	\$1,108.40	2.91	3.56
4 to 4 1/2 years.....	11.25	28.12	56.24	112.48	224.96	562.40	1,124.80	2.92	3.61
4 1/2 to 5 years.....	11.42	28.55	57.10	114.20	228.40	571.00	1,142.00	2.92	3.66
5 to 5 1/2 years.....	11.61	29.03	58.06	116.12	232.24	580.60	1,161.20	2.94	3.69
5 1/2 to 6 years.....	11.81	29.53	59.06	118.12	236.24	590.60	1,181.20	2.95	3.72
6 to 6 1/2 years.....	12.02	30.04	60.08	120.16	240.32	600.80	1,201.60	2.97	3.75
6 1/2 to 7 years.....	12.23	30.57	61.14	122.28	244.56	611.40	1,222.80	2.98	3.78
7 to 7 1/2 years.....	12.44	31.10	62.20	124.40	248.80	622.00	1,244.00	3.00	3.83
7 1/2 to 8 years.....	12.66	31.65	63.30	126.60	253.20	633.00	1,266.00	3.01	3.89
8 to 8 1/2 years.....	12.89	32.22	64.44	128.88	257.76	644.40	1,288.80	3.03	3.96
8 1/2 to 9 years.....	13.14	32.84	65.68	131.36	262.72	656.80	1,313.60	3.05	4.00
9 to 9 1/2 years.....	13.40	33.49	66.98	133.96	267.92	669.80	1,339.60	3.08	4.02
9 1/2 to 10 years.....	13.66	34.15	68.30	136.60	273.20	683.00	1,366.00	3.10	4.10
First extended maturity value (20 years from original maturity date) ²	13.94	34.85	69.70	139.40	278.80	697.00	1,394.00	3.12	-----
Period after first extended maturity (beginning 20 years after issue date)	Second extended maturity period							(b) to second extended maturity	
First 1/2 year.....	\$13.94	\$34.85	\$69.70	\$139.40	\$278.80	\$697.00	\$1,394.00	3.12	3.75
1/2 to 1 year.....	14.20	35.50	71.00	142.00	284.00	710.00	1,420.00	3.14	3.75
1 to 1 1/2 years.....	14.47	36.17	72.34	144.68	289.36	723.40	1,446.80	3.15	3.75
1 1/2 to 2 years.....	14.74	36.85	73.70	147.40	294.80	737.00	1,474.00	3.17	3.75
2 to 2 1/2 years.....	15.02	37.54	75.08	150.16	300.32	750.80	1,501.60	3.18	3.75
2 1/2 to 3 years.....	15.30	38.24	76.48	152.96	305.92	764.80	1,529.60	3.19	3.75
3 to 3 1/2 years.....	15.58	38.96	77.92	155.84	311.68	779.20	1,558.40	3.21	3.75
3 1/2 to 4 years.....	15.88	39.69	79.38	158.76	317.52	793.80	1,587.60	3.22	3.75
4 to 4 1/2 years.....	16.17	40.43	80.86	161.72	323.44	808.60	1,617.20	3.23	3.75
4 1/2 to 5 years.....	16.48	41.19	82.38	164.76	329.52	823.80	1,647.60	3.24	3.75
5 to 5 1/2 years.....	16.78	41.96	83.92	167.84	335.68	839.20	1,678.40	3.25	3.75
5 1/2 to 6 years.....	17.10	42.75	85.50	171.00	342.00	855.00	1,710.00	3.26	3.75
6 to 6 1/2 years.....	17.42	43.55	87.10	174.20	348.40	871.00	1,742.00	3.27	3.75
6 1/2 to 7 years.....	17.76	44.37	88.74	177.48	354.96	887.40	1,774.80	3.28	3.75
7 to 7 1/2 years.....	18.08	45.20	90.40	180.80	361.60	904.00	1,808.00	3.29	3.75
7 1/2 to 8 years.....	18.42	46.05	92.10	184.20	368.40	921.00	1,842.00	3.29	3.75
8 to 8 1/2 years.....	18.76	46.91	93.82	187.64	375.28	938.20	1,876.40	3.30	3.75
8 1/2 to 9 years.....	19.12	47.79	95.58	191.16	382.32	955.60	1,911.60	3.31	3.75
9 to 9 1/2 years.....	19.48	48.69	97.38	194.76	389.52	973.80	1,947.60	3.32	3.74
9 1/2 to 10 years.....	19.84	49.60	99.20	198.40	396.80	992.00	1,984.00	3.32	3.75
Second extended maturity value (20 years from original maturity date) ³	20.21	50.53	101.06	202.12	404.24	1,010.60	2,021.20	3.33	-----

*Calculated on basis of \$1,000 bond (face value).

** Approximate investment yield from beginning of each half-year period to first extended maturity, at first extended maturity value prior to June 1, 1959 revision.

† Approximate investment yield from effective date of June 1, 1959 revision to first extended maturity.

¹ For redemption values and investment yields during original maturity period see Department Circular No. 653, Fifth Revision, dated September 23, 1959. ² 20 years from issue date. ³ 30 years from issue date.

PROPOSED RULE MAKING

TABLE 15—BONDS BEARING ISSUE DATES FROM DECEMBER 1, 1946, THROUGH MAY 1, 1947

Issue price Original maturity value.....	\$7.50	\$18.75	\$37.50	\$75.00	\$150.00	\$375.00	\$750.00	Approximate investment yield ^a		
								(2) On pur- chase price from issue date to begin- ning of each half-year period	(3) On cur- rent redem- tion value from begin- ning of each half-year period (a) to first extended maturity	
10.00	25.00	50.00	100.00	200.00	500.00	1,000.00				
Period after original maturity (beginning 10 years after issue date)	(1) Redemption values during each half-year period (values increase on first day of period shown)							Percent	Percent	
	First extended maturity period									
First ½ year.....	\$10.00	\$25.00	\$50.00	\$100.00	\$200.00	\$500.00	\$1,000.00	2.90	**3.00	
½ to 1 year.....	10.15	25.37	50.75	101.50	203.00	507.50	1,015.00	2.90	**3.00	
1 to 1½ years.....	10.30	25.75	51.50	103.00	206.00	515.00	1,030.00	2.90	**3.00	
1½ to 2 years.....	10.45	26.12	52.25	104.50	209.00	522.50	1,045.00	2.91	**3.01	
2 to 2½ years.....	10.60	26.50	53.00	106.00	212.00	530.00	1,060.00	2.90	**3.02	
2½ to 3 years.....	10.76	26.90	53.80	107.60	215.20	538.00	1,076.00	2.91	3.52	

Redemption values and investment yields to first extended maturity on basis of June 1, 1959 revision¹

3 to 3½ years.....	\$10.92	\$27.31	\$54.62	\$109.24	\$218.48	\$546.20	\$1,092.40	2.91	3.55	
3½ to 4 years.....	11.09	27.72	55.44	110.88	221.76	554.40	1,108.80	2.92	3.59	
4 to 4½ years.....	11.26	28.14	56.28	112.56	225.12	562.80	1,125.60	2.92	3.64	
4½ to 5 years.....	11.43	28.58	57.16	114.32	228.64	571.60	1,143.20	2.93	3.69	
5 to 5½ years.....	11.63	29.07	58.14	116.28	232.56	581.40	1,162.80	2.94	3.71	
5½ to 6 years.....	11.83	29.58	59.16	118.32	236.64	591.60	1,183.20	2.96	3.74	
6 to 6½ years.....	12.04	30.09	60.18	120.36	240.72	601.80	1,203.60	2.98	3.77	
6½ to 7 years.....	12.25	30.62	61.24	122.48	244.96	612.40	1,224.80	2.99	3.81	
7 to 7½ years.....	12.47	31.17	62.34	124.68	249.36	623.40	1,246.80	3.01	3.84	
7½ to 8 years.....	12.69	31.72	63.44	126.88	253.76	634.40	1,268.80	3.03	3.91	
8 to 8½ years.....	12.92	32.29	64.58	129.16	258.32	645.80	1,291.60	3.04	3.98	
8½ to 9 years.....	13.17	32.92	65.84	131.68	263.36	658.40	1,316.80	3.07	4.01	
9 to 9½ years.....	13.43	33.57	67.14	134.28	268.56	671.40	1,342.80	3.09	4.04	
9½ to 10 years.....	13.69	34.23	68.46	136.92	273.84	684.60	1,369.20	3.11	4.15	
First extended maturity value (20 years from original maturity date) ²	13.98	34.94	69.88	139.76	279.52	698.80	1,397.60	3.14	-----	
Period after first extended maturity (beginning 20 years after issue date)	Second extended maturity period							Percent	Percent	(b) to second extended maturity
First ½ year.....	\$13.98	\$34.94	\$69.88	\$139.76	\$279.52	\$698.80	\$1,397.60			
½ to 1 year.....	14.24	35.60	71.20	142.40	284.80	712.00	1,424.00	3.15	3.75	
1 to 1½ years.....	14.50	36.26	72.52	145.04	290.08	725.20	1,450.40	3.17	3.75	
1½ to 2 years.....	14.78	36.94	73.88	147.76	295.52	738.80	1,477.60	3.18	3.75	
2 to 2½ years.....	15.06	37.64	75.28	150.56	301.12	752.80	1,505.60	3.19	3.75	
2½ to 3 years.....	15.34	38.34	76.68	153.36	306.72	766.80	1,533.60	3.20	3.75	
3 to 3½ years.....	15.62	39.06	78.12	156.24	312.48	781.20	1,562.40	3.22	3.75	
3½ to 4 years.....	15.92	39.79	79.58	159.16	318.32	795.80	1,591.60	3.23	3.75	
4 to 4½ years.....	16.22	40.54	81.08	162.16	324.32	810.80	1,621.60	3.24	3.75	
4½ to 5 years.....	16.52	41.30	82.60	165.20	330.40	826.00	1,652.00	3.25	3.75	
5 to 5½ years.....	16.83	42.07	84.14	168.28	336.56	841.40	1,682.80	3.26	3.75	
5½ to 6 years.....	17.14	42.86	85.72	171.44	342.88	857.20	1,714.40	3.27	3.75	
6 to 6½ years.....	17.47	43.67	87.34	174.68	349.36	873.40	1,746.80	3.28	3.75	
6½ to 7 years.....	17.79	44.48	88.96	177.92	355.84	889.60	1,779.20	3.29	3.75	
7 to 7½ years.....	18.13	45.32	90.64	181.28	362.56	906.40	1,812.80	3.30	3.75	
7½ to 8 years.....	18.47	46.17	92.34	184.68	369.36	923.40	1,846.80	3.30	3.75	
8 to 8½ years.....	18.81	47.03	94.06	188.12	376.24	940.60	1,881.20	3.31	3.75	
8½ to 9 years.....	19.17	47.92	95.84	191.68	383.36	958.40	1,916.80	3.32	3.74	
9 to 9½ years.....	19.52	48.81	97.62	195.24	390.48	976.20	1,952.40	3.33	3.75	
9½ to 10 years.....	19.89	49.73	99.46	198.92	397.84	994.60	1,989.20	3.33	3.74	
Second extended maturity value (20 years from original maturity date) ³	20.26	50.66	101.32	202.64	405.28	1,013.20	2,026.40	3.34	-----	

^a Calculated on basis of \$1,000 bond (face value).

^b Approximate investment yield from beginning of each half-year period to first extended maturity, at first extended maturity value prior to June 1, 1959 revision.

^c Approximate investment yield from effective date of June 1, 1959 revision to first extended maturity.

¹ For redemption values and investment yields during original maturity period see Department Circular No. 653, Fifth Revision, dated September 23, 1959.

² 20 years from issue date. ³ 30 years from issue date.

TABLE 16—BONDS BEARING ISSUE DATES FROM JUNE 1 THROUGH NOVEMBER 1, 1947

Issue price..... Original maturity value.....	\$7.50	\$18.75	\$37.50	\$75.00	\$150.00	\$375.00	\$750.00	Approximate investment yield*	
	10.00	25.00	50.00	100.00	200.00	500.00	1,000.00		
Period after original maturity (beginning 10 years after issue date)	(1) Redemption values during each half-year period (values increase on first day of period shown)							(2) On purchase price from issue date to beginning of each half-year period	(3) On current redemption value from beginning of each half-year period (a) to first extended maturity
	First extended maturity period								
First 1/2 year.....	\$10.00	\$25.00	\$50.00	\$100.00	\$200.00	\$500.00	\$1,000.00	Percent 2.90	Percent **3.00
1/2 to 1 year.....	10.15	25.37	50.75	101.50	203.00	507.50	1,015.00	2.90	**3.00
1 to 1 1/2 years.....	10.30	25.75	51.50	103.00	206.00	515.00	1,030.00	2.90	**3.00
1 1/2 to 2 years.....	10.45	26.12	52.25	104.50	209.00	522.50	1,045.00	2.91	**3.01
2 to 2 1/2 years.....	10.60	26.50	53.00	106.00	212.00	530.00	1,060.00	2.90	†3.52

Redemption values and investment yields to first extended maturity on basis of June 1, 1959 revision¹

2 1/2 to 3 years.....	\$10.76	\$26.91	\$53.82	\$107.64	\$215.28	\$538.20	\$1,076.40	2.91	3.54
3 to 3 1/2 years.....	10.93	27.32	54.64	109.28	218.56	546.40	1,092.80	2.92	3.58
3 1/2 to 4 years.....	11.10	27.74	55.48	110.96	221.92	554.80	1,109.60	2.92	3.62
4 to 4 1/2 years.....	11.27	28.17	56.34	112.68	225.36	563.40	1,126.80	2.93	3.66
4 1/2 to 5 years.....	11.44	28.61	57.22	114.44	228.88	572.20	1,144.40	2.94	3.71
5 to 5 1/2 years.....	11.64	29.11	58.22	116.44	232.88	582.20	1,164.40	2.95	3.73
5 1/2 to 6 years.....	11.85	29.63	59.26	118.52	237.04	592.60	1,185.20	2.97	3.75
6 to 6 1/2 years.....	12.06	30.16	60.30	120.60	241.20	603.00	1,206.00	2.99	3.78
6 1/2 to 7 years.....	12.27	30.68	61.36	122.72	245.44	613.60	1,227.20	3.01	3.82
7 to 7 1/2 years.....	12.49	31.23	62.46	124.92	249.84	624.60	1,249.20	3.02	3.85
7 1/2 to 8 years.....	12.72	31.79	63.58	127.16	254.32	635.80	1,271.60	3.04	3.91
8 to 8 1/2 years.....	12.94	32.36	64.72	129.44	258.88	647.20	1,294.40	3.05	3.99
8 1/2 to 9 years.....	13.20	33.00	66.00	132.00	264.00	660.00	1,320.00	3.08	4.00
9 to 9 1/2 years.....	13.46	33.65	67.30	134.60	269.20	673.00	1,346.00	3.10	4.03
9 1/2 to 10 years.....	13.73	34.32	68.64	137.28	274.56	686.40	1,372.80	3.12	4.08
First extended maturity value (20 years from original maturity date) ²	14.01	35.02	70.04	140.08	280.16	700.40	1,400.80	3.15	-----
Period after first extended maturity (beginning 20 years after issue date)	Second extended maturity period							3.15	(b) to second extended maturity
First 1/2 year.....	\$14.01	\$35.02	\$70.04	\$140.08	\$280.16	\$700.40	\$1,400.80		
1/2 to 1 year.....	14.27	35.68	71.36	142.72	285.44	713.60	1,427.20	3.16	3.75
1 to 1 1/2 years.....	14.54	36.35	72.70	145.40	290.80	727.00	1,454.00	3.18	3.75
1 1/2 to 2 years.....	14.81	37.03	74.06	148.12	296.24	740.60	1,481.20	3.19	3.75
2 to 2 1/2 years.....	15.09	37.72	75.44	150.88	301.76	754.40	1,508.80	3.20	3.75
2 1/2 to 3 years.....	15.37	38.43	76.86	153.72	307.44	768.60	1,537.20	3.22	3.75
3 to 3 1/2 years.....	15.66	39.15	78.30	156.60	313.20	783.00	1,566.00	3.23	3.75
3 1/2 to 4 years.....	15.95	39.88	79.76	159.52	319.04	797.60	1,595.20	3.24	3.75
4 to 4 1/2 years.....	16.25	40.63	81.26	162.52	325.04	812.60	1,625.20	3.25	3.75
4 1/2 to 5 years.....	16.56	41.39	82.78	165.56	331.12	827.80	1,655.60	3.26	3.75
5 to 5 1/2 years.....	16.87	42.17	84.34	168.68	337.36	843.40	1,686.80	3.27	3.75
5 1/2 to 6 years.....	17.18	42.96	85.92	171.84	343.68	859.20	1,718.40	3.28	3.75
6 to 6 1/2 years.....	17.51	43.77	87.54	175.08	350.16	875.40	1,750.80	3.29	3.75
6 1/2 to 7 years.....	17.84	44.59	89.18	178.36	356.72	891.80	1,783.60	3.30	3.75
7 to 7 1/2 years.....	18.17	45.42	90.84	181.68	363.36	908.40	1,816.80	3.30	3.75
7 1/2 to 8 years.....	18.51	46.27	92.54	185.08	370.16	925.40	1,850.80	3.31	3.75
8 to 8 1/2 years.....	18.86	47.14	94.28	188.56	377.12	942.80	1,885.60	3.32	3.75
8 1/2 to 9 years.....	19.21	48.02	96.04	192.08	384.16	960.40	1,920.80	3.33	3.75
9 to 9 1/2 years.....	19.57	48.93	97.86	195.72	391.44	978.60	1,957.20	3.34	3.75
9 1/2 to 10 years.....	19.94	49.84	99.68	199.36	398.72	996.80	1,993.60	3.34	3.77
Second extended maturity value (20 years from original maturity date) ²	20.31	50.78	101.56	203.12	406.24	1,015.60	2,031.20	3.35	-----

*Calculated on basis of \$1,000 bond (face value).
 **Approximate investment yield from beginning of each half-year period to first extended maturity, at first extended maturity value prior to June 1, 1959 revision.
 †Approximate investment yield from effective date of June 1, 1959 revision to first extended maturity.
¹ For redemption values and investment yields during original maturity period see Department Circular No. 653, Fifth Revision, dated September 23, 1959. ² 20 years from issue date. ³ 30 years from issue date.

PROPOSED RULE MAKING

TABLE 17—BONDS BEARING ISSUE DATES FROM DECEMBER 1, 1947, THROUGH MAY 1, 1948

Issue price.....	\$7.50	\$18.75	\$37.50	\$75.00	\$150.00	\$375.00	\$750.00	Approximate investment yield*		
Original maturity value.....	10.00	25.00	50.00	100.00	200.00	500.00	1,000.00			
Period after original maturity (beginning 10 years after issue date)	(1) Redemption values during each half-year period (values increase on first day of period shown)							(2) On purchase price from issue date to beginning of each half-year period	(3) On current redemption value from beginning of each half-year period (a) to first extended maturity	
	First extended maturity period									
First 1/2 year.....	\$10.00	\$25.00	\$50.00	\$100.00	\$200.00	\$500.00	\$1,000.00	Percent	Percent	
1/2 to 1 year.....	10.16	25.37	50.75	101.50	203.00	507.50	1,015.00	2.90	**3.00	
1 to 1 1/2 years.....	10.30	25.75	51.50	103.00	206.00	515.00	1,030.00	2.90	**3.00	
1 1/2 to 2 years.....	10.45	26.12	52.25	104.50	209.00	522.50	1,045.00	2.91	**3.00	

Redemption values and investment yields to first extended maturity on basis of June 1, 1959, revision¹

2 to 2 1/2 years.....	\$10.60	\$26.51	\$53.02	\$106.04	\$212.08	\$530.20	\$1,060.40	2.91	3.54
2 1/2 to 3 years.....	10.77	26.92	53.84	107.68	215.36	538.40	1,076.80	2.91	3.57
3 to 3 1/2 years.....	10.94	27.34	54.68	109.36	218.72	546.80	1,093.60	2.92	3.61
3 1/2 to 4 years.....	11.11	27.77	55.54	111.08	222.16	555.40	1,110.80	2.93	3.64
4 to 4 1/2 years.....	11.28	28.20	56.40	112.80	225.60	564.00	1,128.00	2.94	3.69
4 1/2 to 5 years.....	11.46	28.65	57.30	114.60	229.20	573.00	1,146.00	2.95	3.73
5 to 5 1/2 years.....	11.66	29.16	58.32	116.64	233.28	583.20	1,166.40	2.97	3.76
5 1/2 to 6 years.....	11.87	29.68	59.36	118.72	237.44	593.60	1,187.20	2.99	3.77
6 to 6 1/2 years.....	12.08	30.21	60.42	120.84	241.68	604.20	1,208.40	3.00	3.79
6 1/2 to 7 years.....	12.30	30.75	61.50	123.00	246.00	615.00	1,230.00	3.02	3.82
7 to 7 1/2 years.....	12.52	31.30	62.60	125.20	250.40	626.00	1,252.00	3.04	3.87
7 1/2 to 8 years.....	12.74	31.86	63.72	127.44	254.88	637.20	1,274.40	3.05	3.92
8 to 8 1/2 years.....	12.98	32.44	64.88	129.76	259.52	648.80	1,297.60	3.07	3.99
8 1/2 to 9 years.....	13.23	33.06	66.16	132.32	264.34	661.00	1,323.20	3.09	4.01
9 to 9 1/2 years.....	13.49	33.73	67.46	134.92	269.34	674.00	1,349.20	3.11	4.06
9 1/2 to 10 years.....	13.76	34.40	68.80	137.60	274.50	688.00	1,376.00	3.14	4.13
First extended maturity value (20 years from original maturity date) ²	14.04	35.11	70.22	140.44	280.88	702.20	1,404.40	3.16	-----
Period after first extended maturity (beginning 20 years after issue date)	Second extended maturity period							(b) to second extended maturity	
First 1/2 year.....	\$14.04	\$35.11	\$70.22	\$140.44	\$280.88	\$702.20	\$1,404.40	3.16	3.75
1/2 to 1 year.....	14.31	35.77	71.54	143.08	286.16	715.40	1,430.80	3.18	3.75
1 to 1 1/2 years.....	14.58	36.44	72.88	145.76	291.52	728.80	1,457.60	3.19	3.75
1 1/2 to 2 years.....	14.85	37.12	74.24	148.48	296.96	742.40	1,484.80	3.20	3.75
2 to 2 1/2 years.....	15.13	37.82	75.64	151.28	302.56	756.40	1,512.80	3.21	3.75
2 1/2 to 3 years.....	15.41	38.53	77.06	154.12	308.24	770.60	1,541.20	3.23	3.75
3 to 3 1/2 years.....	15.70	39.25	78.50	157.00	314.00	785.00	1,570.00	3.24	3.75
3 1/2 to 4 years.....	16.00	39.99	79.98	159.96	319.92	799.80	1,599.60	3.25	3.75
4 to 4 1/2 years.....	16.30	40.74	81.48	162.96	325.92	814.80	1,629.60	3.26	3.75
4 1/2 to 5 years.....	16.60	41.50	83.00	166.00	332.00	830.00	1,660.00	3.27	3.75
5 to 5 1/2 years.....	16.91	42.28	84.56	169.12	338.24	845.00	1,691.20	3.28	3.75
5 1/2 to 6 years.....	17.23	43.07	86.14	172.28	344.56	861.00	1,722.80	3.29	3.75
6 to 6 1/2 years.....	17.55	43.88	87.76	175.52	351.04	877.60	1,755.20	3.30	3.75
6 1/2 to 7 years.....	17.88	44.70	89.40	178.80	357.60	894.00	1,788.00	3.31	3.75
7 to 7 1/2 years.....	18.22	45.54	91.08	182.16	364.32	910.80	1,821.60	3.31	3.75
7 1/2 to 8 years.....	18.56	46.39	92.78	185.56	371.12	927.80	1,855.60	3.32	3.75
8 to 8 1/2 years.....	18.90	47.26	94.52	189.04	378.08	945.20	1,890.40	3.33	3.75
8 1/2 to 9 years.....	19.26	48.15	96.30	192.60	385.20	963.00	1,926.00	3.34	3.75
9 to 9 1/2 years.....	19.62	49.05	98.10	196.20	392.40	981.00	1,962.00	3.34	3.76
9 1/2 to 10 years.....	19.99	49.97	99.94	199.88	399.76	999.40	1,998.80	3.35	3.76
Second extended maturity value (20 years from original maturity date) ²	20.36	50.91	101.82	203.64	407.28	1,018.20	2,036.40	3.36	-----

* Calculated on basis of \$1,000 bond (face value).
 ** Approximate investment yield from beginning of each half-year period to first extended maturity, at first extended maturity value prior to June 1, 1959 revision.
 † Approximate investment yield from effective date of June 1, 1959 revision to first extended maturity.
 ‡ For redemption values and investment yields during original maturity period see Department Circular No. 653, Fifth Revision, dated September 22, 1959.
 1 20 years from issue date. 2 30 years from issue date.

TABLE 18—BONDS BEARING ISSUE DATES FROM JUNE 1 THROUGH NOVEMBER 1, 1948

Issue price..... Original maturity value.....	\$7.50	\$18.75	\$37.50	\$75.00	\$150.00	\$375.00	\$750.00	Approximate investment yield*	
	10.00	25.00	50.00	100.00	200.00	500.00	1,000.00	(2) On pur- chase price from issue date to begin- ning of each half-year period	(3) On cur- rent redem- ption value from begin- ning of each half-year period (a) to first extended maturity
Period after original maturity (beginning 10 years after issue date)	(1) Redemption values during each half-year period (values increase on first day of period shown)								
	First extended maturity period								
First 1/2 year.....	\$10.00	\$25.00	\$50.00	\$100.00	\$200.00	\$500.00	\$1,000.00	Percent 2.90	Percent **2.00
1/2 to 1 year.....	10.15	25.37	50.75	101.50	203.00	507.50	1,015.00	2.90	**3.00
1 to 1 1/2 years.....	10.30	25.75	51.50	103.00	206.00	515.00	1,030.00	2.90	†3.50

Redemption values and investment yields to first extended maturity on basis of June 1, 1959, revision¹

1 1/2 to 2 years.....	\$10.46	\$26.14	\$52.28	\$104.56	\$209.12	\$522.80	\$1,045.60	2.91	3.53
2 to 2 1/2 years.....	10.61	26.52	53.04	106.08	212.16	530.40	1,060.80	2.91	3.57
2 1/2 to 3 years.....	10.77	26.93	53.86	107.72	215.44	538.60	1,077.20	2.92	3.60
3 to 3 1/2 years.....	10.94	27.36	54.72	109.44	218.88	547.20	1,094.40	2.93	3.63
3 1/2 to 4 years.....	11.12	27.80	55.60	111.20	222.40	556.00	1,112.00	2.94	3.66
4 to 4 1/2 years.....	11.30	28.24	56.48	112.96	225.92	564.80	1,129.60	2.95	3.70
4 1/2 to 5 years.....	11.48	28.69	57.38	114.76	229.52	573.80	1,147.60	2.96	3.75
5 to 5 1/2 years.....	11.68	29.21	58.42	116.84	233.68	584.20	1,168.40	2.98	3.76
5 1/2 to 6 years.....	11.89	29.73	59.46	118.92	237.84	594.60	1,189.20	3.00	3.79
6 to 6 1/2 years.....	12.10	30.26	60.52	121.04	242.08	605.20	1,210.40	3.01	3.81
6 1/2 to 7 years.....	12.32	30.81	61.62	123.24	246.48	616.20	1,232.40	3.03	3.84
7 to 7 1/2 years.....	12.55	31.37	62.74	125.48	250.96	627.40	1,254.80	3.05	3.87
7 1/2 to 8 years.....	12.77	31.93	63.86	127.72	255.44	638.60	1,277.20	3.07	3.93
8 to 8 1/2 years.....	13.00	32.51	65.02	130.04	260.08	650.20	1,300.40	3.08	4.01
8 1/2 to 9 years.....	13.26	33.15	66.30	132.60	265.20	663.00	1,326.00	3.10	4.08
9 to 9 1/2 years.....	13.52	33.81	67.62	135.24	270.48	676.20	1,352.40	3.13	4.06
9 1/2 to 10 years.....	13.79	34.48	68.96	137.92	275.84	689.60	1,379.20	3.15	4.15
First extended ma- turity value (20 years from original maturity date) ²	14.06	35.20	70.39	140.78	281.56	703.90	1,407.80	3.17	-----
Period after first extended maturity (beginning 20 years after issue date)	Second extended maturity period								(b) to second extended maturity
First 1/2 year.....	\$14.06	\$35.20	\$70.39	\$140.78	\$281.56	\$703.90	\$1,407.80	3.17	3.75
1/2 to 1 year.....	14.24	35.85	71.70	143.40	286.80	717.00	1,434.00	3.19	3.75
1 to 1 1/2 years.....	14.61	36.53	73.06	146.12	292.24	730.60	1,461.20	3.20	3.75
1 1/2 to 2 years.....	14.88	37.21	74.42	148.84	297.68	744.20	1,488.40	3.21	3.75
2 to 2 1/2 years.....	15.16	37.91	75.82	151.64	303.28	758.20	1,516.40	3.23	3.75
2 1/2 to 3 years.....	15.45	38.62	77.24	154.48	308.96	772.40	1,544.80	3.24	3.75
3 to 3 1/2 years.....	15.74	39.34	78.68	157.36	314.72	786.80	1,573.60	3.25	3.75
3 1/2 to 4 years.....	16.03	40.08	80.16	160.32	320.64	801.60	1,603.20	3.26	3.75
4 to 4 1/2 years.....	16.33	40.83	81.66	163.32	326.64	816.60	1,633.20	3.27	3.75
4 1/2 to 5 years.....	16.64	41.60	83.20	166.40	332.80	832.00	1,664.00	3.28	3.75
5 to 5 1/2 years.....	16.96	42.38	84.76	169.52	339.04	847.60	1,695.20	3.29	3.75
5 1/2 to 6 years.....	17.27	43.17	86.34	172.68	345.36	863.40	1,726.80	3.30	3.75
6 to 6 1/2 years.....	17.59	43.98	87.96	175.92	351.84	879.60	1,759.20	3.31	3.75
6 1/2 to 7 years.....	17.92	44.81	89.62	179.24	358.48	896.20	1,792.40	3.31	3.75
7 to 7 1/2 years.....	18.26	45.65	91.30	182.60	365.20	913.00	1,826.00	3.32	3.75
7 1/2 to 8 years.....	18.60	46.50	93.00	186.00	372.00	930.00	1,860.00	3.33	3.75
8 to 8 1/2 years.....	18.95	47.38	94.76	189.52	379.04	947.60	1,895.20	3.34	3.75
8 1/2 to 9 years.....	19.30	48.26	96.52	193.04	386.08	965.20	1,930.40	3.34	3.76
9 to 9 1/2 years.....	19.67	49.17	98.34	196.68	393.36	983.40	1,966.80	3.35	3.75
9 1/2 to 10 years.....	20.04	50.09	100.18	200.36	400.72	1,001.80	2,003.60	3.36	3.75
Second extended ma- turity value (20 years from original maturity date) ³	20.41	51.03	102.06	204.12	408.24	1,020.60	2,041.20	3.37	-----

* Calculated on basis of \$1,000 bond (face value).
 ** Approximate investment yield from beginning of each half-year period to first extended maturity, at first extended maturity value prior to June 1, 1959 revision.
 † Approximate investment yield from effective date of June 1, 1959 revision to first extended maturity.
¹ For redemption values and investment yields during original maturity period see Department Circular No. 653, Fifth Revision, dated September 23, 1959. ² 20 years from issue date. ³ 30 years from issue date.

PROPOSED RULE MAKING

TABLE 19—BONDS BEARING ISSUE DATES FROM DECEMBER 1, 1948, THROUGH MAY 1, 1949

Issue price.....	\$7.50	\$18.75	\$37.50	\$75.00	\$150.00	\$375.00	\$750.00	Approximate investment yield*	
Original maturity value.....	10.00	25.00	50.00	100.00	200.00	500.00	1,000.00		
Period after original maturity (beginning 10 years after issue date)	(1) Redemption values during each half-year period (values increase on first day of period shown)							(2) On purchase price from issue date to beginning of each half-year period	(3) On current redemption value from beginning of each half-year period (a) to first extended maturity
	First extended maturity period								
First 1/2 year.....	\$10.00	\$25.00	\$50.00	\$100.00	\$200.00	\$500.00	\$1,000.00	Percent	Percent
1/2 to 1 year.....	10.15	25.37	50.75	101.50	203.00	507.50	1,015.00	2.90	3.00
								2.90	3.50

Redemption values and investment yields to first extended maturity on basis of June 1, 1959, revision¹

1 to 1 1/2 years.....	\$10.30	\$25.76	\$51.52	\$103.04	\$206.08	\$515.20	\$1,030.40		
1 1/2 to 2 years.....	10.46	26.14	52.28	104.56	209.12	522.80	1,045.60	2.91	3.53
2 to 2 1/2 years.....	10.61	26.53	53.06	106.12	212.24	530.60	1,061.20	2.91	3.56
2 1/2 to 3 years.....	10.78	26.96	53.92	107.84	215.68	539.20	1,078.40	2.91	3.59
3 to 3 1/2 years.....	10.96	27.39	54.78	109.56	219.12	547.80	1,095.60	2.93	3.62
3 1/2 to 4 years.....	11.13	27.83	55.66	111.32	222.64	556.60	1,113.20	2.94	3.65
4 to 4 1/2 years.....	11.31	28.28	56.56	113.12	226.24	565.60	1,131.20	2.96	3.68
4 1/2 to 5 years.....	11.50	28.74	57.48	114.96	229.92	574.80	1,149.60	2.96	3.72
5 to 5 1/2 years.....	11.70	29.26	58.52	117.04	234.06	585.20	1,170.40	2.97	3.76
5 1/2 to 6 years.....	11.92	29.79	59.58	119.16	238.32	595.80	1,191.60	2.99	3.78
6 to 6 1/2 years.....	12.13	30.33	60.66	121.32	242.64	606.60	1,213.20	3.01	3.79
6 1/2 to 7 years.....	12.35	30.87	61.74	123.48	246.96	617.40	1,234.80	3.03	3.82
7 to 7 1/2 years.....	12.57	31.43	62.86	125.72	251.44	628.60	1,257.20	3.04	3.85
7 1/2 to 8 years.....	12.80	32.00	64.00	128.00	256.00	640.00	1,280.00	3.06	3.89
8 to 8 1/2 years.....	13.04	32.59	65.18	130.36	260.72	651.80	1,303.60	3.08	3.94
8 1/2 to 9 years.....	13.29	33.23	66.46	132.92	265.84	664.60	1,329.20	3.09	4.01
9 to 9 1/2 years.....	13.56	33.89	67.78	135.56	271.12	677.80	1,355.60	3.12	4.03
9 1/2 to 10 years.....	13.82	34.56	69.12	138.24	276.48	691.20	1,382.40	3.14	4.06
First extended maturity value (20 years from original maturity date) ²	14.11	35.28	70.56	141.12	282.24	705.60	1,411.20	3.16	4.17
Period after first extended maturity (beginning 20 years after issue date)	Second extended maturity period							3.19	
First 1/2 year.....	\$14.11	\$35.28	\$70.56	\$141.12	\$282.24	\$705.60	\$1,411.20		
1/2 to 1 year.....	14.38	35.94	71.88	143.76	287.52	718.80	1,437.60	3.19	3.75
1 1/2 to 2 years.....	14.65	36.62	73.24	146.48	292.96	732.40	1,464.80	3.20	3.75
2 to 2 1/2 years.....	14.92	37.30	74.60	149.20	298.40	746.00	1,492.00	3.21	3.75
2 1/2 to 3 years.....	15.20	38.00	76.00	152.00	304.00	760.00	1,520.00	3.22	3.75
3 to 3 1/2 years.....	15.48	38.71	77.42	154.84	309.68	774.20	1,548.40	3.24	3.75
3 1/2 to 4 years.....	15.78	39.44	78.88	157.76	315.52	788.80	1,577.60	3.25	3.75
4 to 4 1/2 years.....	16.07	40.18	80.36	160.72	321.44	803.60	1,607.20	3.26	3.75
4 1/2 to 5 years.....	16.37	40.93	81.86	163.72	327.44	818.60	1,637.20	3.27	3.75
5 to 5 1/2 years.....	16.68	41.70	83.40	166.80	333.60	834.00	1,668.00	3.28	3.75
5 1/2 to 6 years.....	16.99	42.48	84.96	169.92	339.84	849.60	1,699.20	3.29	3.75
6 to 6 1/2 years.....	17.31	43.28	86.56	173.12	346.24	865.60	1,731.20	3.30	3.75
6 1/2 to 7 years.....	17.64	44.09	88.18	176.36	352.72	881.80	1,763.60	3.31	3.75
7 to 7 1/2 years.....	17.97	44.92	89.84	179.68	359.36	898.40	1,796.80	3.32	3.75
7 1/2 to 8 years.....	18.30	45.76	91.52	183.04	366.08	915.20	1,830.40	3.32	3.75
8 to 8 1/2 years.....	18.65	46.62	93.24	186.48	372.96	932.40	1,864.80	3.33	3.75
8 1/2 to 9 years.....	19.00	47.49	94.96	189.96	379.92	949.80	1,899.60	3.34	3.74
9 to 9 1/2 years.....	19.35	48.38	96.76	193.52	387.04	967.60	1,935.20	3.35	3.75
9 1/2 to 10 years.....	19.72	49.29	98.58	197.16	394.32	985.80	1,971.60	3.35	3.75
Second extended maturity value (20 years from original maturity date) ³	20.08	50.21	100.42	200.84	401.68	1,004.20	2,008.40	3.36	3.74
	20.46	51.15	102.30	204.60	409.20	1,023.00	2,046.00	3.37	3.74

* Calculated on basis of \$1,000 bond (face value).
 ** Approximate investment yield from beginning of each half-year period to first extended maturity, at first extended maturity value prior to June 1, 1959 revision.
 † Approximate investment yield from effective date of June 1, 1959 revision to first extended maturity.
 1 For redemption values and investment yields during original maturity period see Department Circular No. 653, Fifth Revision, dated September 23, 1959. 2 20 years from issue date. 3 30 years from issue date.

TABLE 21—BONDS BEARING ISSUE DATES FROM DECEMBER 1, 1949, THROUGH MAY 1, 1950

Issue price—Original maturity value	Period after issue date	(1) Redemption values during each half-year period (values increase on first day of period shown)					Approximate investment yield*
		\$7.50	\$18.75	\$37.50	\$75.00	\$150.00	
7.50	First 1/2 year	7.50	18.75	37.50	75.00	150.00	2.90
10.00	1/2 to 1 year	7.50	18.75	37.50	75.00	150.00	2.90
	1 to 1 1/2 years	7.55	18.87	37.75	75.50	151.00	2.93
	1 1/2 to 2 years	7.60	19.00	38.00	76.00	152.00	2.96
	2 to 2 1/2 years	7.65	19.12	38.25	76.50	153.00	2.99
	2 1/2 to 3 years	7.70	19.25	38.50	77.00	154.00	3.02
	3 to 3 1/2 years	7.75	19.37	38.75	77.50	155.00	3.05
	3 1/2 to 4 years	7.80	19.50	39.00	78.00	156.00	3.08
	4 to 4 1/2 years	7.85	19.62	39.25	78.50	157.00	3.11
	4 1/2 to 5 years	7.90	19.75	39.50	79.00	158.00	3.14
	5 to 5 1/2 years	7.95	19.87	39.75	79.50	159.00	3.17
	5 1/2 to 6 years	8.00	20.00	40.00	80.00	160.00	3.20
	6 to 6 1/2 years	8.05	20.12	40.25	80.50	161.00	3.23
	6 1/2 to 7 years	8.10	20.25	40.50	81.00	162.00	3.26
	7 to 7 1/2 years	8.15	20.37	40.75	81.50	163.00	3.29
	7 1/2 to 8 years	8.20	20.50	41.00	82.00	164.00	3.32
	8 to 8 1/2 years	8.25	20.62	41.25	82.50	165.00	3.35
	8 1/2 to 9 years	8.30	20.75	41.50	83.00	166.00	3.38
	9 to 9 1/2 years	8.35	20.87	41.75	83.50	167.00	3.41
	9 1/2 to 10 years	8.40	21.00	42.00	84.00	168.00	3.44
	Maturity value (10 years from issue date)	8.45	21.12	42.25	84.50	169.00	3.47
		8.50	21.25	42.50	85.00	170.00	3.50
		8.55	21.37	42.75	85.50	171.00	3.53
		8.60	21.50	43.00	86.00	172.00	3.56
		8.65	21.62	43.25	86.50	173.00	3.59
		8.70	21.75	43.50	87.00	174.00	3.62
		8.75	21.87	43.75	87.50	175.00	3.65
		8.80	22.00	44.00	88.00	176.00	3.68
		8.85	22.12	44.25	88.50	177.00	3.71
		8.90	22.25	44.50	89.00	178.00	3.74
		8.95	22.37	44.75	89.50	179.00	3.77
		9.00	22.50	45.00	90.00	180.00	3.80
		9.05	22.62	45.25	90.50	181.00	3.83
		9.10	22.75	45.50	91.00	182.00	3.86
		9.15	22.87	45.75	91.50	183.00	3.89
		9.20	23.00	46.00	92.00	184.00	3.92
		9.25	23.12	46.25	92.50	185.00	3.95
		9.30	23.25	46.50	93.00	186.00	3.98
		9.35	23.37	46.75	93.50	187.00	4.01
		9.40	23.50	47.00	94.00	188.00	4.04
		9.45	23.62	47.25	94.50	189.00	4.07
		9.50	23.75	47.50	95.00	190.00	4.10
		9.55	23.87	47.75	95.50	191.00	4.13
		9.60	24.00	48.00	96.00	192.00	4.16
		9.65	24.12	48.25	96.50	193.00	4.19
		9.70	24.25	48.50	97.00	194.00	4.22
		9.75	24.37	48.75	97.50	195.00	4.25
		9.80	24.50	49.00	98.00	196.00	4.28
		9.85	24.62	49.25	98.50	197.00	4.31
		9.90	24.75	49.50	99.00	198.00	4.34
		9.95	24.87	49.75	99.50	199.00	4.37
		10.00	25.00	50.00	100.00	200.00	4.40

Revised redemption values and investment yields

Maturity value (10 years from issue date)	Period after maturity date	Extended maturity period					(b) to extended maturity
		\$10.03	\$25.08	\$50.16	\$100.32	\$501.60	
\$10.03	First 1/2 year	\$10.03	\$25.08	\$50.16	\$100.32	\$501.60	2.93
10.21	1/2 to 1 year	10.21	25.52	51.04	102.08	508.00	2.96
10.39	1 to 1 1/2 years	10.39	26.00	51.96	103.84	514.40	2.99
10.58	1 1/2 to 2 years	10.58	26.50	52.92	105.72	520.80	3.02
10.76	2 to 2 1/2 years	10.76	27.00	53.92	107.64	527.20	3.05
10.96	2 1/2 to 3 years	10.96	27.50	54.96	109.60	533.60	3.08
11.16	3 to 3 1/2 years	11.16	28.00	56.04	111.60	540.00	3.11
11.36	3 1/2 to 4 years	11.36	28.50	57.16	113.64	546.40	3.14
11.57	4 to 4 1/2 years	11.57	29.00	58.32	115.72	552.80	3.17
11.79	4 1/2 to 5 years	11.79	29.50	59.52	117.84	559.20	3.20
12.01	5 to 5 1/2 years	12.01	30.00	60.76	120.00	565.60	3.23
12.24	5 1/2 to 6 years	12.24	30.50	62.04	122.24	572.00	3.26
12.46	6 to 6 1/2 years	12.46	31.00	63.36	124.56	578.40	3.29
12.70	6 1/2 to 7 years	12.70	31.50	64.72	126.96	584.80	3.32
12.95	7 to 7 1/2 years	12.95	32.00	66.12	129.44	591.20	3.35
13.20	7 1/2 to 8 years	13.20	32.50	67.56	132.00	597.60	3.38
13.45	8 to 8 1/2 years	13.45	33.00	69.04	134.64	604.00	3.41
13.72	8 1/2 to 9 years	13.72	33.50	70.56	137.36	610.40	3.44
13.98	9 to 9 1/2 years	13.98	34.00	72.12	140.16	616.80	3.47
14.26	9 1/2 to 10 years	14.26	34.50	73.72	143.04	623.20	3.50
14.54	Extended maturity value (10 years from original maturity date)†	14.54	36.36	72.72	145.44	727.20	3.53

* Calculated on basis of \$1,000 bond (face value).
 ** Approximate investment yield from beginning of each half-year period to maturity, at original maturity value prior to June 1, 1959 revision.
 † Revised approximate investment yield from effective date of revision to maturity.
 ‡ 20 years from issue date.

TABLE 20—BONDS BEARING ISSUE DATES FROM JUNE 1 THROUGH NOVEMBER 1, 1949

Issue price—Original maturity value	Period after issue date	(1) Redemption values during each half-year period (values increase on first day of period shown)					Approximate investment yield*
		\$7.50	\$18.75	\$37.50	\$75.00	\$150.00	
7.50	First 1/2 year	7.50	18.75	37.50	75.00	150.00	2.90
10.00	1/2 to 1 year	7.50	18.75	37.50	75.00	150.00	2.90
	1 to 1 1/2 years	7.55	18.87	37.75	75.50	151.00	2.93
	1 1/2 to 2 years	7.60	19.00	38.00	76.00	152.00	2.96
	2 to 2 1/2 years	7.65	19.12	38.25	76.50	153.00	2.99
	2 1/2 to 3 years	7.70	19.25	38.50	77.00	154.00	3.02
	3 to 3 1/2 years	7.75	19.37	38.75	77.50	155.00	3.05
	3 1/2 to 4 years	7.80	19.50	39.00	78.00	156.00	3.08
	4 to 4 1/2 years	7.85	19.62	39.25	78.50	157.00	3.11
	4 1/2 to 5 years	7.90	19.75	39.50	79.00	158.00	3.14
	5 to 5 1/2 years	7.95	19.87	39.75	79.50	159.00	3.17
	5 1/2 to 6 years	8.00	20.00	40.00	80.00	160.00	3.20
	6 to 6 1/2 years	8.05	20.12	40.25	80.50	161.00	3.23
	6 1/2 to 7 years	8.10	20.25	40.50	81.00	162.00	3.26
	7 to 7 1/2 years	8.15	20.37	40.75	81.50	163.00	3.29
	7 1/2 to 8 years	8.20	20.50	41.00	82.00	164.00	3.32
	8 to 8 1/2 years	8.25	20.62	41.25	82.50	165.00	3.35
	8 1/2 to 9 years	8.30	20.75	41.50	83.00	166.00	3.38
	9 to 9 1/2 years	8.35	20.87	41.75	83.50	167.00	3.41
	9 1/2 to 10 years	8.40	21.00	42.00	84.00	168.00	3.44
	Maturity value (10 years from issue date)	8.45	21.12	42.25	84.50	169.00	3.47
		8.50	21.25	42.50	85.00	170.00	3.50
		8.55	21.37	42.75	85.50	171.00	3.53
		8.60	21.50	43.00	86.00	172.00	3.56
		8.65	21.62	43.25	86.50	173.00	3.59
		8.70	21.75	43.50	87.00	174.00	3.62
		8.75	21.87	43.75	87.50	175.00	3.65
		8.80	22.00	44.00	88.00	176.00	3.68
		8.85	22.12	44.25	88.50	177.00	3.71
		8.90	22.25	44.50	89.00	178.00	3.74
		8.95	22.37	44.75	89.50	179.00	3.77
		9.00	22.50	45.00	90.00	180.00	3.80
		9.05	22.62	45.25	90.50	181.00	3.83
		9.10	22.75	45.50	91.00	182.00	3.86
		9.15	22.87	45.75	91.50	183.00	3.89
		9.20	23.00	46.00	92.00	184.00	3.92
		9.25	23.12	46.25	92.50	185.00	3.95
		9.30	23.25	46.50	93.00	186.00	3.98
		9.35	23.37	46.75	93.50	187.00	4.01
		9.40	23.50	47.00	94.00	188.00	4.04
		9.45	23.62	47.25	94.50	189.00	4.07
		9.50	23.75	47.50	95.00	190.00	4.10
		9.55	23.87	47.75	95.50	191.00	4.13
		9.60	24.00	48.00	96.00	192.00	4.16
		9.65	24.12	48.25	96.50	193.00	4.19
		9.70	24.25	48.50	97.00	194.00	4.22
		9.75	24.37	48.75	97.50	195.00	4.25
		9.80	24.50	49.00	98.00	196.00	4.28
		9.85	24.62	49.25	98.50	197.00	4.31
		9.90	24.75	49.50	99.00	198.00	4.34
		9.95	24.87	49.75	99.50	199.00	4.37
		10.00	25.00	50.00	100.00	200.00	4.40

Revised redemption values and investment yields

Maturity value (10 years from issue date)	Period after maturity date	Extended maturity period					(b) to extended maturity
		\$10.00	\$25.00	\$50.00	\$100.00	\$500.00	
\$10.00	First 1/2 year	\$10.00	\$25.00 <td>\$50.00</td> <td>\$100.00</td> <td>\$500.00</td> <td>2.90</td>	\$50.00	\$100.00	\$500.00	2.90
10.							

TABLE 22--BONDS BEARING ISSUE DATES FROM DECEMBER 1, 1950, THROUGH MAY 1, 1951

Issue price Original maturity value	Period after issue date	Redemption values during each half-year period (values increase on first day of period shown)						Approximate investment yield*		(3) On current redemption price from beginning of each half-year period (a) to maturity	
		\$18.75	\$27.50	\$37.50	\$50.00	\$75.00	\$150.00	\$375.00	\$750.00		
25.00	First 1/2 year	\$18.75	\$37.50	\$75.00	\$150.00	\$375.00	\$750.00	Percent	0.00	Percent	2.90
	1 to 1 1/2 years	18.75	37.75	75.50	151.00	377.50	755.00		.67		3.05
	1 1/2 to 2 years	19.00	38.00	76.00	152.00	380.00	760.00		.88		3.15
	2 to 2 1/2 years	19.12	38.25	76.50	153.00	382.50	765.00		.99		3.25
	2 1/2 to 3 years	19.25	38.50	77.00	154.00	385.00	770.00		1.06		3.38
	3 to 3 1/2 years	19.38	38.75	77.50	155.00	387.50	775.00		1.13		3.52
	3 1/2 to 4 years	19.50	39.00	78.00	156.00	390.00	780.00		1.21		3.66
	4 to 4 1/2 years	19.75	39.50	79.00	158.00	395.00	790.00		1.49		3.75
	4 1/2 to 5 years	20.00	40.00	80.00	160.00	400.00	800.00		1.72		3.87
	5 to 5 1/2 years	20.50	41.00	82.00	162.00	405.00	810.00		1.79		4.01
	5 1/2 to 6 years	20.75	41.50	83.00	164.00	410.00	820.00		1.85		4.18
	6 to 6 1/2 years	21.00	42.00	84.00	166.00	415.00	830.00		1.90		4.41
	6 1/2 to 7 years	21.25	42.50	85.00	168.00	420.00	840.00		2.12		4.36
	7 to 7 1/2 years	21.50	43.00	86.00	170.00	420.00	840.00		2.30		4.31
	7 1/2 to 8 years	22.00	44.00	88.00	175.00	440.00	880.00		2.45		4.26
	8 to 8 1/2 years	22.50	45.00	90.00	180.00	460.00	920.00		2.57		4.21
	8 1/2 to 9 years	23.00	46.00	92.00	184.00	460.00	920.00		2.67		4.17
	9 to 9 1/2 years	24.00	47.00	94.00	188.00	470.00	940.00		2.76		4.14

Revised redemption values and investment yields

9 1/2 to 10 years. Maturity value (10 years from issue date)	Extended maturity period				(b) to extended maturity
	\$24.02	\$48.04	\$96.08	\$192.16	
24.00	\$24.02	\$48.04	\$96.08	\$192.16	4.93
	25.22	50.44	100.88	201.76	5.04
	25.22	50.44	100.88	201.76	2.99
Period after maturity date	Extended maturity period				(b) to extended maturity
First 1/2 year	\$25.22	\$50.44	\$100.88	\$201.76	2.99
1/2 to 1 year	25.66	51.32	102.64	205.28	3.01
1 to 1 1/2 years	26.12	52.24	104.48	208.96	3.04
1 1/2 to 2 years	26.58	53.16	106.32	212.64	3.06
2 to 2 1/2 years	27.06	54.12	108.24	216.48	3.08
2 1/2 to 3 years	27.55	55.10	110.20	220.40	3.10
3 to 3 1/2 years	28.05	56.10	112.20	224.40	3.12
3 1/2 to 4 years	28.57	57.14	114.26	228.56	3.14
4 to 4 1/2 years	29.09	58.18	116.36	232.72	3.16
4 1/2 to 5 years	29.63	59.26	118.52	237.04	3.18
5 to 5 1/2 years	30.16	60.38	120.76	241.52	3.20
5 1/2 to 6 years	30.70	61.52	123.04	246.08	3.22
6 to 6 1/2 years	31.24	62.68	125.36	250.72	3.24
6 1/2 to 7 years	31.78	63.88	127.72	255.52	3.26
7 to 7 1/2 years	32.35	65.10	130.20	260.40	3.27
7 1/2 to 8 years	32.92	66.36	132.72	265.44	3.29
8 to 8 1/2 years	33.50	67.64	135.36	270.60	3.30
8 1/2 to 9 years	34.10	68.96	138.12	275.92	3.32
9 to 9 1/2 years	34.70	70.32	141.00	281.40	3.34
Extended maturity value (10 years from original maturity date)	35.35	71.70	143.40	286.80	3.35
	36.57	73.14	146.28	292.56	3.37

* Calculated on basis of \$1,000 bond (face value).
** Approximate investment yield from beginning of each half-year period to maturity, at original maturity value prior to June 1, 1950 revision.
† Revised approximate investment yield from effective date of revision to maturity.
‡ 20 years from issue date.

TABLE 22--BONDS BEARING ISSUE DATES FROM JUNE 1 THROUGH NOVEMBER 1, 1950

Issue price Original maturity value	Period after issue date	Redemption values during each half-year period (values increase on first day of period shown)						Approximate investment yield*		(3) On current redemption price from beginning of each half-year period (a) to maturity	
		\$18.75	\$27.50	\$37.50	\$50.00	\$75.00	\$150.00	\$375.00	\$750.00		
25.00	First 1/2 year	\$18.75	\$37.50	\$75.00	\$150.00	\$375.00	\$750.00	Percent	0.00	Percent	2.90
	1 to 1 1/2 years	18.75	37.75	75.50	151.00	377.50	755.00		.67		3.05
	1 1/2 to 2 years	19.00	38.00	76.00	152.00	380.00	760.00		.88		3.15
	2 to 2 1/2 years	19.12	38.25	76.50	153.00	382.50	765.00		.99		3.25
	2 1/2 to 3 years	19.25	38.50	77.00	154.00	385.00	770.00		1.06		3.38
	3 to 3 1/2 years	19.38	38.75	77.50	155.00	387.50	775.00		1.13		3.52
	3 1/2 to 4 years	19.50	39.00	78.00	156.00	390.00	780.00		1.49		3.66
	4 to 4 1/2 years	19.75	39.50	79.00	158.00	395.00	790.00		1.72		3.75
	4 1/2 to 5 years	20.00	40.00	80.00	160.00	400.00	800.00		1.79		3.87
	5 to 5 1/2 years	20.50	41.00	82.00	162.00	405.00	810.00		1.85		4.01
	5 1/2 to 6 years	20.75	41.50	83.00	164.00	410.00	820.00		1.90		4.18
	6 to 6 1/2 years	21.00	42.00	84.00	166.00	415.00	830.00		2.12		4.41
	6 1/2 to 7 years	21.25	42.50	85.00	168.00	420.00	840.00		2.30		4.36
	7 to 7 1/2 years	21.50	43.00	86.00	170.00	420.00	840.00		2.45		4.31
	7 1/2 to 8 years	22.00	44.00	88.00	175.00	440.00	880.00		2.57		4.26
	8 to 8 1/2 years	22.50	45.00	90.00	180.00	460.00	920.00		2.67		4.21
	8 1/2 to 9 years	23.00	46.00	92.00	184.00	460.00	920.00		2.76		4.17
	9 to 9 1/2 years	24.00	47.00	94.00	192.00	480.00	960.00		2.76		4.14

Revised redemption values and investment yields

9 1/2 to 10 years. Maturity value (10 years from issue date)	Extended maturity period				(b) to extended maturity
	\$24.64	\$49.08	\$98.16	\$196.32	
25.15	\$24.64	\$49.08	\$98.16	\$196.32	4.97
	25.15	50.30	100.60	201.20	5.00
	25.15	50.30	100.60	201.20	2.96
Period after maturity date	Extended maturity period				(b) to extended maturity
First 1/2 year	\$25.15	\$50.30	\$100.60	\$201.20	2.96
1/2 to 1 year	25.69	51.18	102.36	205.00	3.00
1 to 1 1/2 years	26.05	52.10	104.20	208.96	3.04
1 1/2 to 2 years	26.35	53.02	106.08	213.04	3.08
2 to 2 1/2 years	26.60	53.96	108.00	217.20	3.12
2 1/2 to 3 years	27.00	54.96	110.16	221.52	3.16
3 to 3 1/2 years	27.45	56.00	112.44	226.00	3.20
3 1/2 to 4 years	27.95	57.10	114.84	230.64	3.24
4 to 4 1/2 years	28.45	58.26	117.36	235.44	3.28
4 1/2 to 5 years	29.00	59.48	120.00	240.40	3.32
5 to 5 1/2 years	29.55	60.76	122.76	245.52	3.36
5 1/2 to 6 years	30.10	62.10	125.64	250.80	3.40
6 to 6 1/2 years	30.65	63.50	128.64	256.32	3.44
6 1/2 to 7 years	31.20	64.96	131.76	262.00	3.48
7 to 7 1/2 years	31.80	66.48	135.00	267.84	3.52
7 1/2 to 8 years	32.40	68.06	138.36	273.84	3.56
8 to 8 1/2 years	33.05	69.70	141.84	279.96	3.60
8 1/2 to 9 years	33.70	71.40	145.44	286.32	3.64
9 to 9 1/2 years	34.40	73.16	149.16	292.96	3.68
Extended maturity value (10 years from original maturity date)	35.15	75.00	153.00	300.00	3.72
	36.47	77.04	156.88	297.76	3.35

* Calculated on basis of \$1,000 bond (face value).
** Approximate investment yield from beginning of each half-year period to maturity, at original maturity value prior to June 1, 1950 revision.
† Revised approximate investment yield from effective date of revision to maturity.
‡ 20 years from issue date.

TABLE 25—BONDS BEARING ISSUE DATES FROM DECEMBER 1, 1951, THROUGH APRIL 1, 1952

Issue price—Original maturity value	\$18.75 25.00	\$37.50 50.00	\$75.00 100.00	\$150.00 200.00	\$375.00 500.00	\$750.00 1,000.00	Approximate investment yield*	(3) On current redemption value from beginning of each half-year period (a) to maturity
Period after issue date	(1) Redemption values during each half-year period (values increase on first day of period shown)						(2) On purchase price from issue date to beginning of each half-year period	Percent
First 1/4 year	\$18.75	\$37.50	\$75.00	\$150.00	\$375.00	\$750.00	0.00	2.90
1/4 to 1/2 year	18.75	37.50	75.00	150.00	375.00	750.00	0.00	2.90
1/2 to 3/4 year	18.87	37.75	75.50	151.00	377.50	755.00	.67	2.85
3/4 to 1 year	19.00	38.00	76.00	152.00	380.00	760.00	.88	2.80
1 year to 1 1/4 years	19.12	38.25	76.50	153.00	382.50	765.00	.99	2.75
1 1/4 to 1 1/2 years	19.25	38.50	77.00	154.00	385.00	770.00	1.06	2.70
1 1/2 to 1 3/4 years	19.38	38.75	77.50	155.00	387.50	775.00	1.13	2.65
1 3/4 to 2 years	19.50	39.00	78.00	156.00	390.00	780.00	1.21	2.60
2 to 2 1/4 years	19.63	39.25	78.50	157.00	392.50	785.00	1.29	2.55
2 1/4 to 2 1/2 years	19.75	39.50	79.00	158.00	395.00	790.00	1.37	2.50
2 1/2 to 2 3/4 years	19.88	39.75	79.50	159.00	397.50	795.00	1.45	2.45
2 3/4 to 3 years	20.00	40.00	80.00	160.00	400.00	800.00	1.53	2.40
3 to 3 1/4 years	20.13	40.25	80.50	161.00	402.50	805.00	1.61	2.35
3 1/4 to 3 1/2 years	20.25	40.50	81.00	162.00	405.00	810.00	1.69	2.30
3 1/2 to 3 3/4 years	20.38	40.75	81.50	163.00	407.50	815.00	1.77	2.25
3 3/4 to 4 years	20.50	41.00	82.00	164.00	410.00	820.00	1.85	2.20
4 to 4 1/4 years	20.63	41.25	82.50	165.00	412.50	825.00	1.93	2.15
4 1/4 to 4 1/2 years	20.75	41.50	83.00	166.00	415.00	830.00	2.01	2.10
4 1/2 to 4 3/4 years	20.88	41.75	83.50	167.00	417.50	835.00	2.09	2.05
4 3/4 to 5 years	21.00	42.00	84.00	168.00	420.00	840.00	2.17	2.00
5 to 5 1/4 years	21.13	42.25	84.50	169.00	422.50	845.00	2.25	1.95
5 1/4 to 5 1/2 years	21.25	42.50	85.00	170.00	425.00	850.00	2.33	1.90
5 1/2 to 5 3/4 years	21.38	42.75	85.50	171.00	427.50	855.00	2.41	1.85
5 3/4 to 6 years	21.50	43.00	86.00	172.00	430.00	860.00	2.49	1.80
6 to 6 1/4 years	21.63	43.25	86.50	173.00	432.50	865.00	2.57	1.75
6 1/4 to 6 1/2 years	21.75	43.50	87.00	174.00	435.00	870.00	2.65	1.70
6 1/2 to 6 3/4 years	21.88	43.75	87.50	175.00	437.50	875.00	2.73	1.65
6 3/4 to 7 years	22.00	44.00	88.00	176.00	440.00	880.00	2.81	1.60
7 to 7 1/4 years	22.13	44.25	88.50	177.00	442.50	885.00	2.89	1.55
7 1/4 to 7 1/2 years	22.25	44.50	89.00	178.00	445.00	890.00	2.97	1.50
7 1/2 to 8 years	22.38	44.75	89.50	179.00	447.50	895.00	3.05	1.45
8 to 8 1/2 years	22.50	45.00	90.00	180.00	450.00	900.00	3.13	1.40
Extended maturity value (10 years from original maturity date)†	22.50	45.00	90.00	180.00	450.00	900.00	3.40	1.35

Revised redemption values and investment yields

Period after maturity date	8 to 8 1/2 years	8 1/2 to 9 years	9 to 9 1/2 years	9 1/2 to 10 years	Maturity value (10 years from issue date)	Period after maturity date	8 to 8 1/2 years	8 1/2 to 9 years	9 to 9 1/2 years	9 1/2 to 10 years	Maturity value (10 years from original maturity date)†
8 to 8 1/2 years	\$23.01	\$46.02	\$92.04	\$184.08	\$460.20	8 to 8 1/2 years	\$23.01	\$46.02	\$92.04	\$184.08	\$460.20
8 1/2 to 9 years	23.06	47.12	94.24	188.48	471.20	8 1/2 to 9 years	23.06	47.12	94.24	188.48	471.20
9 to 9 1/2 years	24.13	48.26	96.52	193.04	482.00	9 to 9 1/2 years	24.13	48.26	96.52	193.04	482.00
9 1/2 to 10 years	24.74	49.48	98.96	197.92	494.80	9 1/2 to 10 years	24.74	49.48	98.96	197.92	494.80
Maturity value (10 years from issue date)	25.37	50.74	101.48	202.96	507.40	Maturity value (10 years from original maturity date)†	25.37	50.74	101.48	202.96	507.40
Extended maturity value (10 years from original maturity date)†	25.37	50.74	101.48	202.96	507.40	Extended maturity value (10 years from original maturity date)†	25.37	50.74	101.48	202.96	507.40

* Calculated on basis of \$1,000 bond (face value).
 ** Approximate investment yield from beginning of each half-year period to maturity, at original maturity value prior to June 1, 1959 revision.
 † Revised approximate investment yield from effective date of revision to maturity.
 ‡ 20 years from issue date.

TABLE 24—BONDS BEARING ISSUE DATES FROM JUNE 1 THROUGH NOVEMBER 1, 1951

Issue price—Original maturity value	\$18.75 25.00	\$37.50 50.00	\$75.00 100.00	\$150.00 200.00	\$375.00 500.00	\$750.00 1,000.00	Approximate investment yield*	(3) On current redemption value from beginning of each half-year period (a) to maturity
Period after issue date	(1) Redemption values during each half-year period (values increase on first day of period shown)						(2) On purchase price from issue date to beginning of each half-year period	Percent
First 1/4 year	\$18.75	\$37.50	\$75.00	\$150.00	\$375.00	\$750.00	0.00	2.90
1/4 to 1/2 year	18.75	37.50	75.00	150.00	375.00	750.00	0.00	2.90
1/2 to 3/4 year	18.87	37.75	75.50	151.00	377.50	755.00	.67	2.85
3/4 to 1 year	19.00	38.00	76.00	152.00	380.00	760.00	.88	2.80
1 year to 1 1/4 years	19.12	38.25	76.50	153.00	382.50	765.00	.99	2.75
1 1/4 to 1 1/2 years	19.25	38.50	77.00	154.00	385.00	770.00	1.06	2.70
1 1/2 to 1 3/4 years	19.38	38.75	77.50	155.00	387.50	775.00	1.13	2.65
1 3/4 to 2 years	19.50	39.00	78.00	156.00	390.00	780.00	1.21	2.60
2 to 2 1/4 years	19.63	39.25	78.50	157.00	392.50	785.00	1.29	2.55
2 1/4 to 2 1/2 years	19.75	39.50	79.00	158.00	395.00	790.00	1.37	2.50
2 1/2 to 2 3/4 years	19.88	39.75	79.50	159.00	397.50	795.00	1.45	2.45
2 3/4 to 3 years	20.00	40.00	80.00	160.00	400.00	800.00	1.53	2.40
3 to 3 1/4 years	20.13	40.25	80.50	161.00	402.50	805.00	1.61	2.35
3 1/4 to 3 1/2 years	20.25	40.50	81.00	162.00	405.00	810.00	1.69	2.30
3 1/2 to 3 3/4 years	20.38	40.75	81.50	163.00	407.50	815.00	1.77	2.25
3 3/4 to 4 years	20.50	41.00	82.00	164.00	410.00	820.00	1.85	2.20
4 to 4 1/4 years	20.63	41.25	82.50	165.00	412.50	825.00	1.93	2.15
4 1/4 to 4 1/2 years	20.75	41.50	83.00	166.00	415.00	830.00	2.01	2.10
4 1/2 to 4 3/4 years	20.88	41.75	83.50	167.00	417.50	835.00	2.09	2.05
4 3/4 to 5 years	21.00	42.00	84.00	168.00	420.00	840.00	2.17	2.00
5 to 5 1/4 years	21.13	42.25	84.50	169.00	422.50	845.00	2.25	1.95
5 1/4 to 5 1/2 years	21.25	42.50	85.00	170.00	425.00	850.00	2.33	1.90
5 1/2 to 5 3/4 years	21.38	42.75	85.50	171.00	427.50	855.00	2.41	1.85
5 3/4 to 6 years	21.50	43.00	86.00	172.00	430.00	860.00	2.49	1.80
6 to 6 1/4 years	21.63	43.25	86.50	173.00	432.50	865.00	2.57	1.75
6 1/4 to 6 1/2 years	21.75	43.50	87.00	174.00	435.00	870.00	2.65	1.70
6 1/2 to 6 3/4 years	21.88	43.75	87.50	175.00	437.50	875.00	2.73	1.65
6 3/4 to 7 years	22.00	44.00	88.00	176.00	440.00	880.00	2.81	1.60
7 to 7 1/4 years	22.13	44.25	88.50	177.00	442.50	885.00	2.89	1.55
7 1/4 to 7 1/2 years	22.25	44.50	89.00	178.00	445.00	890.00	2.97	1.50
7 1/2 to 8 years	22.38	44.75	89.50	179.00	447.50	895.00	3.05	1.45
8 to 8 1/2 years	22.50	45.00	90.00	180.00	450.00	900.00	3.13	1.40
Extended maturity value (10 years from original maturity date)†	22.50	45.00	90.00	180.00	450.00	900.00	3.38	1.35

Revised redemption values and investment yields

Period after maturity date	8 1/2 to 9 years	9 to 9 1/2 years	9 1/2 to 10 years	Maturity value (10 years from issue date)	Period after maturity date	8 1/2 to 9 years	9 to 9 1/2 years	9 1/2 to 10 years	Maturity value (10 years from original maturity date)†		
8 1/2 to 9 years	\$22.52	\$47.04	\$94.08	\$188.16	\$470.40	8 1/2 to 9 years	\$22.52	\$47.04	\$94.08	\$188.16	\$470.40
9 to 9 1/2 years	24.07	48.14	96.28	192.56	481.40	9 to 9 1/2 years	24.07	48.14	96.28	192.56	481.40
9 1/2 to 10 years	24.67	49.34	98.68	197.36	493.40	9 1/2 to 10 years	24.67	49.34	98.68	197.36	493.40
Maturity value (10 years from issue date)	25.30	50.60	101.20	202.40	506.00	Maturity value (10 years from original maturity date)†	25.30	50.60	101.20	202.40	506.00
Extended maturity value (10 years from original maturity date)†	25.30	50.60	101.20	202.40	506.00	Extended maturity value (10 years from original maturity date)†	25.30	50.60	101.20	202.40	506.00

* Calculated on basis of \$1,000 bond (face value).
 ** Approximate investment yield from beginning of each half-year period to maturity, at original maturity value prior to June 1, 1959 revision.
 † Revised approximate investment yield from effective date of revision to maturity.

TABLE 27—BONDS BEARING ISSUE DATES FROM JUNE 1 THROUGH NOVEMBER 1, 1952

Table with columns for Issue price (Original maturity, \$18.75, \$37.50, \$50, \$75, \$100, \$150, \$200, \$375, \$500, \$750, \$1,000, \$1,500, \$2,000, \$3,750, \$5,000, \$7,500, \$10,000), Period after issue date, and Approximate investment yield. Includes sub-tables for redemption values and current redemption values.

Revised redemption values and investment yields

Table showing revised redemption values and investment yields for various periods after maturity (7 1/2 to 8 years, 8 to 8 1/2 years, etc.) and extended maturity periods.

* Approximate investment yield from beginning of each half-year period to maturity, at original maturity value prior to June 1, 1950 revision. ...

TABLE 26—BONDS BEARING ISSUE DATE OF MAY 1, 1952

Table with columns for Issue price (Original maturity, \$18.75, \$37.50, \$50, \$75, \$100, \$150, \$200, \$375, \$500, \$750, \$1,000, \$1,500, \$2,000, \$3,750, \$5,000, \$7,500, \$10,000), Period after issue date, and Approximate investment yield. Includes sub-tables for redemption values and current redemption values.

Revised redemption values and investment yields

Table showing revised redemption values and investment yields for various periods after maturity (8 to 8 1/2 years, 8 1/2 to 9 years, etc.) and extended maturity periods.

* Approximate investment yield from beginning of each half-year period to maturity, at original maturity value prior to June 1, 1950 revision. ...

TABLE 29—BONDS BEARING ISSUE DATES FROM JUNE 1 THROUGH NOVEMBER 1, 1953

Table with columns for Issue price, Original maturity, Period after issue date, Redemption values, Approximate investment yield, and Percent yield.

Revised redemption values and investment yields

Table with columns for Period after maturity date, Extended maturity period, and (b) extended maturity.

TABLE 28—BONDS BEARING ISSUE DATES FROM DECEMBER 1, 1952, THROUGH MAY 1, 1953

Table with columns for Issue price, Original maturity, Period after issue date, Redemption values, Approximate investment yield, and Percent yield.

Revised redemption values and investment yields

Table with columns for Period after maturity date, Extended maturity period, and (b) extended maturity.

* Approximate investment yield from beginning of each half-year period to maturity, at original maturity value prior to June 1, 1969 revision. Revised approximate investment yield from effective date of revision to maturity.

TABLE 31—BONDS BEARING ISSUE DATES FROM JUNE 1 THROUGH NOVEMBER 1, 1954

Issue price Original maturity value	\$18.75	\$37.50	\$75.00	\$150.00	\$275.00	\$500.00	\$750.00	\$1,000.00	Approximate investment yield	(2) On purchase price from issue date to beginning of each half-year period ¹		Percent
										Percent	Period ¹	
18.75	37.50	75.00	150.00	275.00	500.00	750.00	1,000.00					
18.85	37.70	75.40	150.80	277.00	503.00	754.00	1,003.00					
19.05	38.10	76.20	152.40	281.00	509.00	762.00	1,009.00					
19.35	38.70	77.40	154.80	286.00	516.00	772.00	1,016.00					
19.55	39.10	78.20	156.40	291.00	523.00	782.00	1,023.00					
19.85	39.70	79.40	158.80	296.00	530.00	792.00	1,030.00					
20.05	40.10	80.20	160.40	301.00	537.00	802.00	1,037.00					
20.35	40.70	81.40	162.80	306.00	544.00	812.00	1,044.00					
20.55	41.10	82.20	164.40	311.00	551.00	822.00	1,051.00					
20.85	41.70	83.40	166.80	316.00	558.00	832.00	1,058.00					
21.05	42.10	84.20	168.40	321.00	565.00	842.00	1,065.00					
21.25	42.50	85.00	170.00	326.00	572.00	852.00	1,072.00					
21.45	42.90	85.80	171.60	331.00	579.00	862.00	1,079.00					
21.65	43.30	86.60	173.20	336.00	586.00	872.00	1,086.00					

TABLE 30—BONDS BEARING ISSUE DATES FROM DECEMBER 1, 1953, THROUGH MAY 1, 1954

Issue price Original maturity value	\$18.75	\$37.50	\$75.00	\$150.00	\$275.00	\$500.00	\$750.00	\$1,000.00	Approximate investment yield	(2) On purchase price from issue date to beginning of each half-year period ¹		Percent
										Percent	Period ¹	
18.75	37.50	75.00	150.00	275.00	500.00	750.00	1,000.00					
18.85	37.70	75.40	150.80	277.00	503.00	754.00	1,003.00					
19.05	38.10	76.20	152.40	281.00	509.00	762.00	1,009.00					
19.35	38.70	77.40	154.80	286.00	516.00	772.00	1,016.00					
19.55	39.10	78.20	156.40	291.00	523.00	782.00	1,023.00					
19.85	39.70	79.40	158.80	296.00	530.00	792.00	1,030.00					
20.05	40.10	80.20	160.40	301.00	537.00	802.00	1,037.00					
20.35	40.70	81.40	162.80	306.00	544.00	812.00	1,044.00					
20.55	41.10	82.20	164.40	311.00	551.00	822.00	1,051.00					
20.85	41.70	83.40	166.80	316.00	558.00	832.00	1,058.00					
21.05	42.10	84.20	168.40	321.00	565.00	842.00	1,065.00					
21.25	42.50	85.00	170.00	326.00	572.00	852.00	1,072.00					
21.45	42.90	85.80	171.60	331.00	579.00	862.00	1,079.00					
21.65	43.30	86.60	173.20	336.00	586.00	872.00	1,086.00					

TABLE 30—BONDS BEARING ISSUE DATES FROM DECEMBER 1, 1953, THROUGH MAY 1, 1954

Period after issue date	(1) Redemption values during each half-year period ¹ (values increase on first day of period shown)										(2) On purchase price from issue date to beginning of each half-year period ¹		Percent
	Percent	Period ¹	Percent	Period ¹	Percent	Period ¹	Percent	Period ¹	Percent	Period ¹			
First 1/2 year	18.75	37.50	75.00	150.00	275.00	500.00	750.00	1,000.00	0.00	0.00	0.00	0.00	0.00
1/2 to 1 year	18.85	37.70	75.40	150.80	277.00	503.00	754.00	1,003.00	1.07	1.07	1.07	1.07	3.10
1 1/2 to 2 years	19.05	38.10	76.20	152.40	281.00	509.00	762.00	1,009.00	1.94	1.94	1.94	1.94	3.16
2 1/2 to 3 years	19.35	38.70	77.40	154.80	286.00	516.00	772.00	1,016.00	2.10	2.10	2.10	2.10	3.19
3 1/2 to 4 years	19.55	39.10	78.20	156.40	291.00	523.00	782.00	1,023.00	2.19	2.19	2.19	2.19	3.23
4 1/2 to 5 years	19.85	39.70	79.40	158.80	296.00	530.00	792.00	1,030.00	2.25	2.25	2.25	2.25	3.26
5 1/2 to 6 years	20.05	40.10	80.20	160.40	301.00	537.00	802.00	1,037.00	2.28	2.28	2.28	2.28	3.28
6 1/2 to 7 years	20.35	40.70	81.40	162.80	306.00	544.00	812.00	1,044.00	2.30	2.30	2.30	2.30	3.30
7 1/2 to 8 years	20.55	41.10	82.20	164.40	311.00	551.00	822.00	1,051.00	2.43	2.43	2.43	2.43	3.41
8 1/2 to 9 years	20.85	41.70	83.40	166.80	316.00	558.00	832.00	1,058.00	2.43	2.43	2.43	2.43	3.41
9 1/2 to 10 years	21.05	42.10	84.20	168.40	321.00	565.00	842.00	1,065.00	2.43	2.43	2.43	2.43	3.41
10 1/2 to 11 years	21.25	42.50	85.00	170.00	326.00	572.00	852.00	1,072.00	2.52	2.52	2.52	2.52	3.49
11 1/2 to 12 years	21.45	42.90	85.80	171.60	331.00	579.00	862.00	1,079.00	2.52	2.52	2.52	2.52	3.49
12 1/2 to 13 years	21.65	43.30	86.60	173.20	336.00	586.00	872.00	1,086.00	2.59	2.59	2.59	2.59	3.50
13 1/2 to 14 years	21.85	43.70	87.40	174.80	341.00	593.00	882.00	1,093.00	2.59	2.59	2.59	2.59	3.50
14 1/2 to 15 years	22.05	44.10	88.20	176.40	346.00	600.00	892.00	1,100.00	3.06	3.06	3.06	3.06	3.59

TABLE 30—BONDS BEARING ISSUE DATES FROM DECEMBER 1, 1953, THROUGH MAY 1, 1954

Period after maturity date	(1) Redemption values during each half-year period ¹ (values increase on first day of period shown)										(2) On purchase price from issue date to beginning of each half-year period ¹		Percent
	Percent	Period ¹	Percent	Period ¹	Percent	Period ¹	Percent	Period ¹	Percent	Period ¹			
First 1/2 year	21.65	43.30	86.60	173.20	336.00	586.00	872.00	1,086.00	0.00	0.00	0.00	0.00	0.00
1/2 to 1 year	21.85	43.70	87.40	174.80	341.00	593.00	882.00	1,093.00	1.07	1.07	1.07	1.07	3.10
1 1/2 to 2 years	22.05	44.10	88.20	176.40	346.00	600.00	892.00	1,100.00	1.94	1.94	1.94	1.94	3.16
2 1/2 to 3 years	22.25	44.50	89.00	178.00	351.00	607.00	902.00	1,107.00	2.10	2.10	2.10	2.10	3.19
3 1/2 to 4 years	22.45	44.90	89.80	179.60	356.00	614.00	912.00	1,114.00	2.19	2.19	2.19	2.19	3.23
4 1/2 to 5 years	22.65	45.30	90.60	181.20	361.00	621.00	922.00	1,121.00	2.25	2.25	2.25	2.25	3.26
5 1/2 to 6 years	22.85	45.70	91.40	182.80	366.00	628.00	932.00	1,128.00	2.28	2.28	2.28	2.28	3.28
6 1/2 to 7 years	23.05	46.10	92.20	184.40	371.00	635.00	942.00	1,135.00	2.30	2.30	2.30	2.30	3.30
7 1/2 to 8 years	23.25	46.50	93.00	186.00	376.00	642.00	952.00	1,142.00	2.43	2.43	2.43	2.43	3.41
8 1/2 to 9 years	23.45	46.90	93.80	187.60	381.00	649.00	962.00	1,149.00	2.43	2.43	2.43	2.43	3.41
9 1/2 to 10 years	23.65	47.30	94.60	189.20	386.00	656.00	972.00	1,156.00	2.43	2.43	2.43	2.43	3.41
10 1/2 to 11 years	23.85	47.70	95.40	190.80	391.00	663.00	982.00	1,163.00	2.52	2.52	2.52	2.52	3.49
11 1/2 to 12 years	24.05	48.10	96.20	192.40	396.00	670.00	992.00	1,170.00	2.52	2.52	2.52	2.52	3.49
12 1/2 to 13 years	24.25	48.50	97.00	194.00	401.00	677.00	1,002.00	1,177.00	3.06	3.06	3.06	3.06	3.59
13 1/2 to 14 years	24.45	48.90	97.80	195.60	406.00	684.00	1,012.00	1,184.00	3.06	3.06	3.06	3.06	3.59
14 1/2 to 15 years	24.65	49.30	98.60	197.20	411.00	691.00	1,022.00	1,191.00	3.21	3.21	3.21	3.21	3.68
15 1/2 to 16 years	24.85	49.70	99.40	198.80	416.00	698.00	1,032.00	1,198.00	3.21	3.21	3.21	3.21	3.68
16 1/2 to 17 years	25.05	50.10	100.20	200.40	421.00	705.00	1,042.00	1,205.00	3.21	3.21	3.21	3.21	3.68
17 1/2 to 18 years	25.25	50.50	101.00	202.00	426.00	712.00	1,052.00	1,212.00	3.21	3.21	3.21	3.21	3.68
18 1/2 to 19 years	25.45	50.90	101.80	203.60	431.00	719.00	1,062.00	1,219.00	3.21	3.21	3.21	3.21	3.68
19 1/2 to 20 years	25.65	51.30	102.60	205.20	436.00	726.00	1,072.00	1,226.00	3.21	3.21	3.21	3.21	3.68
20 1/2 to 21 years	25.85	51.70	103.40	206.80	441.00	733.00	1,082.00	1,233.00	3.21	3.21	3.21	3.21	3.68
21 1/2 to 22 years	26.05	52.10	104.20	208.40	446.00	740.00	1,092.00	1,240.00	3.21	3.21	3.21	3.21	3.68
22 1/2 to 23 years	26.25	52.50	105.00	210.00	451.00	747.00	1,102.00	1,247.00	3.21	3.21	3.21	3.21	3.68
23 1/2 to 24 years	26.45	52.90	105.80	211.60	456.00	754.00	1,112.00	1,254.00	3.21	3.21	3.21	3.21	3.68
24 1/2 to 25 years	26.65	53.30	106.60	213.20	461.00	761.00	1,122.00	1,261.00	3.21	3.21	3.21	3.21	3.68
25 1/2 to 26 years	26.85	53.70	107.40	214.80	466.00	768.00	1,132.00	1,268.00	3.21	3.21	3.21	3.21	3.68
26 1/2 to 27 years	27.05	54.10	108.20	216.40	471.00	775.00	1,142.00	1,275.00	3.21	3.21	3.21	3.21	3.68
27 1/2 to 28 years	27.25	54.											

TABLE 32—BONDS BEARING ISSUE DATES FROM DECEMBER 1, 1964, THROUGH MAY 1, 1965

Issue price— Original maturity value	\$18.75	\$37.50	\$75.00	\$150.00	\$375.00	\$750.00	\$1,000.00	\$7,500	Approximate investment yield	(3) On cur- rent redemp- tion value from begin- ning of each half-year period (a) to maturity	Percent	
												(2) On pur- chase price from issue date to be- ginning of each half- year period (b)
Period after issue date	(1) Redemption values during each half-year period (values increase on first day of period shown)											
First 1/2 year	\$18.75	\$37.50	\$75.00	\$150.00	\$375.00	\$750.00	\$1,000.00	\$7,500		0.00	0.00	
1/2 to 1 year	18.85	37.70	75.10	150.10	375.10	750.10	1,000.10	7,510		1.07	3.10	
1 to 1 1/2 years	19.05	38.10	76.20	152.40	381.00	762.00	1,000.00	7,620		1.59	3.16	
1 1/2 to 2 years	19.30	38.60	77.20	154.40	386.00	772.00	1,000.00	7,720		1.94	3.19	
2 to 2 1/2 years	19.55	39.10	78.20	156.40	391.00	782.00	1,000.00	7,820		2.19	3.23	
2 1/2 to 3 years	19.80	39.60	79.20	158.40	396.00	792.00	1,000.00	7,920		2.25	3.28	
3 to 3 1/2 years	20.05	40.10	80.20	160.40	401.00	802.00	1,000.00	8,020		2.25	3.34	
3 1/2 to 4 years	20.30	40.60	81.20	162.40	406.00	812.00	1,000.00	8,120		2.28	3.41	
4 to 4 1/2 years	20.55	41.10	82.20	164.40	411.00	822.00	1,000.00	8,220		2.30	3.49	
4 1/2 to 5 years	20.90	41.60	83.60	167.20	418.00	836.00	1,000.00	8,360		2.43	3.49	

TABLE 33—BONDS BEARING ISSUE DATES FROM JUNE 1 THROUGH NOVEMBER 1, 1965

Issue price— Original maturity value	\$18.75	\$37.50	\$75.00	\$150.00	\$375.00	\$750.00	\$1,000.00	\$7,500	Approximate investment yield	(3) On cur- rent redemp- tion value from begin- ning of each half-year period (a) to maturity	Percent	
												(2) On pur- chase price from issue date to be- ginning of each half- year period (b)
Period after issue date	(1) Redemption values during each half-year period (values increase on first day of period shown)											
First 1/2 year	\$18.75	\$37.50	\$75.00	\$150.00	\$375.00	\$750.00	\$1,000.00	\$7,500		0.00	0.00	
1/2 to 1 year	18.85	37.70	75.10	150.10	375.10	750.10	1,000.10	7,510		1.07	3.10	
1 to 1 1/2 years	19.05	38.10	76.20	152.40	381.00	762.00	1,000.00	7,620		1.59	3.16	
1 1/2 to 2 years	19.30	38.60	77.20	154.40	386.00	772.00	1,000.00	7,720		1.94	3.19	
2 to 2 1/2 years	19.55	39.10	78.20	156.40	391.00	782.00	1,000.00	7,820		2.19	3.23	
2 1/2 to 3 years	19.80	39.60	79.20	158.40	396.00	792.00	1,000.00	7,920		2.25	3.28	
3 to 3 1/2 years	20.05	40.10	80.20	160.40	401.00	802.00	1,000.00	8,020		2.25	3.34	
3 1/2 to 4 years	20.30	40.60	81.20	162.40	406.00	812.00	1,000.00	8,120		2.28	3.41	
4 to 4 1/2 years	20.55	41.10	82.20	164.40	411.00	822.00	1,000.00	8,220		2.30	3.49	
4 1/2 to 5 years	20.90	41.60	83.60	167.20	418.00	836.00	1,000.00	8,360		2.43	3.49	

Period after ma- turity date	Extended maturity period	Revised redemption values and investment yields	Approximate investment yield	(b) to ex- tended maturity						
					Percent					
4 1/2 to 5 years	\$20.91	\$41.82	\$83.64	\$167.28	\$418.20	\$836.40	\$1,008.80	10,088	3.14	11.89
5 to 5 1/2 years	21.27	42.54	85.08	170.16	425.40	850.80	1,028.40	10,284	3.29	11.89
5 1/2 to 6 years	21.64	43.28	86.56	173.12	432.80	865.60	1,048.80	10,488	3.44	11.89
6 to 6 1/2 years	22.02	44.04	88.08	176.16	440.40	880.80	1,069.20	10,692	3.59	11.89
6 1/2 to 7 years	22.42	44.84	89.68	179.36	448.40	896.80	1,090.00	10,900	3.74	11.89
7 to 7 1/2 years	22.82	45.64	91.28	182.56	456.40	912.80	1,110.80	11,108	3.89	11.89
7 1/2 to 8 years	23.23	46.46	92.92	185.84	464.60	929.20	1,132.00	11,320	4.04	11.89
8 to 8 1/2 years	23.71	47.42	94.84	189.68	474.20	948.40	1,153.20	11,532	4.19	11.89
8 1/2 to 9 years	24.20	48.40	96.80	193.60	484.00	968.00	1,174.40	11,744	4.34	11.89
9 to 9 1/2 years	24.70	49.40	98.80	197.60	494.00	988.00	1,195.60	11,956	4.49	11.89
9 1/2 to 10 years	25.22	50.44	100.88	201.76	504.40	1,008.80	1,216.80	12,168	4.64	11.89
Maturity value (9 years and 8 months from issue date)	25.71	51.42	102.84	205.68	514.20	1,028.40	1,238.00	12,380	4.79	11.89

Period after ma- turity date	Extended maturity period	Revised redemption values and investment yields	Approximate investment yield	(b) to ex- tended maturity						
					Percent					
1 to 1 1/2 years	\$25.71	\$51.42	\$102.84	\$205.68	\$514.20	\$1,028.40	\$1,238.00	12,380	3.26	3.75
1 1/2 to 2 years	26.16	52.32	104.64	209.28	523.20	1,046.40	1,259.20	12,592	3.41	3.76
2 to 2 1/2 years	26.63	53.26	106.52	213.04	532.60	1,065.20	1,280.40	12,804	3.56	3.77
2 1/2 to 3 years	27.10	54.20	108.40	216.80	542.00	1,084.00	1,301.60	13,016	3.71	3.79
3 to 3 1/2 years	27.59	55.18	110.36	220.72	551.80	1,103.60	1,322.80	13,228	3.86	3.80
3 1/2 to 4 years	28.09	56.18	112.36	224.72	561.80	1,123.60	1,344.00	13,440	4.01	3.81
4 to 4 1/2 years	28.60	57.20	114.40	228.80	572.00	1,144.00	1,365.20	13,652	4.16	3.84
4 1/2 to 5 years	29.12	58.24	116.48	232.96	582.40	1,164.80	1,386.40	13,864	4.31	3.85
5 to 5 1/2 years	29.66	59.32	118.64	237.28	592.80	1,186.40	1,407.60	14,076	4.46	3.88
5 1/2 to 6 years	30.21	60.42	120.84	241.68	604.20	1,208.40	1,428.80	14,288	4.61	3.89
6 to 6 1/2 years	30.77	61.54	123.08	246.16	615.40	1,230.80	1,450.00	14,500	4.76	3.91
6 1/2 to 7 years	31.35	62.70	125.40	250.80	627.00	1,254.00	1,471.20	14,712	4.91	3.92
7 to 7 1/2 years	31.95	63.90	127.80	255.60	639.00	1,278.00	1,492.40	14,924	5.06	3.93
7 1/2 to 8 years	32.56	65.12	130.24	260.64	651.20	1,302.40	1,513.60	15,136	5.21	3.94
8 to 8 1/2 years	33.18	66.36	132.72	265.80	663.60	1,327.20	1,534.80	15,348	5.36	3.96
8 1/2 to 9 years	33.81	67.64	135.28	271.04	676.00	1,352.00	1,556.00	15,560	5.51	3.98
9 to 9 1/2 years	34.45	68.96	137.92	276.48	689.60	1,377.20	1,577.20	15,772	5.66	3.99
9 1/2 to 10 years	35.10	70.32	140.72	282.00	703.20	1,402.40	1,598.40	15,984	5.81	3.99
Extended maturity value (10 years from original ma- turity date) 2	36.55	73.10	146.20	292.40	731.00	1,462.00	1,620.00	16,200	6.01	3.99
Maturity value (10 years from original maturity date) 2	37.28	74.56	149.12	298.24	745.60	1,491.20	1,642.00	16,420	6.21	3.99

* Approximate investment yield from beginning of each half-year period to maturity, at original maturity value prior to June 1, 1969 revision.
 † Revised approximate investment yield from effective date of revision to maturity.
 ‡ 2-month period in the case of the 9 1/2 year to 9 year and 8 month period.
 § 10 years and 8 months after issue date.

TABLE 35—BONDS BEARING ISSUE DATES FROM JUNE 1 THROUGH NOVEMBER 1, 1956

Table with columns for Issue price, Original maturity value, Approximate investment yield, and Redemption values during each half-year period.

Revised redemption values and investment yields

Table with columns for Period after issue date, Redemption values during each half-year period, and Approximate investment yield.

Extended maturity period

Table with columns for Period after maturity date, Extended maturity period, and Approximate investment yield.

TABLE 34—BONDS BEARING ISSUE DATES FROM DECEMBER 1, 1955, THROUGH MAY 1, 1956

Table with columns for Issue price, Original maturity value, Approximate investment yield, and Redemption values during each half-year period.

Revised redemption values and investment yields

Table with columns for Period after issue date, Redemption values during each half-year period, and Approximate investment yield.

Extended maturity period

Table with columns for Period after maturity date, Extended maturity period, and Approximate investment yield.

* Approximate investment yield from beginning of each half-year period to maturity, at original maturity value prior to June 1, 1959 revision.
† Revised approximate investment yield from effective date of revision to maturity.
‡ 2-month period in the case of the 9 1/2 year to 9 year and 8 month period.
§ 19 years and 8 months after issue date.

TABLE 27—BONDS BEARING ISSUE DATES FROM FEBRUARY 1 THROUGH APRIL 1, 1957

Issue price—Original maturity value	Approximate investment yield	(1) Redemption values during each half-year period ¹ (values increase on first day of period shown)					Approximate investment yield
		\$18.75	\$37.50	\$75.00	\$150.00	\$375.00	
25.00	2.90	25.00	50.00	100.00	200.00	500.00	2.90
Period after issue date							
First 1/2 year	Percent	\$18.75	\$37.50	\$75.00	\$150.00	\$375.00	Percent
1/2 to 1 year		18.90	38.10	76.20	152.40	379.20	1.60
1 to 1 1/2 years		19.05	38.10	76.20	152.40	379.20	2.28
1 1/2 to 2 years		19.30	38.60	77.20	154.40	386.00	2.56
2 to 2 1/2 years		19.55	39.10	78.20	156.40	392.80	2.77
2 1/2 to 3 years		19.80	39.60	79.20	158.40	400.00	2.90

Revised redemption values and investment yields

Period after maturity date	Extended maturity period					(b) to extended maturity
	\$25.80	\$51.60	\$103.20	\$206.40	\$412.80	
First 1/2 year	\$25.80	\$51.60	\$103.20	\$206.40	\$412.80	3.76
1/2 to 1 year	26.25	52.50	105.00	210.00	420.00	3.76
1 to 1 1/2 years	26.70	53.40	106.80	213.60	427.20	3.77
1 1/2 to 2 years	27.15	54.30	108.60	217.20	434.40	3.79
2 to 2 1/2 years	27.60	55.20	110.40	220.80	441.60	3.80
2 1/2 to 3 years	28.05	56.10	112.20	224.40	448.80	3.81
3 to 3 1/2 years	28.50	57.00	114.00	228.00	456.00	3.82
3 1/2 to 4 years	28.95	57.90	115.80	231.60	463.20	3.83
4 to 4 1/2 years	29.40	58.80	117.60	235.20	470.40	3.84
4 1/2 to 5 years	29.85	59.70	119.40	238.80	477.60	3.85
5 to 5 1/2 years	30.30	60.60	121.20	242.40	484.80	3.86
5 1/2 to 6 years	30.75	61.50	123.00	246.00	492.00	3.87
6 to 6 1/2 years	31.20	62.40	124.80	249.60	499.20	3.88
6 1/2 to 7 years	31.65	63.30	126.60	253.20	506.40	3.89
7 to 7 1/2 years	32.10	64.20	128.40	256.80	513.60	3.90
7 1/2 to 8 years	32.55	65.10	130.20	260.40	520.80	3.91
8 to 8 1/2 years	33.00	66.00	132.00	264.00	528.00	3.92
8 1/2 to 9 years	33.45	66.90	133.80	267.60	535.20	3.93
9 to 9 1/2 years	33.90	67.80	135.60	271.20	542.40	3.94
9 1/2 to 10 years	34.35	68.70	137.40	274.80	549.60	3.95
Extended maturity value (10 years from original maturity date) ²	34.80	69.60	139.20	278.40	556.80	3.96
Extended maturity value (10 years from original maturity date) ³	37.41	74.82	149.64	299.28	598.56	3.69

* Approximate investment yield from beginning of each half-year period to maturity, at original maturity value prior to June 1, 1959 revision.
¹ Revised approximate investment yield from effective date of revision to maturity.
² 2-month period in the case of the 8 1/2 year to 9 year and 11 month period.
³ 18 years and 11 months after issue date.

TABLE 28—BONDS BEARING ISSUE DATES FROM DECEMBER 1, 1956, THROUGH JANUARY 1, 1957

Issue price—Original maturity value	Approximate investment yield	(1) Redemption values during each half-year period ¹ (values increase on first day of period shown)					Approximate investment yield
		\$18.75	\$37.50	\$75.00	\$150.00	\$375.00	
25.00	2.19	25.00	50.00	100.00	200.00	500.00	2.19
Period after issue date							
First 1/2 year	Percent	\$18.75	\$37.50	\$75.00	\$150.00	\$375.00	Percent
1/2 to 1 year		18.85	37.70	75.40	150.80	374.00	1.07
1 to 1 1/2 years		19.00	38.10	76.20	151.60	376.00	1.59
1 1/2 to 2 years		19.15	38.60	77.20	152.40	378.00	1.94
2 to 2 1/2 years		19.30	39.10	78.20	153.20	380.00	2.10
2 1/2 to 3 years		19.45	39.60	79.20	154.00	382.00	2.19

Revised redemption values and investment yields

Period after maturity date	Extended maturity period					(b) to extended maturity
	\$25.80	\$51.60	\$103.20	\$206.40	\$412.80	
First 1/2 year	\$25.80	\$51.60	\$103.20	\$206.40	\$412.80	3.37
1/2 to 1 year	26.25	52.50	105.00	210.00	420.00	3.37
1 to 1 1/2 years	26.70	53.40	106.80	213.60	427.20	3.38
1 1/2 to 2 years	27.15	54.30	108.60	217.20	434.40	3.39
2 to 2 1/2 years	27.60	55.20	110.40	220.80	441.60	3.40
2 1/2 to 3 years	28.05	56.10	112.20	224.40	448.80	3.41
3 to 3 1/2 years	28.50	57.00	114.00	228.00	456.00	3.42
3 1/2 to 4 years	28.95	57.90	115.80	231.60	463.20	3.43
4 to 4 1/2 years	29.40	58.80	117.60	235.20	470.40	3.44
4 1/2 to 5 years	29.85	59.70	119.40	238.80	477.60	3.45
5 to 5 1/2 years	30.30	60.60	121.20	242.40	484.80	3.46
5 1/2 to 6 years	30.75	61.50	123.00	246.00	492.00	3.47
6 to 6 1/2 years	31.20	62.40	124.80	249.60	499.20	3.48
6 1/2 to 7 years	31.65	63.30	126.60	253.20	506.40	3.49
7 to 7 1/2 years	32.10	64.20	128.40	256.80	513.60	3.50
7 1/2 to 8 years	32.55	65.10	130.20	260.40	520.80	3.51
8 to 8 1/2 years	33.00	66.00	132.00	264.00	528.00	3.52
8 1/2 to 9 years	33.45	66.90	133.80	267.60	535.20	3.53
9 to 9 1/2 years	33.90	67.80	135.60	271.20	542.40	3.54
9 1/2 to 10 years	34.35	68.70	137.40	274.80	549.60	3.55
Extended maturity value (10 years from original maturity date) ²	37.55	75.10	150.20	300.40	600.80	3.56
Extended maturity value (10 years from original maturity date) ³	37.55	75.10	150.20	300.40	600.80	3.56

* Approximate investment yield from beginning of each half-year period to maturity, at original maturity value prior to June 1, 1959 revision.
¹ Revised approximate investment yield from effective date of revision to maturity.
² 2-month period in the case of the 9 1/2 year to 9 year and 8 month period.
³ 19 years and 8 months after issue date.

PROPOSED RULE MAKING

TABLE 28—BONDS BEARING ISSUE DATE OF MAY 1, 1957

Issue price.....	\$18.75	\$37.50	\$75.00	\$150.00	\$375.00	\$750.00	\$7,500	Approximate investment yield	
Original maturity value.....	25.00	50.00	100.00	200.00	500.00	1,000.00	10,000		
Period after issue date	(1) Redemption values during each half-year period ¹ (values increase on first day of period shown)							(2) On purchase price from issue date to beginning of each half-year period ¹	(3) On current redemption value from beginning of each half-year period ¹ to maturity
								Percent	Percent
First 1/4 year.....	\$18.75	\$37.50	\$75.00	\$150.00	\$375.00	\$750.00	\$7,500	0.00	*3.25
1/4 to 1 year.....	18.90	37.90	75.60	151.20	378.00	756.00	7,560	1.60	*3.35
1 to 1 1/2 years.....	19.18	38.36	76.72	153.44	383.60	767.20	7,672	2.28	*3.38
1 1/2 to 2 years.....	19.48	38.96	77.92	155.84	389.60	779.20	7,792	2.56	*3.39
2 to 2 1/2 years.....	19.81	39.62	79.24	158.48	396.20	792.40	7,924	2.77	*3.39
2 1/2 to 3 years.....	20.15	40.30	80.60	161.20	403.00	806.00	8,060	2.90	†3.80

Revised redemption values and investment yields

3 to 3 1/2 years.....	\$20.51	\$41.02	\$82.04	\$164.08	\$410.20	\$820.40	\$8,204	3.01	3.92
3 1/2 to 4 years.....	20.87	41.74	83.48	166.96	417.40	834.80	8,348	3.08	3.95
4 to 4 1/2 years.....	21.25	42.50	85.00	170.00	425.00	850.00	8,500	3.15	3.99
4 1/2 to 5 years.....	21.64	43.28	86.56	173.12	432.80	865.60	8,656	3.21	4.02
5 to 5 1/2 years.....	22.05	44.10	88.20	176.40	441.00	882.00	8,820	3.27	4.05
5 1/2 to 6 years.....	22.46	44.92	89.84	179.68	449.20	898.40	8,984	3.31	4.10
6 to 6 1/2 years.....	22.89	45.78	91.56	183.12	457.80	915.60	9,156	3.35	4.15
6 1/2 to 7 years.....	23.34	46.68	93.36	186.72	466.80	933.60	9,336	3.40	4.19
7 to 7 1/2 years.....	23.81	47.62	95.24	190.48	476.20	952.40	9,524	3.44	4.23
7 1/2 to 8 years.....	24.29	48.58	97.16	194.32	485.80	971.60	9,716	3.48	4.30
8 to 8 1/2 years.....	24.78	49.56	99.12	198.24	495.60	991.20	9,912	3.52	4.45
8 1/2 years to 8 years and 11 months.....	25.29	50.58	101.16	202.32	505.80	1,011.60	10,116	3.55	4.85
Maturity value (8 years and 11 months from issue date).....	25.86	51.60	103.20	206.40	516.00	1,032.00	10,320	3.61	-----

*Approximate investment yield from beginning of each half-year period to maturity, at original maturity value prior to June 1, 1959 revision.

†Revised approximate investment yield from effective date of revision to maturity.

¹ 5-month period in the case of the 8 1/2 year to 8 year and 11 month period.

TABLE 29—BONDS BEARING ISSUE DATES FROM JUNE 1 THROUGH NOVEMBER 1, 1957

Issue price.....	\$18.75	\$37.50	\$75.00	\$150.00	\$375.00	\$750.00	\$7,500	Approximate investment yield	
Original maturity value.....	25.00	50.00	100.00	200.00	500.00	1,000.00	10,000		
Period after issue date	(1) Redemption values during each half-year period ¹ (values increase on first day of period shown)							(2) On purchase price from issue date to beginning of each half-year period ¹	(3) On current redemption value from beginning of each half-year period ¹ to maturity
								Percent	Percent
First 1/4 year.....	\$18.75	\$37.50	\$75.00	\$150.00	\$375.00	\$750.00	\$7,500	0.00	*3.25
1/4 to 1 year.....	18.90	37.80	75.60	151.20	378.00	756.00	7,560	1.60	*3.35
1 to 1 1/2 years.....	19.18	38.36	76.72	153.44	383.60	767.20	7,672	2.28	*3.38
1 1/2 to 2 years.....	19.48	38.96	77.92	155.84	389.60	779.20	7,792	2.56	*3.39
2 to 2 1/2 years.....	19.81	39.62	79.24	158.48	396.20	792.40	7,924	2.77	†3.80

Revised redemption values and investment yields

2 1/2 to 3 years.....	\$20.16	\$40.32	\$80.64	\$161.28	\$403.20	\$806.40	\$8,064	2.92	3.92
3 to 3 1/2 years.....	20.52	41.04	82.08	164.16	410.40	820.80	8,208	3.03	3.95
3 1/2 to 4 years.....	20.88	41.76	83.52	167.04	417.60	835.20	8,352	3.10	3.99
4 to 4 1/2 years.....	21.27	42.54	85.08	170.16	425.40	850.80	8,508	3.18	4.01
4 1/2 to 5 years.....	21.67	43.34	86.68	173.36	433.40	866.80	8,668	3.24	4.04
5 to 5 1/2 years.....	22.08	44.16	88.32	176.64	441.60	883.20	8,832	3.30	4.08
5 1/2 to 6 years.....	22.51	45.02	90.04	180.08	450.20	900.40	9,004	3.36	4.10
6 to 6 1/2 years.....	22.94	45.88	91.76	183.52	458.80	917.60	9,176	3.39	4.15
6 1/2 to 7 years.....	23.36	46.78	93.56	187.12	467.80	935.60	9,356	3.43	4.20
7 to 7 1/2 years.....	23.86	47.72	95.44	190.88	477.20	954.40	9,544	3.47	4.24
7 1/2 to 8 years.....	24.34	48.68	97.36	194.72	486.80	973.60	9,736	3.51	4.22
8 to 8 1/2 years.....	24.84	49.68	99.36	198.72	496.80	993.60	9,936	3.55	4.44
8 1/2 years to 8 years and 11 months.....	25.35	50.70	101.40	202.80	507.00	1,014.00	10,140	3.58	4.84
Maturity value (8 years and 11 months from issue date).....	25.86	51.72	103.44	206.88	517.20	1,034.40	10,344	3.64	-----

*Approximate investment yield from beginning of each half-year period to maturity, at original maturity value prior to June 1, 1959 revision.

†Revised approximate investment yield from effective date of revision to maturity.

¹ 5-month period in the case of the 8 1/2 year to 8 year and 11 month period.

TABLE 40—BONDS BEARING ISSUE DATES FROM DECEMBER 1, 1957, THROUGH MAY 1, 1958

Issue price.....	\$18.75	\$37.50	\$75.00	\$150.00	\$375.00	\$750.00	\$7,500	Approximate investment yield	
Original maturity value.....	25.00	50.00	100.00	200.00	500.00	1,000.00	10,000		
Period after issue date	(1) Redemption values during each half-year period ¹ (values increase on first day of period shown)							(2) On purchase price from issue date to beginning of each half-year period ¹	(3) On current redemption value from beginning of each half-year period ¹ to maturity
First 1/4 year.....	\$18.75	\$37.50	\$75.00	\$150.00	\$375.00	\$750.00	\$7,500	Percent	Percent
1/4 to 1 year.....	18.90	37.80	75.60	151.20	378.00	756.00	7,560	0.00	*3.25
1 to 1 1/2 years.....	19.18	38.36	76.72	153.44	383.60	767.20	7,672	1.60	*3.35
1 1/2 to 2 years.....	19.48	38.96	77.92	155.84	389.60	779.20	7,792	2.28	*3.38
								2.56	†3.89

Revised redemption values and investment yields

2 to 2 1/2 years.....	\$19.82	\$39.64	\$79.28	\$158.56	\$396.40	\$792.80	\$7,928	2.70	3.92
2 1/2 to 3 years.....	20.17	40.34	80.68	161.36	403.40	806.80	8,068	2.94	3.95
3 to 3 1/2 years.....	20.53	41.06	82.12	164.24	410.60	821.20	8,212	3.05	3.99
3 1/2 to 4 years.....	20.91	41.82	83.64	167.28	418.20	836.40	8,364	3.14	4.01
4 to 4 1/2 years.....	21.30	42.60	85.20	170.40	426.00	852.00	8,520	3.21	4.04
4 1/2 to 5 years.....	21.70	43.40	86.80	173.60	434.00	868.00	8,680	3.27	4.07
5 to 5 1/2 years.....	22.12	44.24	88.48	178.96	442.40	884.80	8,848	3.33	4.10
5 1/2 to 6 years.....	22.55	45.10	90.20	180.40	451.00	902.00	9,020	3.38	4.13
6 to 6 1/2 years.....	22.99	45.98	91.96	183.92	459.80	919.60	9,196	3.43	4.17
6 1/2 to 7 years.....	23.44	46.88	93.76	187.52	468.80	937.60	9,376	3.46	4.22
7 to 7 1/2 years.....	23.91	47.82	95.64	191.28	478.20	956.40	9,564	3.50	4.28
7 1/2 to 8 years.....	24.40	48.80	97.60	195.20	488.00	976.00	9,760	3.54	4.34
8 to 8 1/2 years.....	24.90	49.80	99.60	199.20	498.00	996.00	9,960	3.58	4.47
8 1/2 years to 8 years and 11 months.....	25.41	50.82	101.64	203.28	508.20	1,016.40	10,164	3.61	4.92
Maturity value (8 years and 11 months from issue date).....	25.93	51.86	103.72	207.44	518.60	1,037.20	10,372	3.67	-----

*Approximate investment yield from beginning of each half-year period to maturity, at original maturity value prior to June 1, 1960 revision.

†Revised approximate investment yield from effective date of revision to maturity.

¹ 5-month period in the case of the 8 1/2 year to 8-year and 11 month period.

TABLE 41—BONDS BEARING ISSUE DATES FROM JUNE 1 THROUGH NOVEMBER 1, 1958

Issue price.....	\$18.75	\$37.50	\$75.00	\$150.00	\$375.00	\$750.00	\$7,500	Approximate investment yield	
Original maturity value.....	25.00	50.00	100.00	200.00	500.00	1,000.00	10,000		
Period after issue date	(1) Redemption values during each half-year period ¹ (values increase on first day of period shown)							(2) On purchase price from issue date to beginning of each half-year period ¹	(3) On current redemption value from beginning of each half-year period ¹ to maturity
First 1/4 year.....	\$18.75	\$37.50	\$75.00	\$150.00	\$375.00	\$750.00	\$7,500	Percent	Percent
1/4 to 1 year.....	18.90	37.80	75.60	151.20	378.00	756.00	7,560	0.00	*3.25
1 to 1 1/2 years.....	19.18	38.36	76.72	153.44	383.60	767.20	7,672	1.60	*3.35
								2.28	†3.88

Revised redemption values and redemption yields

1 1/2 to 2 years.....	\$19.49	\$38.98	\$77.96	\$155.92	\$389.80	\$779.60	\$7,796	2.60	3.92
2 to 2 1/2 years.....	19.83	39.66	79.32	158.64	396.60	793.20	7,932	2.82	3.95
2 1/2 to 3 years.....	20.18	40.36	80.72	161.44	403.60	807.20	8,072	2.96	3.96
3 to 3 1/2 years.....	20.55	41.10	82.20	164.40	411.00	822.00	8,220	3.08	4.01
3 1/2 to 4 years.....	20.93	41.86	83.72	167.44	418.60	837.20	8,372	3.17	4.04
4 to 4 1/2 years.....	21.33	42.66	85.32	170.64	426.60	853.20	8,532	3.25	4.06
4 1/2 to 5 years.....	21.74	43.48	86.96	173.92	434.80	869.60	8,696	3.32	4.08
5 to 5 1/2 years.....	22.16	44.32	88.64	177.28	443.20	886.40	8,864	3.37	4.11
5 1/2 to 6 years.....	22.59	45.18	90.36	180.72	451.80	903.60	9,036	3.42	4.15
6 to 6 1/2 years.....	23.03	46.06	92.12	184.24	460.60	921.20	9,212	3.46	4.19
6 1/2 to 7 years.....	23.50	47.00	94.00	188.00	470.00	940.00	9,400	3.50	4.21
7 to 7 1/2 years.....	23.97	47.94	95.88	191.76	479.40	958.80	9,588	3.54	4.27
7 1/2 to 8 years.....	24.46	48.92	97.84	195.68	489.20	978.40	9,784	3.58	4.33
8 to 8 1/2 years.....	24.96	49.92	99.84	199.68	499.20	998.40	9,984	3.61	4.46
8 1/2 years to 8 years and 11 months.....	25.47	50.94	101.88	203.76	509.40	1,018.80	10,188	3.64	4.91
Maturity value (8 years and 11 months from issue date).....	25.99	51.98	103.96	207.92	519.80	1,039.60	10,396	3.70	-----

*Approximate investment yield from beginning of each half-year period to maturity, at original maturity value prior to June 1, 1960 revision.

†Revised approximate investment yield from effective date of revision to maturity.

¹ 5-month period in the case of the 8 1/2 year to 8 year and 11 month period.

TABLE 42—BONDS BEARING ISSUE DATES FROM DECEMBER 1, 1958, THROUGH MAY 1, 1959

Issue price.....	\$18.75	\$37.50	\$75.00	\$150.00	\$375.00	\$750.00	\$7,500	Approximate investment yield	
Original maturity value.....	25.00	50.00	100.00	200.00	500.00	1,000.00	10,000		
Period after issue date	(1) Redemption values during each half-year period ¹ (values increase on first day of period shown)							(2) On purchase price from issue date to beginning of each half-year period ¹	(3) On current redemption value from beginning of each half-year period ¹ to maturity
First 1/2 year.....	\$18.75	\$37.50	\$75.00	\$150.00	\$375.00	\$750.00	\$7,500	Percent 0.00	Percent 3.25
1/2 to 1 year.....	18.90	37.80	75.60	151.20	378.00	756.00	7,560	1.60	13.85

Revised redemption values and investment yields

1 to 1 1/2 years.....	\$19.19	\$38.38	\$76.76	\$153.52	\$383.80	\$767.60	\$7,676	2.33	3.90
1 1/2 to 2 years.....	19.50	39.00	78.00	156.00	390.00	780.00	7,800	2.63	3.95
2 to 2 1/2 years.....	19.84	39.68	79.36	158.72	396.80	793.60	7,936	2.85	3.98
2 1/2 to 3 years.....	20.20	40.40	80.80	161.60	404.00	808.00	8,080	3.00	4.01
3 to 3 1/2 years.....	20.58	41.16	82.32	164.64	411.60	823.20	8,232	3.13	4.03
3 1/2 to 4 years.....	20.96	41.92	83.84	167.68	419.20	838.40	8,384	3.21	4.06
4 to 4 1/2 years.....	21.36	42.72	85.44	170.88	427.20	854.40	8,544	3.28	4.09
4 1/2 to 5 years.....	21.77	43.54	87.08	174.16	435.40	870.80	8,708	3.35	4.11
5 to 5 1/2 years.....	22.20	44.40	88.80	177.60	444.00	888.00	8,880	3.41	4.14
5 1/2 to 6 years.....	22.64	45.28	90.56	181.12	452.80	905.60	9,056	3.46	4.16
6 to 6 1/2 years.....	23.08	46.16	92.32	184.64	461.60	923.20	9,232	3.49	4.21
6 1/2 to 7 years.....	23.55	47.10	94.20	188.40	471.00	942.00	9,420	3.54	4.23
7 to 7 1/2 years.....	24.02	48.04	96.08	192.16	480.40	960.80	9,608	3.57	4.30
7 1/2 to 8 years.....	24.52	49.04	98.08	196.16	490.40	980.80	9,808	3.61	4.35
8 to 8 1/2 years.....	25.02	50.04	100.08	200.16	500.40	1,000.80	10,008	3.64	4.40
8 1/2 years to 8 years and 11 months.....	25.54	51.08	102.16	204.32	510.80	1,021.60	10,216	3.67	4.90
Maturity value (8 years and 11 months from issue date).....	26.06	52.12	104.24	208.48	521.20	1,042.40	10,424	3.73	-----

* Approximate investment yield from beginning of each half-year period to maturity, at original maturity value prior to June 1, 1959 revision.
 † Revised approximate investment yield from effective date of revision to maturity.
 ‡ 5-month period in the case of the 8 1/2 year to 8 year and 11 month period.

PART 321—PAYMENTS BY BANKS AND OTHER FINANCIAL INSTITUTIONS IN CONNECTION WITH THE REDEMPTION OF UNITED STATES SAVINGS BONDS

Paragraph (a) of § 321.4, Department Circular No. 750, Revised, dated June 30, 1945, as amended and supplemented (31 CFR, Part 321), is hereby further amended as follows:

§ 321.4 Meaning of terms in this circular.

(a) "Paying agent(s)" or "agent(s)" shall mean (1) any eligible financial institution duly qualified to act pursuant to the provisions of this part to make payments in connection with the redemption and redemption-exchange of United States Savings Bonds hereinafter specified, including branches of such institutions located within the United States, its territories and possessions, the Commonwealth of Puerto Rico and the Canal Zone, and (2) banking facilities of such institutions established at Armed Forces installations and other places with the specific approval of the Treasury Department.

PART 332—OFFERING OF UNITED STATES SAVINGS BONDS, SERIES H

Department Circular No. 905, Second Revision, dated September 23, 1959, as amended (31 CFR 332), is hereby fur-

ther amended and issued as the Third Revision.¹

- Sec.
- 332.1 Offering of bonds.
- 332.2 Description of bonds currently offered.
- 332.3 Governing regulations.
- 332.4 Registration.
- 332.5 Limitations on holdings.
- 332.6 Purchase of bonds.
- 332.7 Delivery of bonds.
- 332.8 Improved yield and extension of term for outstanding bonds.
- 332.9 Taxation.
- 332.10 Payment or redemption.
- 332.11 Reservation as to issue of bonds.
- 332.12 Preservation of rights.
- 332.13 Fiscal agents.
- 332.14 Reservation as to terms of offer.

AUTHORITY: The provisions of this Part 332 issued under authority of sections 22 and 25 of the Second Liberty Bond Act, as amended, 49 Stat. 21, as amended, and 78 Stat. 621 (31 U.S.C. 757c, 757c-1).

§ 332.1 Offering of bonds.

The Secretary of the Treasury offers for sale to the people of the United States, United States Savings Bonds of Series H, hereinafter generally referred to as Series H bonds. These bonds are substantially a continuation of the Series H bonds heretofore available, except as

¹ The basic terms of the bonds offered under the Second Revision have not been changed. The material in the Second Revision and its four amendments has been reorganized and edited in connection with the publication of the 1965 edition of Title 31 of the Code of Federal Regulations.

otherwise indicated herein. This offering of bonds will continue until terminated by the Secretary of the Treasury.
§ 332.2 Description of bonds currently offered.

(a) *General.* Series H bonds bear a facsimile of the signature of the Secretary of the Treasury and of the Seal of the Treasury Department. The bonds are issued only in registered form and are nontransferable.

(b) *Denominations and prices.* Series H bonds are issued at par and are available in denominations of \$500, \$1,000, \$5,000 and \$10,000.

(c) *Inscription and issue.* At the time of issue the issuing agent will (1) inscribe on the face of each Series H bond the name, taxpayer identifying number,² and address of the owner, and the name of the beneficiary, if any, or the names of the coowners, the taxpayer identifying number of one coowner,³ and the address of one coowner, (2) enter in the upper right-hand portion of the bond the issue date, and (3) imprint the agent's dating stamp in the lower right-hand portion to show the date the bond is actually inscribed. A Series H bond shall be valid only if an authorized issuing agent receives payment therefor and duly inscribes, dates, stamps, and makes delivery of the bond in accordance with the purchaser's instructions.

(d) *Terms.* A Series H bond will be dated as of the first day of the month in which payment therefor is received by an agent authorized to issue such bonds. This date is the issue date and the bond will mature and be payable ten years from such issue date. The bond may not be called for redemption by the Secretary of the Treasury prior to maturity, but may be redeemed at par after six months from issue date, at the owner's option, but only upon one calendar month's notice as provided in § 332.10.

(e) *Interest (investment yield).* The interest on a Series H bond will be paid semiannually by check drawn to the order of the registered owner or coowners, beginning six months from issue date. Interest payments will be on a graduated scale, fixed to afford an investment yield of approximately 3.75 percent per annum, compounded semiannually if the bond is held to maturity;³ but the yield will be less if the bond is redeemed prior to maturity. (See Table 1 of the tables

² The number required to be used on tax returns and other documents submitted to the Internal Revenue Service (an individual's social security account number or employer identification number). If the coowners are husband and wife, the husband's number should be furnished. If the coowners are a minor and an adult, the adult's number should be furnished.

³ Under authority of section 25, 73 Stat. 621 (31 U.S.C. 757c-1), the President of the United States on September 23, 1959, concluded that with respect to Series H bonds it was necessary in the national interest to exceed the maximum interest rate and investment yield prescribed by Section 22 of the Second Liberty Bond Act, as amended (31 U.S.C. 757c).

at the end of this circular, which are incorporated herein.) Interest will cease at maturity, or in the case of redemption before maturity, at the end of the interest period next preceding the date of redemption, except that if the date of redemption falls on an interest payment date, interest will cease on that date.

§ 332.3 Governing regulations.

Series H bonds are subject to the regulations of the Treasury Department, now or hereafter prescribed, governing United States Savings Bonds, contained in Department Circular No. 530, current revision (Part 315 of this chapter).⁴

§ 332.4 Registration.

(a) *General.* Generally, only residents of the United States, its territories and possessions, the Commonwealth of Puerto Rico, the Canal Zone and citizens of the United States temporarily residing abroad are eligible to be named as owners of Series H bonds. The bonds may be registered in the names of natural persons in their own right as provided in paragraph (b) of this section, and in the names and titles or capacities of fiduciaries and organizations as provided in paragraph (c) of this section. Full information regarding authorized forms of registration and restrictions with respect thereto will be found in the governing regulations.

(b) *Natural persons in their own right.* The bonds may be registered in the names of natural persons (whether adults or minors) in their own right, in single ownership, coownership, and beneficiary forms.

(c) The bonds may be registered in single ownership form in the names of fiduciaries and private and public organizations, as follows:

(1) *Fiduciaries.* In the names of and showing the titles or capacities of any persons or organizations, public or private, as fiduciaries (including trustees, legal guardians or similar representatives, and certain custodians) but not where the fiduciary would hold the bonds merely or principally as security for the performance of a duty, obligation, or service.

(2) *Private and public organizations.* In the names of private or public organizations (including private corporations, partnerships, and unincorporated associations, and States, counties, public corporations, and other public bodies) in their own right, but not in the names of commercial banks.⁵

§ 332.5 Limitations on holdings.

The amount of Series H bonds originally issued during any one calendar year that may be held by any one person at any one time, computed in accordance with the governing regulations, is limited, as follows:

(a) *General limitation.* \$20,000 (face value) for the calendar year 1962 and each calendar year thereafter.

⁴ Copies may be obtained on application to any Federal Reserve Bank or Branch or the Bureau of the Public Debt, Washington, D.C., 20220, or its Chicago office, 536 South Clark St., Chicago, Ill., 60605.

(b) *Special limitation for owners of savings bonds of Series F, G, J and K.* Owners, except commercial banks⁶ in their own right (as distinguished from a representative or fiduciary capacity), of outstanding bonds of Series F and G, all of which are now matured, and bonds of Series J and K, at or after maturity, may apply the proceeds of such bonds to the purchase of Series H bonds without regard to the general limitation on holdings, under the following restrictions and conditions:

(1) The bonds must be presented to a Federal Reserve Bank or Branch, the Office of the Treasurer of the United States, Securities Division, or the Bureau of the Public Debt, Division of Loans and Currency Branch, for the specific purpose of taking advantage of this privilege. The Series H bonds will be dated as of the first day of the month in which the bonds presented are received by the issuing agent.

(2) Series H bonds may be purchased with the proceeds of the bonds presented only up to the denominational amounts that the proceeds thereof will fully cover. Any difference between such proceeds and the purchase price of the Series H bonds will be paid to the owner.

(3) The Series H bonds will be registered in the name of the owner in any authorized form of registration subject to the restrictions prescribed by the governing regulations.

(4) This privilege will continue until terminated by the Secretary of the Treasury.

(c) *Exchanges pursuant to Department Circular No. 1036, as amended.* Series H bonds issued in exchange for bonds of Series E, Series F, or Series J under the provisions of Department Circular No. 1036, as amended (Part 339 of this chapter), are exempt from the annual limitation.

§ 332.6 Purchase of bonds.

(a) *Agents.* Only the Federal Reserve Banks and Branches and the Treasury Department are authorized to act as official issuing agents for the sale of Series H bonds. However, commercial banks and trust companies may forward applications for purchase of the bonds. The date of receipt of the application and payment to an issuing agent will govern the issue date of the bonds purchased.

(b) *Application for purchase and remittance.* The applicant for purchase of Series H bonds should furnish (1) instructions for registration of the bonds to be issued, which must be in an authorized form, (2) the appropriate taxpayer identifying number or numbers,¹ (3) the post office address of the owner or a coowner (preferably the first-named), (4) the address for delivery of the bonds, and (5) the address for mailing checks in payment of interest. The application should be forwarded to a Federal Re-

serve Bank or Branch or the Office of the Treasurer of the United States, Securities Division, Washington, D.C., 20220, accompanied by a remittance to cover the purchase price. Any form of exchange including personal checks will be accepted subject to collection. Checks or other forms of exchange should be drawn to the order of the Federal Reserve Bank or Treasurer of the United States, as the case may be. Checks payable by endorsement are not acceptable. Any depositary qualified pursuant to Treasury Department Circular No. 92, Revised, as amended (Part 203 of this chapter), will be permitted to make payment by credit for bonds applied for on behalf of its customers up to any amount for which it shall be qualified in excess of existing deposits, when so notified by the Federal Reserve Bank of its district.

§ 332.7 Delivery of bonds.

Authorized issuing agents will deliver the Series H bonds either in person, or by mail at the risk and expense of the United States, at the address given by the purchaser, but only within the United States, its territories and possessions, the Commonwealth of Puerto Rico, and the Canal Zone. No mail deliveries elsewhere will be made. If purchased by citizens of the United States temporarily residing abroad, the bonds will be delivered at such address in the United States as the purchaser directs.

§ 332.8 Improved yield and extension of term for outstanding bonds.

(a) *Improved yield to maturity for outstanding bonds with issue dates of June 1, 1952, through May 1, 1959.* The investment yields on all outstanding Series H bonds with issue dates prior to June 1, 1959, were increased, for the remaining period to maturity, by not less than one-half of one percent, and by lesser amounts if redeemed earlier.⁶ The resulting yields are in terms of rate percent per annum, compounded semiannually. See Tables 2 through 16 hereof for revised schedules of interest payments and investment yields. This increase became effective beginning with interest payments due December 1, 1959, for bonds with the issue month of June or December of any year prior to 1959, and for all other bonds on the next interest payment date after December 1, 1959.

(b) *Extended maturity period for bonds with issue dates of June 1, 1952, through January 1, 1957.* Owners of Series H bonds with these issue dates have the option of continuing to hold such bonds for an extended maturity period of ten years with an investment yield of approximately 3.75 percent pay-

⁶ The investment yield to maturity heretofore prescribed for the bonds referred to in § 332.8(a) were (according to issue dates) as follows:

June 1, 1952, through January 1, 1957.....	3.00
February 1, 1957, through May 1, 1959.....	3.25

percent per annum compounded semiannually.

See footnote 1 on page —.

⁵ Commercial banks, as defined in § 315.7 (d) (2) of this chapter (Department Circular No. 530, current revision) the governing regulations, for this purpose are those accepting demand deposits.

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able semiannually. Bonds held after maturity will earn further interest which will accrue and be paid semiannually by check drawn to the order of the owner or coowners beginning six months from the original maturity dates. Interest payments will be made in the amounts shown in Tables 2 through 11 hereof.

§ 332.9 Taxation.

The income derived from Series H bonds is subject to all taxes imposed under the Internal Revenue Code of 1954. The bonds are subject to estate, inheritance, gift, or other excise taxes, whether Federal or State, but are exempt from all taxation now or hereafter imposed on the principal or interest thereof by any State, by any of the possessions of the United States, or by any local taxing authority.

§ 332.10 Payment or redemption.

(a) *Prior to maturity.* Prior to maturity a Series H bond will be redeemed AT PAR, in whole or in part, in the amount of an authorized denomination or multiple thereof, at the option of the owner, after six months from the issue date upon one calendar month's notice in writing, to (1) a Federal Reserve Bank or Branch, (2) the Office of the Treasurer of the United States, Securities Division, Washington, D.C., 20220, or (3) the Bureau of the Public Debt, Division of Loans and Currency Branch, 536 South Clark Street, Chicago, Ill., 60605. Such notice may be given separately or by presenting and surrendering the bond with a duly executed request for payment. If notice is given separately, the bond must be presented with a duly executed request for payment to the same agent not less than twenty days before the redemption date fixed by the notice. Payment will be made as of the first day of the first month following by at least one full calendar month the date of the receipt of notice.

(b) *At maturity.* Upon maturity a Series H bond will be redeemed at par upon presentation of the bond with a duly executed request for payment to one of the agents designated in paragraph (a) of this section. Any Series H bond having an extended maturity period will be redeemed at par upon original maturity and for two calendar months following the month in which the bond originally matures without advance notice.¹

(c) *During extended maturity period.* A Series H bond having an extended maturity period will, beginning with the first day of the third calendar month following the calendar month in which the bond originally matures, be regarded as unmaturing until it reaches its final maturity date and may be redeemed in the same manner and subject to the same notice for redemption as provided in paragraph (a) of this section.

¹ For example, if a bond is dated June 1, 1955, the date of original maturity is February 1, 1965. The date on which the right to payment without advance notice will be suspended is May 1, 1965.

§ 332.11 Reservation as to issue of bonds.

The Secretary of the Treasury reserves the right to reject any application for Series H bonds, in whole or in part, and to refuse to issue or permit to be issued hereunder any such bonds in any case or any class or classes of cases if he deems such action to be in the public interest, and his action in any such respect shall be final.

§ 332.12 Preservation of rights.

Nothing contained herein shall limit or restrict rights which owners of Series H bonds heretofore issued may have acquired under offers previously in force.

§ 332.13 Fiscal agents.

Federal Reserve Banks and Branches, as fiscal agents of the United States, are authorized to perform such services as may be requested of them by the Secretary of the Treasury in connection with the issue, delivery, redemption and payment of Series H bonds.

§ 332.14 Reservation as to terms of offer.

The Secretary of the Treasury may at any time or from time to time supplement or amend the terms of this offering of bonds (Part 332 of this chapter), or of any amendments or supplements thereto.

TABLES OF CHECKS ISSUED AND INVESTMENT YIELDS FOR UNITED STATES SAVINGS BONDS OF SERIES H

Each table shows: (1) Amounts of interest checks paid on United States Savings Bonds of Series H bearing issue dates covered by the table, by denominations, on each interest payment date following issue; (2) the approximate investment yield on the face value from issue date to each interest payment date; and (3) the approximate investment yield on the face value from each interest payment date to maturity. Yields are expressed in terms of rate percent per annum, compounded semiannually.

TABLE 1—BONDS BEARING ISSUE DATES BEGINNING JUNE 1, 1959

Face value	Issue price..... Redemption ¹ and maturity value.....	\$500	\$1,000	\$5,000	\$10,000	Approximate investment yield on face value	
		500	1,000	5,000	10,000	(2) From issue date to each interest payment date	(3) From each interest payment date to maturity ²
Period of time bond is held after issue date		(1) Amounts of interest checks for each denomination				Percent	Percent
1/2 year.....	\$4.00	\$2.00	\$4.00	\$20.00	\$40.00	1.60	3.88
1 year.....	7.25	14.50	72.50	362.50	725.00	2.25	3.95
1 1/2 years.....	8.00	16.00	80.00	400.00	800.00	2.56	4.00
2 years.....	10.00	20.00	100.00	500.00	1,000.00	2.91	4.00
2 1/2 years.....	10.00	20.00	100.00	500.00	1,000.00	3.12	4.00
3 years.....	10.00	20.00	100.00	500.00	1,000.00	3.26	4.00
3 1/2 years.....	10.00	20.00	100.00	500.00	1,000.00	3.36	4.00
4 years.....	10.00	20.00	100.00	500.00	1,000.00	3.44	4.00
4 1/2 years.....	10.00	20.00	100.00	500.00	1,000.00	3.49	4.00
5 years.....	10.00	20.00	100.00	500.00	1,000.00	3.54	4.00
5 1/2 years.....	10.00	20.00	100.00	500.00	1,000.00	3.58	4.00
6 years.....	10.00	20.00	100.00	500.00	1,000.00	3.61	4.00
6 1/2 years.....	10.00	20.00	100.00	500.00	1,000.00	3.64	4.00
7 years.....	10.00	20.00	100.00	500.00	1,000.00	3.66	4.00
7 1/2 years.....	10.00	20.00	100.00	500.00	1,000.00	3.68	4.00
8 years.....	10.00	20.00	100.00	500.00	1,000.00	3.70	4.00
8 1/2 years.....	10.00	20.00	100.00	500.00	1,000.00	3.71	4.00
9 years.....	10.00	20.00	100.00	500.00	1,000.00	3.72	4.00
9 1/2 years.....	10.00	20.00	100.00	500.00	1,000.00	3.74	4.00
10 years (maturity).....	10.00	20.00	100.00	500.00	1,000.00	3.75	4.00

¹ At all times, except that bond is not redeemable during first 6 months.

² Approximate investment yield for entire period from issuance to maturity is 3.75 percent per annum.

TABLE 2—BONDS BEARING ISSUE DATES FROM JUNE 1 THROUGH NOVEMBER 1, 1952

Face value	Issue price..... Redemption ¹ and maturity value.....	\$500	\$1,000	\$5,000	\$10,000	Approximate investment yield on face value	
		500	1,000	5,000	10,000	(2) From issue date to each interest payment date	(3) From each interest payment date to extended maturity ²
Period of time bond is held after maturity date		(1) Amounts of interest checks for each denomination				Percent	Percent
1/2 year.....	\$9.37	\$18.75	\$93.75	\$468.75	\$937.50	3.15	3.75
1 year.....	9.37	18.75	93.75	468.75	937.50	3.17	3.75
1 1/2 years.....	9.37	18.75	93.75	468.75	937.50	3.19	3.75
2 years.....	9.37	18.75	93.75	468.75	937.50	3.21	3.75
2 1/2 years.....	9.37	18.75	93.75	468.75	937.50	3.23	3.75
3 years.....	9.37	18.75	93.75	468.75	937.50	3.25	3.75
3 1/2 years.....	9.37	18.75	93.75	468.75	937.50	3.26	3.75
4 years.....	9.37	18.75	93.75	468.75	937.50	3.27	3.75
4 1/2 years.....	9.37	18.75	93.75	468.75	937.50	3.29	3.75
5 years.....	9.38	18.75	93.75	468.75	937.50	3.30	3.75
5 1/2 years.....	9.38	18.75	93.75	468.75	937.50	3.31	3.75
6 years.....	9.38	18.75	93.75	468.75	937.50	3.32	3.75
6 1/2 years.....	9.38	18.75	93.75	468.75	937.50	3.33	3.75
7 years.....	9.38	18.75	93.75	468.75	937.50	3.34	3.75
7 1/2 years.....	9.38	18.75	93.75	468.75	937.50	3.35	3.75
8 years.....	9.38	18.75	93.75	468.75	937.50	3.36	3.75
8 1/2 years.....	9.38	18.75	93.75	468.75	937.50	3.37	3.75
9 years.....	9.38	18.75	93.75	468.75	937.50	3.38	3.75
9 1/2 years.....	9.38	18.75	93.75	468.75	937.50	3.38	3.75
10 years (extended maturity) ³	9.38	18.75	93.75	468.75	937.50	3.39	3.75

¹ Calculated on the basis of \$1,000 bond.

² Approximate investment yield for the full 10-year extension is 3.75 percent per annum.

³ At all times, except that bond is not redeemable during first 6 months.

⁴ 19 years—8 months from issue date.

TABLE 5.—BONDS BEARING ISSUE DATES FROM DECEMBER 1, 1963, THROUGH MAY 1, 1954

Face value [Issue price— Redemption 1 and ma- turity value].....	(\$500)		(\$1,000)		(\$5,000)		(\$10,000)		(2) From issue date to each interest payment date Percent	(3) From each interest payment date to extended maturity* Percent
	500	1,000	5,000	10,000	500	1,000	5,000	10,000		
Period of time bond is held after maturity date										
1/2 year.....	\$9.37	\$18.75	\$93.75	\$187.50	3.22	3.75				
1 year.....	9.37	18.75	93.75	187.50	3.24	3.75				
1 1/2 years.....	9.37	18.75	93.75	187.50	3.26	3.75				
2 years.....	9.37	18.75	93.75	187.50	3.27	3.75				
2 1/2 years.....	9.37	18.75	93.75	187.50	3.29	3.75				
3 years.....	9.37	18.75	93.75	187.50	3.30	3.75				
3 1/2 years.....	9.37	18.75	93.75	187.50	3.32	3.75				
4 years.....	9.37	18.75	93.75	187.50	3.33	3.75				
4 1/2 years.....	9.37	18.75	93.75	187.50	3.34	3.75				
5 years.....	9.38	18.75	93.75	187.50	3.35	3.75				
5 1/2 years.....	9.38	18.75	93.75	187.50	3.36	3.75				
6 years.....	9.38	18.75	93.75	187.50	3.37	3.75				
6 1/2 years.....	9.38	18.75	93.75	187.50	3.38	3.75				
7 years.....	9.38	18.75	93.75	187.50	3.39	3.75				
7 1/2 years.....	9.38	18.75	93.75	187.50	3.39	3.75				
8 years.....	9.38	18.75	93.75	187.50	3.41	3.75				
8 1/2 years.....	9.38	18.75	93.75	187.50	3.42	3.75				
9 years.....	9.38	18.75	93.75	187.50	3.42	3.75				
9 1/2 years.....	9.38	18.75	93.75	187.50	3.43	3.75				
10 years (extended maturity) 2.....	9.38	18.75	93.75	187.50	3.43	3.75				

1 Calculated on the basis of \$1,000 bond.
 * Approximate investment yield for the full 10-year extension is 3.75 percent per annum.
 1 At all times, except that bond is not redeemable during first 6 months.
 2 19 years—8 months from issue date.

TABLE 6.—BONDS BEARING ISSUE DATES FROM JUNE 1 THROUGH NOVEMBER 1, 1964

Face value [Issue price— Redemption 1 and ma- turity value].....	(\$500)		(\$1,000)		(\$5,000)		(\$10,000)		(2) From issue date to each interest payment date Percent	(3) From each interest payment date to maturity* Percent
	500	1,000	5,000	10,000	500	1,000	5,000	10,000		
Period of time bond is held after issue date										
1/2 year.....	\$9.37	\$18.75	\$93.75	\$187.50	3.24	3.75				
1 year.....	9.37	18.75	93.75	187.50	3.26	3.75				
1 1/2 years.....	9.37	18.75	93.75	187.50	3.28	3.75				
2 years.....	9.37	18.75	93.75	187.50	3.30	3.75				
2 1/2 years.....	9.37	18.75	93.75	187.50	3.31	3.75				
3 years.....	9.37	18.75	93.75	187.50	3.32	3.75				
3 1/2 years.....	9.37	18.75	93.75	187.50	3.34	3.75				
4 years.....	9.37	18.75	93.75	187.50	3.35	3.75				
4 1/2 years.....	9.37	18.75	93.75	187.50	3.37	3.75				
5 years.....	9.38	18.75	93.75	187.50	3.38	3.75				
5 1/2 years.....	9.38	18.75	93.75	187.50	3.39	3.75				
6 years.....	9.38	18.75	93.75	187.50	3.40	3.75				
6 1/2 years.....	9.38	18.75	93.75	187.50	3.41	3.75				
7 years.....	9.38	18.75	93.75	187.50	3.42	3.75				
7 1/2 years.....	9.38	18.75	93.75	187.50	3.43	3.75				
8 years.....	9.38	18.75	93.75	187.50	3.43	3.75				
8 1/2 years.....	9.38	18.75	93.75	187.50	3.44	3.75				
9 years.....	9.38	18.75	93.75	187.50	3.44	3.75				
9 1/2 years.....	9.38	18.75	93.75	187.50	3.44	3.75				
10 years (extended maturity) 2.....	9.38	18.75	93.75	187.50	3.44	3.75				

1 Calculated on the basis of \$1,000 bond.
 * Approximate investment yield for the full 10-year extension is 3.75 percent per annum.
 1 At all times, except that bond is not redeemable during first 6 months.
 2 19 years—8 months from issue date.

TABLE 3.—BONDS BEARING ISSUE DATES FROM DECEMBER 1, 1952, THROUGH MAY 1, 1953

Face value [Issue price— Redemption 1 and ma- turity value].....	(\$500)		(\$1,000)		(\$5,000)		(\$10,000)		(2) From issue date to each interest payment date Percent	(3) From each interest payment date to extended maturity* Percent
	500	1,000	5,000	10,000	500	1,000	5,000	10,000		
Period of time bond is held after maturity date										
1/2 year.....	\$9.37	\$18.75	\$93.75	\$187.50	3.17	3.75				
1 year.....	9.37	18.75	93.75	187.50	3.19	3.75				
1 1/2 years.....	9.37	18.75	93.75	187.50	3.21	3.75				
2 years.....	9.37	18.75	93.75	187.50	3.23	3.75				
2 1/2 years.....	9.37	18.75	93.75	187.50	3.25	3.75				
3 years.....	9.37	18.75	93.75	187.50	3.26	3.75				
3 1/2 years.....	9.37	18.75	93.75	187.50	3.28	3.75				
4 years.....	9.37	18.75	93.75	187.50	3.29	3.75				
4 1/2 years.....	9.37	18.75	93.75	187.50	3.30	3.75				
5 years.....	9.38	18.75	93.75	187.50	3.32	3.75				
5 1/2 years.....	9.38	18.75	93.75	187.50	3.33	3.75				
6 years.....	9.38	18.75	93.75	187.50	3.34	3.75				
6 1/2 years.....	9.38	18.75	93.75	187.50	3.35	3.75				
7 years.....	9.38	18.75	93.75	187.50	3.36	3.75				
7 1/2 years.....	9.38	18.75	93.75	187.50	3.36	3.75				
8 years.....	9.38	18.75	93.75	187.50	3.37	3.75				
8 1/2 years.....	9.38	18.75	93.75	187.50	3.38	3.75				
9 years.....	9.38	18.75	93.75	187.50	3.39	3.75				
9 1/2 years.....	9.38	18.75	93.75	187.50	3.39	3.75				
10 years (extended maturity) 2.....	9.38	18.75	93.75	187.50	3.40	3.75				

1 Calculated on the basis of \$1,000 bond.
 * Approximate investment yield for the full 10-year extension is 3.75 percent per annum.
 1 At all times, except that bond is not redeemable during first 6 months.
 2 19 years—8 months from issue date.

TABLE 4.—BONDS BEARING ISSUE DATES FROM JUNE 1 THROUGH NOVEMBER 1, 1953

Face value [Issue price— Redemption 1 and ma- turity value].....	(\$500)		(\$1,000)		(\$5,000)		(\$10,000)		(2) From issue date to each interest payment date Percent	(3) From each interest payment date to extended maturity* Percent
	500	1,000	5,000	10,000	500	1,000	5,000	10,000		
Period of time bond is held after maturity date										
1/2 year.....	\$9.37	\$18.75	\$93.75	\$187.50	3.19	3.75				
1 year.....	9.37	18.75	93.75	187.50	3.21	3.75				
1 1/2 years.....	9.37	18.75	93.75	187.50	3.23	3.75				
2 years.....	9.37	18.75	93.75	187.50	3.25	3.75				
2 1/2 years.....	9.37	18.75	93.75	187.50	3.27	3.75				
3 years.....	9.37	18.75	93.75	187.50	3.28	3.75				
3 1/2 years.....	9.37	18.75	93.75	187.50	3.30	3.75				
4 years.....	9.37	18.75	93.75	187.50	3.31	3.75				
4 1/2 years.....	9.37	18.75	93.75	187.50	3.32	3.75				
5 years.....	9.38	18.75	93.75	187.50	3.33	3.75				
5 1/2 years.....	9.38	18.75	93.75	187.50	3.34	3.75				
6 years.....	9.38	18.75	93.75	187.50	3.35	3.75				
6 1/2 years.....	9.38	18.75	93.75	187.50	3.36	3.75				
7 years.....	9.38	18.75	93.75	187.50	3.37	3.75				
7 1/2 years.....	9.38	18.75	93.75	187.50	3.38	3.75				
8 years.....	9.38	18.75	93.75	187.50	3.39	3.75				
8 1/2 years.....	9.38	18.75	93.75	187.50	3.39	3.75				
9 years.....	9.38	18.75	93.75	187.50	3.40	3.75				
9 1/2 years.....	9.38	18.75	93.75	187.50	3.41	3.75				
10 years (extended maturity) 2.....	9.38	18.75	93.75	187.50	3.41	3.75				

1 Calculated on the basis of \$1,000 bond.
 * Approximate investment yield for the full 10-year extension is 3.75 percent per annum.
 1 At all times, except that bond is not redeemable during first 6 months.
 2 19 years—8 months from issue date.

TABLE 9—BONDS BEARING ISSUE DATES FROM DECEMBER 1, 1955, THROUGH MAY 1, 1956

Face value	Issue price— Redemption and maturity value		Approximate investment yield on face value
	\$500	\$1,000	
1/2 year	\$2.00	\$4.00	0.80
1 year	6.25	12.50	1.65
1 1/2 years	6.25	12.50	1.93
2 years	6.25	12.50	2.07
2 1/2 years	6.25	12.50	2.15
3 years	6.25	12.50	2.21
3 1/2 years	6.25	12.50	2.25

(2) From issue date to each interest payment date (a) interest payment date (b) interest payment date (c) From each interest payment date to maturity

Period of time bond is held after issue date	(1) Amounts of interest checks for each denomination				Approximate investment yield on face value
	\$2.00	\$4.00	\$20.00	\$40.00	
1/2 year	6.25	12.50	62.50	125.00	0.80
1 year	6.25	12.50	62.50	125.00	1.65
1 1/2 years	6.25	12.50	62.50	125.00	1.93
2 years	6.25	12.50	62.50	125.00	2.07
2 1/2 years	6.25	12.50	62.50	125.00	2.15
3 years	6.25	12.50	62.50	125.00	2.21
3 1/2 years	6.25	12.50	62.50	125.00	2.25

(3) From each interest payment date to maturity

Percent	Percent
3.13	3.13
3.18	3.18
3.22	3.22
3.27	3.27
3.34	3.34
3.41	3.41
3.49	3.49

TABLE 10—BONDS BEARING ISSUE DATES FROM JUNE 1, 1959 REVISION

Face value	Issue price— Redemption and maturity value		Approximate investment yield on face value
	\$500	\$1,000	
1/2 year	\$2.00	\$4.00	0.80
1 year	6.25	12.50	1.65
1 1/2 years	6.25	12.50	1.93
2 years	6.25	12.50	2.07
2 1/2 years	6.25	12.50	2.15
3 years	6.25	12.50	2.21
3 1/2 years	6.25	12.50	2.25

(2) From issue date to each interest payment date (a) interest payment date (b) interest payment date (c) From each interest payment date to maturity

Period of time bond is held after issue date	(1) Amounts of interest checks for each denomination				Approximate investment yield on face value
	\$2.00	\$4.00	\$20.00	\$40.00	
1/2 year	6.25	12.50	62.50	125.00	0.80
1 year	6.25	12.50	62.50	125.00	1.65
1 1/2 years	6.25	12.50	62.50	125.00	1.93
2 years	6.25	12.50	62.50	125.00	2.07
2 1/2 years	6.25	12.50	62.50	125.00	2.15
3 years	6.25	12.50	62.50	125.00	2.21
3 1/2 years	6.25	12.50	62.50	125.00	2.25

(3) From each interest payment date to maturity

Percent	Percent
3.13	3.13
3.18	3.18
3.22	3.22
3.27	3.27
3.34	3.34
3.41	3.41
3.49	3.49

Amounts of interest checks and investment yields to maturity on basis of June 1, 1959 revision

Period of time bond is held after maturity date	Extended maturity period				Approximate investment yield on face value
	\$2.00	\$4.00	\$20.00	\$40.00	
1/2 year	6.25	12.50	62.50	125.00	0.80
1 year	6.25	12.50	62.50	125.00	1.65
1 1/2 years	6.25	12.50	62.50	125.00	1.93
2 years	6.25	12.50	62.50	125.00	2.07
2 1/2 years	6.25	12.50	62.50	125.00	2.15
3 years	6.25	12.50	62.50	125.00	2.21
3 1/2 years	6.25	12.50	62.50	125.00	2.25

(b) to extended maturity

Percent	Percent
3.26	3.26
3.30	3.30
3.33	3.33
3.36	3.36
3.39	3.39
3.41	3.41
3.43	3.43
3.44	3.44
3.45	3.45
3.46	3.46
3.47	3.47
3.48	3.48
3.49	3.49

† Calculated on the basis of \$1,000 bond.
 ‡ Approximate investment yield on the basis of original (prior to June 1, 1959 revision) schedule of interest checks less 3.00 percent per annum for entire period from issuance to maturity. (2) As shown for any period from each interest payment date to maturity.
 § Approximate investment yield from effective date of the June 1, 1959 revision to maturity.
 ¶ Approximate investment yield for the full 10-year extension is 3.75 percent per annum.
 * At all times, except that bond is not redeemable during first 6 months.
 † 19 years—8 months from issue date.

TABLE 11—BONDS BEARING ISSUE DATES FROM DECEMBER 1, 1956, THROUGH JANUARY 1, 1957

Face value (Issue price, Redemption ¹ and maturity value)	Approximate investment yield on face value		Period of time bond is held after issue date
	\$500	\$10,000	
1/2 year	6.50	6.25	3.13
1 year	6.25	6.00	3.18
1 1/2 years	6.25	6.00	3.22
2 years	6.25	6.00	3.27
2 1/2 years	6.25	6.00	3.34

TABLE 12—BONDS BEARING ISSUE DATES FEBRUARY 1 THROUGH MAY 1, 1957

Face value (Issue price, Redemption ¹ and maturity value)	Approximate investment yield on face value		Period of time bond is held after issue date
	\$500	\$10,000	
1/2 year	8.45	8.45	3.35
1 year	8.45	8.45	3.38
1 1/2 years	8.45	8.45	3.38
2 years	8.45	8.45	3.38
2 1/2 years	8.45	8.45	3.38

Amounts of interest checks and investment yields to maturity on basis of June 1, 1959 revision

Period of time bond is held after maturity date	Approximate investment yield on face value		Period of time bond is held after issue date
	\$500	\$10,000	
1/2 year	8.70	8.70	3.01
1 year	8.70	8.70	3.07
1 1/2 years	8.70	8.70	3.12
2 years	8.70	8.70	3.16
2 1/2 years	8.70	8.70	3.19
3 years	8.70	8.70	3.25
3 1/2 years	8.70	8.70	3.26
4 years	8.70	8.70	3.30
4 1/2 years	8.70	8.70	3.35
5 years	8.70	8.70	3.38
5 1/2 years	8.70	8.70	3.41
6 years	8.70	8.70	3.43
6 1/2 years	8.70	8.70	3.44
7 years	8.70	8.70	3.45
7 1/2 years	8.70	8.70	3.47
8 years	8.70	8.70	3.48
8 1/2 years	8.70	8.70	3.49
9 years	8.70	8.70	3.50
9 1/2 years	8.70	8.70	3.51
10 years	8.70	8.70	3.52

Revised amounts of interest checks and investment yields

Period of time bond is held after maturity date	Approximate investment yield on face value		Period of time bond is held after issue date
	\$500	\$10,000	
1/2 year	11.05	11.05	3.01
1 year	11.05	11.05	3.07
1 1/2 years	11.05	11.05	3.12
2 years	11.05	11.05	3.16
2 1/2 years	11.05	11.05	3.19
3 years	11.05	11.05	3.25
3 1/2 years	11.05	11.05	3.26
4 years	11.05	11.05	3.30
4 1/2 years	11.05	11.05	3.35
5 years	11.05	11.05	3.38
5 1/2 years	11.05	11.05	3.41
6 years	11.05	11.05	3.43
6 1/2 years	11.05	11.05	3.44
7 years	11.05	11.05	3.45
7 1/2 years	11.05	11.05	3.47
8 years	11.05	11.05	3.48
8 1/2 years	11.05	11.05	3.49
9 years	11.05	11.05	3.50
9 1/2 years	11.05	11.05	3.51
10 years	11.05	11.05	3.52

* Approximate investment yield on the basis of original (prior to June 1, 1959 revision) schedule of interest checks is: (1) 3.25 percent per annum for entire period from issuance to maturity. (2) As shown for any period from each interest payment date to maturity.
¹ Revised approximate investment yield from effective date of revision to maturity.
² At all times, except that bond is not redeemable during first 6 months.

* Calculated on the basis of \$1,000 bond.
¹ Approximate investment yield on the basis of original (prior to June 1, 1959 revision) schedule of interest checks is: (1) 3.00 percent per annum for entire period from issuance to maturity. (2) As shown for any period from each interest payment date to maturity.
² Approximate investment yield from effective date of the June 1, 1959 revision to maturity.
³ At all times, except that bond is not redeemable during first 6 months.
⁴ At 19 years—8 months from issue date.

Period of time bond is held after maturity date	Approximate investment yield on face value		Period of time bond is held after issue date
	\$500	\$10,000	
1/2 year	9.37	9.37	3.75
1 year	9.37	9.37	3.75
1 1/2 years	9.37	9.37	3.75
2 years	9.37	9.37	3.75
2 1/2 years	9.37	9.37	3.75
3 years	9.37	9.37	3.75
3 1/2 years	9.37	9.37	3.75
4 years	9.37	9.37	3.75
4 1/2 years	9.37	9.37	3.75
5 years	9.37	9.37	3.75
5 1/2 years	9.37	9.37	3.75
6 years	9.37	9.37	3.75
6 1/2 years	9.37	9.37	3.75
7 years	9.37	9.37	3.75
7 1/2 years	9.37	9.37	3.75
8 years	9.37	9.37	3.75
8 1/2 years	9.37	9.37	3.75
9 years	9.37	9.37	3.75
9 1/2 years	9.37	9.37	3.75
10 years (extended maturity)	9.37	9.37	3.75

* Calculated on the basis of \$1,000 bond.
¹ Approximate investment yield on the basis of original (prior to June 1, 1959 revision) schedule of interest checks is: (1) 3.00 percent per annum for entire period from issuance to maturity. (2) As shown for any period from each interest payment date to maturity.
² Approximate investment yield from effective date of the June 1, 1959 revision to maturity.
³ At all times, except that bond is not redeemable during first 6 months.
⁴ At 19 years—8 months from issue date.

TABLE 13—BONDS BEARING ISSUE DATES JUNE 1 THROUGH NOVEMBER 1, 1957

Face value	Issue price— Redemption ¹ and ma- turity value	\$500	\$1,000	\$5,000	\$10,000	Approximate investment yield on face value	
		500	1,000	5,000	10,000	(2) From issue date to each interest pay- ment date	(3) From each interest pay- ment date to maturity*
Period of time bond is held after issue date		(1) Amounts of interest checks for each denomi- nation					
						Percent	Percent
½ year		\$4.00	\$8.00	\$40.00	\$80	1.60	*3.35
1 year		7.25	14.50	72.50	145	2.25	*3.38
1½ years		8.45	16.90	84.50	169	2.62	*3.38
2 years		8.45	16.90	84.50	169	2.80	†3.88

Revised amounts of interest checks and investment yields

2½ years	\$8.70	\$17.40	\$87.00	\$174	2.94	3.91
3 years	8.70	17.40	87.00	174	3.02	3.95
3½ years	8.70	17.40	87.00	174	3.08	3.99
4 years	8.70	17.40	87.00	174	3.13	4.03
4½ years	8.70	17.40	87.00	174	3.17	4.09
5 years	9.75	19.50	97.50	195	3.24	4.11
5½ years	9.75	19.50	97.50	195	3.29	4.14
6 years	9.75	19.50	97.50	195	3.34	4.17
6½ years	9.75	19.50	97.50	195	3.38	4.21
7 years	9.75	19.50	97.50	195	3.41	4.27
7½ years	10.45	20.90	104.50	209	3.45	4.29
8 years	10.45	20.90	104.50	209	3.49	4.31
8½ years	10.45	20.90	104.50	209	3.53	4.36
9 years	10.90	21.80	109.00	218	3.57	4.36
9½ years	10.90	21.80	109.00	218	3.60	4.36
10 years (maturity)	10.90	21.80	109.00	218	3.63	-----

*Approximate investment yield on the basis of original (prior to June 1, 1959 revision) schedule of interest checks is: (1) 3.25 percent per annum for entire period from issuance to maturity. (2) As shown for any period from each interest payment date to maturity.

†Revised approximate investment yield from effective date of revision to maturity.

¹At all times, except that bond is not redeemable during first 6 months.

TABLE 14—BONDS BEARING ISSUE DATES DECEMBER 1, 1957, THROUGH MAY 1, 1958

Face value	Issue price— Redemption ¹ and ma- turity value	\$500	\$1,000	\$5,000	\$10,000	Approximate investment yield on face value	
		500	1,000	5,000	10,000	(2) From issue date to each interest pay- ment date	(3) From each interest pay- ment date to maturity*
Period of time bond is held after issue date		(1) Amounts of interest checks for each denomi- nation					
						Percent	Percent
½ year		\$4.00	\$8.00	\$40.00	\$80	1.60	*3.35
1 year		7.25	14.50	72.50	145	2.25	*3.38
1½ years		8.45	16.90	84.50	169	2.62	†3.88

Revised amounts of interest checks and investment yields

2 years	\$8.70	\$17.40	\$87.00	\$174	2.83	3.91
2½ years	8.70	17.40	87.00	174	2.96	3.94
3 years	8.70	17.40	87.00	174	3.04	3.98
3½ years	8.70	17.40	87.00	174	3.10	4.02
4 years	8.70	17.40	87.00	174	3.14	4.07
4½ years	9.65	19.30	96.50	193	3.22	4.10
5 years	9.65	19.30	96.50	193	3.28	4.12
5½ years	9.65	19.30	96.50	193	3.33	4.15
6 years	9.65	19.30	96.50	193	3.37	4.19
6½ years	9.65	19.30	96.50	193	3.40	4.25
7 years	10.35	20.70	103.50	207	3.45	4.27
7½ years	10.35	20.70	103.50	207	3.49	4.29
8 years	10.35	20.70	103.50	207	3.52	4.33
8½ years	10.35	20.70	103.50	207	3.55	4.40
9 years	11.00	22.00	110.00	220	3.59	4.40
9½ years	11.00	22.00	110.00	220	3.63	4.40
10 years (maturity)	11.00	22.00	110.00	220	3.66	-----

*Approximate investment yield on the basis of original (prior to June 1, 1959 revision) schedule of interest checks is: (1) 3.25 percent per annum for entire period from issuance to maturity. (2) As shown for any period from each interest payment date to maturity.

†Revised approximate investment yield from effective date of revision to maturity.

¹At all times, except that bond is not redeemable during first 6 months.

PROPOSED RULE MAKING

TABLE 15—BONDS BEARING ISSUE DATES JUNE 1 THROUGH NOVEMBER 1, 1958

Face value { Issue price Redemption ¹ and maturity value.....	\$500	\$1,000	\$5,000	\$10,000	Approximate investment yield on face value	
	500	1,000	5,000	10,000	(2) From issue date to each interest pay- ment date	(3) From each interest pay- ment date to maturity*
Period of time bond is held after issue date	(1) Amounts of interest checks for each denomi- nation					
1/2 year.....	\$4.00	\$8.00	\$40.00	\$80	Percent 1.60	Percent 3.35
1 year.....	7.25	14.50	72.50	145	2.25	3.88

Revised amounts of interest checks and investment yields

1 1/4 years.....	\$8.70	\$17.40	\$87.00	\$174	2.65	3.91
2 years.....	8.70	17.40	87.00	174	2.85	3.94
2 1/2 years.....	8.70	17.40	87.00	174	2.98	3.97
3 years.....	8.70	17.40	87.00	174	3.06	4.01
3 1/2 years.....	8.70	17.40	87.00	174	3.11	4.06
4 years.....	9.55	19.10	95.50	191	3.20	4.08
4 1/2 years.....	9.55	19.10	95.50	191	3.26	4.11
5 years.....	9.55	19.10	95.50	191	3.31	4.14
5 1/2 years.....	9.55	19.10	95.50	191	3.35	4.18
6 years.....	9.55	19.10	95.50	191	3.39	4.23
6 1/2 years.....	10.30	20.60	103.00	206	3.44	4.25
7 years.....	10.30	20.60	103.00	206	3.48	4.27
7 1/2 years.....	10.30	20.60	103.00	206	3.52	4.31
8 years.....	10.30	20.60	103.00	206	3.55	4.36
8 1/2 years.....	10.30	20.60	103.00	206	3.58	4.44
9 years.....	11.10	22.20	111.00	222	3.62	4.44
9 1/2 years.....	11.10	22.20	111.00	222	3.66	4.44
10 years (maturity).....	11.10	22.20	111.00	222	3.69	-----

*Approximate investment yield on the basis of original (prior to June 1, 1959 revision) schedule of interest checks is: (1) 3.25 percent per annum for entire period from issuance to maturity. (2) As shown for any period from each interest payment date to maturity.

†Revised approximate investment yield from effective date of revision to maturity.
¹ At all times, except that bond is not redeemable during first 6 months.

TABLE 16—BONDS BEARING ISSUE DATES DECEMBER 1, 1958, THROUGH MAY 1, 1959

Face value { Issue price Redemption ¹ and maturity value.....	\$500	\$1,000	\$5,000	\$10,000	Approximate investment yield on face value	
	500	1,000	5,000	10,000	(2) From issue date to each interest pay- ment date	(3) From each interest pay- ment date to maturity*
Period of time bond is held after issue date	(1) Amounts of interest checks for each denomi- nation					
1/2 year.....	\$4.00	\$8.00	\$40.00	\$80	Percent 1.60	Percent 3.85

Revised amounts of interest checks and investment yields

1 year.....	\$7.50	\$15.00	\$75.00	\$150	2.30	3.91
1 1/4 years.....	8.70	17.40	87.00	174	2.68	3.94
2 years.....	8.70	17.40	87.00	174	2.88	3.97
2 1/4 years.....	8.70	17.40	87.00	174	3.00	4.01
3 years.....	8.70	17.40	87.00	174	3.07	4.05
3 1/4 years.....	9.45	18.90	94.50	189	3.17	4.08
4 years.....	9.45	18.90	94.50	189	3.24	4.10
4 1/4 years.....	9.45	18.90	94.50	189	3.30	4.14
5 years.....	9.45	18.90	94.50	189	3.34	4.18
5 1/4 years.....	9.45	18.90	94.50	189	3.38	4.23
6 years.....	10.25	20.50	102.50	205	3.43	4.24
6 1/4 years.....	10.25	20.50	102.50	205	3.48	4.26
7 years.....	10.25	20.50	102.50	205	3.52	4.29
7 1/4 years.....	10.25	20.50	102.50	205	3.55	4.33
8 years.....	10.25	20.50	102.50	205	3.58	4.40
8 1/4 years.....	10.25	20.50	102.50	205	3.61	4.50
9 years.....	11.25	22.50	112.50	225	3.65	4.50
9 1/4 years.....	11.25	22.50	112.50	225	3.69	4.50
10 years (maturity).....	11.25	22.50	112.50	225	3.72	-----

*Approximate investment yield on the basis of original (prior to June 1, 1959 revision) schedule of interest checks is: 3.25 percent per annum for entire period from issuance to maturity.

†Revised approximate investment yield from effective date of revision to maturity.
¹ At all times, except that bond is not redeemable during first 6 months.

DEPARTMENT OF AGRICULTURE

Agricultural Marketing Service

[7 CFR Part 1030]

[Docket No. AO-101-A29]

MILK IN CHICAGO, ILLINOIS,
MARKETING AREADecision on Proposed Amendments
to Tentative Marketing Agreement
and to Order

Pursuant to the provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601 et seq.), and the applicable rules of practice and procedure governing the formulation of marketing agreements and marketing orders (7 CFR Part 900), a public hearing was held at Chicago, Illinois, May 23-29, 1963, pursuant to notices thereof issued April 15, 1963 (28 F.R. 3858) and April 30, 1963 (28 F.R. 4463).

Upon the basis of the evidence introduced at the hearing and the record thereof, the Deputy Administrator, Agricultural Marketing Service, on May 26, 1964 (29 F.R. 7098; F.R. Doc. 64-5399) filed with the Hearing Clerk, United States Department of Agriculture, his recommended decision containing notice of the opportunity to file written exceptions thereto.

The order provided with this decision incorporates the order language necessary to implement the findings and conclusions in the Chicago order as set forth in the decision issued by the Assistant Secretary, June 19, 1964 (29 F.R. 9109, Part III), with respect to (1) the treatment to be accorded unregulated milk distributed in a regulated market or received at a regulated plant from a plant not regulated by any Federal milk order, and (2) the treatment of milk distributed in a federally regulated market or received at a federally regulated plant from a plant subject to another Federal order. The Assistant Secretary's June 19, 1964, decision provided that comprehensive revision of the Chicago order language resulting from the January 8-11, 1963, St. Louis hearing as it applies to route distribution in the marketing area by an unregulated distributor, receipts at regulated plants from unregulated sources, and movements of milk between the Chicago and other Federal order markets was reserved for inclusion in this decision in order to co-ordinate changes in the Chicago order provisions resulting from the two hearings. The amended order effective August 1, 1964, based on the January 8-11, 1963, St. Louis hearing provided only such changes in the order language necessary to effectuate the recommended changes in the transfer provisions of other Federal orders. Therefore, this decision and tentative order consolidates the complete revised order language resulting from both the January 8-11, 1963, St. Louis hearing and the May 23-29, 1963, Chicago hearing.

The material issues on the record relate to:

1. Eliminating three townships in Lake County, Indiana;

2. Changing the qualifications for attaining pool plant status;

3. Providing for a skim milk and butterfat basis of accounting;

4. Including in two classes the classifications now contained in Class I, Class II, and Class III;

5. Establishing butterfat differentials applicable to Class I and Class II and to the uniform price;

6. Revising location differentials applicable to class prices and in paying producers;

7. Discontinuing the base and excess plan in paying producers; and

8. Incidental and corollary changes.

Findings and conclusions on Issue 7 were included in an earlier decision on this record issued July 29, 1963 (28 F.R. 7844). Following approval by producers, the order was amended August 8, 1963, to discontinue the base and excess plan. Findings and conclusions on all issues except Issue 7 are contained in this decision.

Findings and conclusions. The following findings and conclusions on the material issues are based on evidence presented at the hearing and the record thereof:

1. The Lake County, Indiana townships of Calumet, Hobart, and North should be removed from the Chicago marketing area.

Removal of the three Lake County townships (the Calumet area) from the Chicago marketing area for addition to the South Bend-La Porte-Elkhart marketing area was proposed by a producer association with a substantial number of producers in both markets and was supported by the principal handlers in the affected area. A separate decision recommends including the three townships in the South Bend-La Porte-Elkhart marketing area and redesignating it as the Northwestern Indiana marketing area.

The Calumet area handlers are associated more intimately in their competition for Class I sales with handlers who would be regulated by the recommended Northwestern Indiana order than with Chicago order handlers. There is substantial distribution by these Calumet handlers throughout each of the eight counties in the proposed Northwestern Indiana marketing area. These same Calumet handlers are not approved for and do not have any Class I business in the city of Chicago. The Chicago based handlers who distribute in the Calumet area have relatively little distribution in Indiana outside of Lake County, and their distribution there represents a small proportion of their total distribution.

Producers supplying Calumet area handlers are located in the milkshed overlapping the South Bend-La Porte-Elkhart milkshed. The different prices and utilizations of the Chicago and South Bend-La Porte-Elkhart orders have made it difficult for the Calumet area handlers to obtain adequate supplies in the local procurement area. The Chicago order uniform price applicable at plants in the Calumet area averaged \$3.55 in 1962. Under the South Bend-La Porte-Elkhart order the average uniform price of \$3.85 for the same period

was 30 cents higher. Calumet handlers have had to pay more than the minimum prices prescribed by the Chicago order to obtain milk from local producers sufficient for their Class I sales plus a necessary reserve. This has placed Calumet area handlers at a disadvantage in competing with handlers able to buy supplies at the class prices under the South Bend-La Porte-Elkhart and other nearby orders.

A cooperative under the Chicago order opposed a shift of the Calumet area to the South Bend-La Porte-Elkhart marketing area. It claimed that the removal of Calumet area Class I sales from the Chicago pool would reduce the Chicago blend price 1 cent per hundredweight. However, the cooperative did not present testimony that would substantiate its position that operations of the Calumet area handlers in both distribution and procurement are more intimately associated with those of Chicago order handlers than with handlers regulated by the South Bend-La Porte-Elkhart order.

2. The pooling provisions of the order should be changed.

A distributing plant should be pooled during a month in which (1) not less than 30 percent of its total Grade A fluid milk product receipts is disposed of during the month either on routes or in the form of packaged fluid milk products to pool distributing plants, and (2) not less than 10 percent of such receipts is disposed of in the marketing area on routes from such plants or moved in the form of packaged fluid milk products to pool distributing plants and distributed from such plants in the marketing area on routes. As now provided in the order, distributing-type plants need only dispose of any portion of their receipts as Class I or Class II milk products in the marketing area to qualify as pool plants. A distributing plant would be defined as a plant from which a Grade A fluid milk product that is processed or packaged in such plant is disposed of during the month in the marketing area on routes.

A supply plant (or reload point, as now defined in the order) should be pooled during a month in which shipments of fluid milk products to pool distributing plants are at least 20 percent of the butterfat in or of the volume of Grade A milk received from dairy farmers. Such shipments should be comprised of fluid whole milk or skim milk, representing at least 10 percent of the volume of Grade A milk received from dairy farmers. A supply plant that met the monthly 20 percent shipping requirement in July through December would be permitted to pool without further shipment in the following January through June. A supply plant would be defined as a plant from which a Grade A fluid milk product is shipped during the month to a pool plant.

Presently a supply plant may attain pool plant status in any single month by shipping at least 30 percent of the butterfat in, or 30 percent of the volume of, milk received from dairy farmers to regulated plants bottling and disposing of Class I or Class II milk in the marketing area. If a supply plant ships monthly at least 30 percent of its receipts from

dairy farmers in July and December, 40 percent August through November, and 15 percent in January and February, it is accorded pool plant status in the following March through June.

A producer cooperative association proposed that a distributing plant should qualify for pooling if it utilizes during the month not less than 30 percent of its total Grade A milk receipts as Class I milk and disposes of at least 10 percent of such receipts as packaged Class I milk products in the marketing area.

The same association proposed that a supply plant (or reload point) should qualify for pooling if it ships during the month at least 30 percent of its milk receipts in fluid form to a pool distributing plant.

It was proposed, further, that a supply plant which qualified for pooling during the months of July through December would be pooled during the following months of January through June.

These proposals to change the pooling provisions of the order were supported by an association of milk dealers and an association of ice cream manufacturers in the Chicago area.

A proposal made by another producer cooperative association would pool a distributing plant that processes and packages any fluid milk products (as defined in the attached order) required to be made from inspected Grade A milk by a health authority having jurisdiction in the marketing area, all or a part of which is disposed of in the marketing area. The proposal, as modified at the hearing, would include ice cream as a fluid milk product. This would assure the continued pooling of plants which manufacture ice cream for disposition in Chicago.

The cooperative proposed, also, that a supply plant should be pooled during a month in which it ships to a pool distributing plant 30 percent of its Grade A producer receipts in the form of butterfat or skim milk. A formula was suggested for converting the weights of milk solids not fat to a whole milk equivalent for qualifying purposes.

Another proposal would provide automatic pooling for a plant that qualified as a supply plant for three consecutive months and the market administrator is notified of its willingness to dispose of 50 percent of its receipts during specified months for use in products required to be made from Grade A milk for sale in the marketing area.

The proposals made by the cooperatives are aimed primarily at:

- (1) Pricing and pooling only Grade A milk under the order.
- (2) Assuring milk for the market when it is needed for Class I use.
- (3) Providing pooling standards that are based on plant performance in furnishing the Class I fluid milk needs of the market.
- (4) Providing that all plants which supply the fluid milk needs of the market for a portion of the year shall participate in the pool during the remainder of the year. Producers supplying milk to such plants would share in the returns from the sale of Class I milk.

(5) Assuring that all milk used in products which must be made from Grade A milk in the Chicago area (such as ice cream) will be pooled.

(6) Eliminating the uneconomic movement of milk to the market for pool qualification when not needed for use in Grade A products.

Opposition to changing the pool plant provisions of the order was expressed by groups of producer cooperative associations and proprietary handlers. The opposition contends that historical sources of supply for Grade A milk used in ice cream and ice milk would be disrupted, other supply plants of long standing would be excluded from pool participation, and uneconomic shipment of milk for qualifying pool plants would increase.

The minimum class prices of the order should apply to that milk eligible for distribution as Grade A milk which is received from dairy farmers at plants substantially engaged in supplying fluid milk products for sale on retail and wholesale routes in the marketing area. Such plants would be defined as "pool plants".

It is essential to the operation of an order to establish pool plant performance standards that will insure the maintenance of an adequate supply of pure and wholesome milk for the market. The basis for determining which plants shall be pool plants under the order, and thereby fully subject to regulation, should be clearly set forth and apply uniformly to all plants wherever located. Any plant, regardless of its location, should have equal opportunity to comply with the standards of regulation and have its producers share in the available Class I sales. Pool plant status should not be determined solely on an occasional shipment of milk or an approval by a health authority. Whether plants and producers choose to supply the market will depend on the economic circumstances with which they are confronted, such as prices, transportation costs and alternative outlets.

Performance standards should be such that any plant which supplies a substantial proportion of its Grade A receipts to the market would pool its sales and share in the marketwide equalization. On the other hand, plants only casually or incidentally associated with the order market should not be subject to complete regulation in this market. Neither should they be permitted nor required to equalize their sales with all plants in the market. If a milk plant were to be permitted to share on a pro-rata basis the Class I utilization of an entire market without bearing any responsibility for supplying the market's fluid milk needs, then the differentials paid by users of Class I milk could be dissipated without accomplishing their intended purpose.

Permitting a plant that is only casually or incidentally associated with the market to pool its surplus in this market would not assure its milk being available when needed for Class I purposes in the market. Such a distribution of equalization payments would reduce the blend prices to producers regularly supplying the market and tend to reduce the num-

ber of plants on which the market could depend as regular suppliers of its Class I needs.

Plants may be regulated on the basis of their performance either as distributing plants or as supply plants. To qualify specifically as a distributing plant, a plant must dispose of not less than 30 percent of its total Grade A fluid milk product receipts during the month on routes, and not less than 10 percent of such receipts should be disposed of in the marketing area on routes. This or similar qualifying techniques are generally in use throughout the Federal order program. To assist in the identification of those plants which are to be subject to full regulation, a route definition is provided. A route is defined as the delivery, either direct or through any distribution facility other than a plant (including disposition from a plant store, vendor or vending machine) of any fluid milk product classified as Class I.

If a plant that packages fluid milk products for distribution in the marketing area neither receives milk from producers nor operates routes, it should be permitted to qualify as a pool plant on the basis of the disposition of fluid milk products packaged at such plant. Because supply plant qualifications for pooling are based on receipts from producers, a plant of this type cannot qualify as a supply plant for pooling purposes. It is appropriate, therefore, that such plant's qualifications for pooling be based on route distribution either directly from such plant or from distributing plants that are pool plants and receive packaged fluid milk products from such plants.

It would not be practicable to include in the marketing area all territory wherein handlers who would be regulated because of their sales in the marketing area have Class I sales. Neither is it possible under this order to attempt to differentiate for the purpose of regulation between Class I sales by such handlers both inside and outside the marketing area. It is necessary that all producer milk be fully regulated regardless of where it is sold. Otherwise the effect of the order would be nullified and the orderly marketing process would be jeopardized.

If only a pool handler's "in area" milk is subject to classification, pricing and pooling, a handler with sales outside the marketing area could assign any value he chose to such sales and thereby reduce the average cost of his Class I milk below that of other regulated handlers having all, or substantially all, of their Class I sales within the marketing area. Unless all milk of such handler is fully regulated, he would not be subject to effective price regulation at all. The absence of effective classification, pricing and pooling of such milk would disrupt orderly marketing conditions within the regulated marketing area and lead to a complete breakdown of the order.

As noted in the decision of June 19, 1964 (29 F.R. 9109) referred to previously, there is no way to treat unregulated milk equally with regulated milk other

than to regulate it fully. In the case of plants having insufficient association with the market to meet pool plant requirements, it was concluded that the inequalities resulting from pricing only the small percentage of the milk at such plants which was disposed of in the marketing area would not be serious enough to jeopardize the marketing conditions within the regulated marketing area.

However, in the case of plants which have sufficient association with the market to meet the pool plant requirements, permitting them to dispose of a portion of their receipts outside the marketing area completely free of regulation would, because of the volume of milk they dispose of in the marketing area, disrupt orderly marketing processes within the regulated market and render ineffective the classification and pricing provisions of the order. With a handler free to value a portion of his milk at any price he chose (zero if he desired) it would be impossible to enforce uniform prices to all regulated handlers or a uniform basis of payments to the producers who supply the market.

It is absolutely essential, therefore, that the order price all the producer milk received at a pool plant regardless of the point of disposition.

Except for the status of ice cream plants, there is general agreement among proponents that distributing plants should be engaged in the processing or packaging of Grade A fluid milk products for distribution in the marketing area.

The effect of the provisions recommended herein will be to disqualify as pool plants those which specialize totally and exclusively as ice cream manufacturing operations. The classification of ice cream as a Class II product is discussed elsewhere in this decision. With such classification, it would be inappropriate and inaccurate to identify such plants as supplying the fluid milk needs of consumers in the marketing area.

Pooling standards for supply plants should not be so high that they force uneconomic shipments into the marketing area to qualify plants but not to supply fluid milk outlets. At the same time, an appropriate minimum standard is needed to avoid the possibility that plants will refrain or refuse to supply the market when such action is beneficial to the plant, but does not contribute toward servicing the Class I milk needs of consumers in the market.

It is inappropriate to include in the pool, to receive the benefit of uniform prices, those plants which are not a regular or dependable part of the market supply. Such plants, in which the principal operation is the manufacture of dairy products such as butter, cheese and nonfat dry milk may be attracted to the pool primarily to participate in the higher-valued Class I utilization of the fluid market without supplying the Class I fluid milk needs of consumers in the market.

A major function of the supply plant pooling standards is to insure that handlers who are bottling milk and distributing it for sale to consumers primarily in the Chicago area can regularly and de-

pendably obtain milk from supply plants to meet their fluid milk requirements. Without such standards, supply plants would tend to keep milk at their plants for manufacturing when it was to their advantage to do so.

The order was amended September 1, 1961, to provide the present pooling standards for supply plants. They are the basis for determining which supply plants are an integral part of the market and constitute the source of regular and dependable supplies for the market. They are specifically intended to distinguish between plants meeting a reasonable standard of regular and customary service to the market and those which do not.

A number of supply plants qualify for pooling under the present order solely on the basis of cream shipments. When called upon to supply milk for bottling requirements of the market, operators of the plants have refused to do so because such plants already qualified for pooling on the basis of their cream shipments. The milk requested for Class I use was retained in the supply plants and used in manufactured milk products.

In recent years, producer receipts in nearby zones in relation to total market receipts have decreased while the market's Class I sales have increased. The recent reduction in the number of bottling days per week (to 5 or less) makes it more necessary than heretofore that milk from supply plants be available to the market on a continuing basis. The steadily increasing Class I sales and the reduced proportion of total market supplies available from nearby producers and plants requires that the performance standards for supply plants be strengthened to insure an adequate supply of milk for the market.

An exception to the recommended decision's pooling standards for supply plants claimed they are a barrier to qualifying such plants as pool plants. It should be emphasized and reiterated that performance standards for pool plants do not impede the shipment of milk to the Chicago market. Quite the contrary, because they require milk to be shipped to the market to share in the market pool funds, they encourage milk shipments for Class I use which otherwise would not be made. This incentive is achieved by preventing plants which do not ship milk in accordance with the prescribed standards from sharing in the pool funds. The performance standards are thus the opposite of a barrier to the shipment of milk to the market.

As now provided in the order, a supply plant may attain pool status during any month by shipping at least 30 percent of the butterfat in, or 30 percent of the volume of, milk received from dairy farmers to pool plants bottling and distributing Class I or Class II milk in the marketing area.

If a supply plant ships monthly at least 30 percent of its receipts from dairy farmers in July and December, 40 percent August through November and 15 percent in January and February, it is automatically accorded pool plant status for the following months of March through June. The months of July through February are generally referred to in the

industry as the qualifying months for automatic pooling during March through June.

As provided in this decision, a supply plant would be pooled during a month in which shipments of fluid milk products to pool distributing plants are at least 20 percent of the butterfat in or of the volume of Grade A milk received from dairy farmers. A further requirement is that at least 10 percent of the volume of Grade A milk received from dairy farmers at such a plant be shipped as whole milk or skim milk. A supply plant that met the 20 percent shipping requirement in July through December would be permitted to pool without further shipment in the following January through June.

During each of the qualifying months of September, October, and November 1962, a total of from three to five plants were unable to qualify for pooling under the 40 percent standard. This had not happened the previous year and reflects a marketing problem which developed during that time. The plants did qualify for pooling, however, by meeting the alternative 30 percent standard for all subsequent months. The pooling standards recommended for the months of July through December will accommodate the pooling of supply plants that are regularly associated with the market during most of the months in which the market's needs for fluid milk in relation to supply is at its peak.

The greatest controversy among proponents was centered on the question of relating pooling standards to whole milk shipments only. Opposition to this view was expressed by a relatively large number of proprietary handlers and producer cooperative associations.

For many years supply plants have qualified for pooling by shipping cream, condensed skim and similar concentrated dairy products to processing and packaging plants in the market. The record is not clear on precisely how many plants would be affected by the proposal to qualify supply plants on the basis of 30 percent of their Grade A receipts being shipped as whole milk to pool distributing plants. Views ranged from "no change" to "widespread disruption."

Data were submitted estimating the impact on supply plants of the proposal for whole milk shipments. Shipments from supply plants in August and December 1962 were the basis for the estimate.

During August 1962, 17 supply plants shipped less than 30 percent of their receipts to distributing plants in the market. Receipts at these 17 plants were about 91 million pounds. This was about 26 percent of the 349 million pounds received in that month at 75 supply plants.

During December 1962, 22 supply plants shipped less than 30 percent of their receipts to distributing plants. The receipts at these plants, 147 million pounds, were 34 percent of the 435 million pounds of milk received in that month at 76 supply plants.

The proposal that a supply plant, to pool, must ship at least 30 percent of its receipts as whole milk to distributing plants that are pool plants could have a significant impact on the pool status of

some supply plants now serving the market. The record does not reveal, of course, what the current impact would be. With few exceptions, witnesses representing groups of handlers and co-operatives operating supply plants were reluctant or unable to present testimony concerning what the precise effect of the proposal on their operations would be.

A witness testified that unless supply plants ship the quantities of whole milk proposed, it cannot be said with justification that they are supplying the fluid milk needs of consumers in the Chicago area. As evidence of this, daily milk shipments of 34 supply plants during a week in each month of July 1961 through April 1963 were presented as being representative of the supply needs of about 70 distributing plants in the market. Within a single week, distributing plant requirements from supply plants generally varied more than 200 percent between the high and low day. This is because most bottling plants do not operate seven days a week and there is a significant variation in the number of days that the different bottling plants operate. Likewise, current distributing methods result in much variation in a plant's Class I needs for bottling on the various days of the week. Proponent contends that to furnish these needs supply plants serving Class I outlets must ship considerably more than 30 percent of their Grade A receipts.

The recommended decision provided that a supply plant (or reload point) should be pooled in a month when shipments of fluid milk products to pool distributing plants are at least 30 percent of the butterfat in or the volume of Grade A milk received from dairy farmers. In addition, it required that at least 10 percent of the volume of Grade A milk received from dairy farmers be shipped as fluid whole milk. Exceptors expressed concern that some supply plants could not meet the 30 percent shipping requirement and that the loss of producers at such plants would jeopardize the association of an adequate supply of milk with this market. In addition, they claimed that the integrity of the pool would not be compromised by reducing the shipping requirement to 20 percent. To prevent a possible disruption of the supply for the fluid needs of this market, the 30 percent shipping requirement for supply plants to qualify for pooling should be reduced to 20 percent.

Exceptions urged that because skim milk is a fluid milk product with increasing demand among consumers, it appropriately should be included with whole milk in determining the 10 percent shipping requirement for supply plants. Skim milk is an integral part of the Class I needs of consumers and, therefore, it should be included with whole milk in determining the 10 percent shipping requirements of supply plants for pool plant status.

The pooling standards recommended for supply plants will provide a suitable standard for plants having a continuing association with the market. They depart, somewhat, from past practice in that a portion of a supply plant's shipments to a distributing plant would need to be in the form of whole milk or skim

milk. It is a reasonable standard and one which emphasizes the responsibility of supply plants associated with the market to contribute toward the Class I needs of consumers. Plants which may be considered an integral part of that supply should be able to meet these requirements without difficulty under foreseeable circumstances.

Some milk may be distributed in the marketing area from plants which are fully subject to the classification and pricing provisions of other Federal milk marketing orders. It is not necessary to extend full regulation under an order to such plants which dispose of a major portion of their receipts in another regulated marketing area. To do so would subject such plants to duplicate regulation. So that the market administrator may be fully apprised, however, of the continuing status of such a plant, the operator of it should, with respect to the total receipts and utilization or disposition of skim milk or butterfat at the plant, make reports to the market administrator at such time and in such manner as the market administrator may require and allow verification of such reports by the market administrator.

A definition of "nonpool plant" is provided to facilitate formulation of the various order provisions as they apply to such a plant. A nonpool plant would mean a plant (except a pool plant) which receives milk from dairy farmers or is a milk manufacturing, processing, or bottling plant. Specific categories of nonpool plants would be further defined as follows:

(a) "Other order plant" would mean a plant that is fully subject to the pricing and pooling provisions of another order issued pursuant to the Act, unless such plant is qualified as a pool plant under the Chicago order and a greater volume of fluid milk products is disposed of from such plant in this marketing area on routes and to pool plants qualified on the basis of route distribution in this marketing area than in the marketing area pursuant to such other order.

(b) "Producer-handler plant" would mean a plant operated by a producer-handler as defined in any order issued pursuant to the Act.

(c) "Partially regulated distributing plant" would mean a nonpool plant that is neither an other order plant nor a producer-handler plant and from which fluid milk products labeled Grade A in consumer-type packages or dispenser units are distributed in the marketing area on routes during the month.

(d) "Unregulated supply plant" would mean a nonpool plant that is a supply plant and is neither an other order plant nor a producer-handler plant.

The emphasis which the recommended pooling standards places on continuing performance obviates the need for a "call" provision in the order.

It was proposed that such provision be employed in conjunction with pooling standards for supply plants which would not require the shipment of whole milk to distributing plants that are pool plants. In fact, to pool a supply plant, practically no milk would need to be shipped. The proposal would tend to

insure continued pool status for manufacturing plants which ship little or no milk to the market.

Proponents likened the Chicago market to two other Federal order markets which contain call provisions. The principal point made here, however, is that one characteristic these markets have in common is that they are large. The testimony presented about call provisions in other orders concerned only mechanics. There was no claim that marketing conditions in the Chicago area are comparable to the areas for which call provisions are provided in the orders. The testimony did not include cogent reasons for adopting such provisions in the Chicago order.

Proponents stated also that a call provision would guarantee the availability of milk to the market. However, it was not shown how this would be accomplished without lowering drastically the pool plant performance standards and thereby enabling plants with no real association with the market to share in the pool. Moreover, the availability of milk to the market is adequately guaranteed by the shipping requirements that supply plants must meet to qualify for pooling.

Obviously when distributing plants have access to all the milk required to furnish consumers' Class I needs, there is no need for a call provision. The pool plant provisions herein recommended will continue to facilitate the association of milk supplies with the market. In addition, the automatic pooling provisions will continue to accommodate supply plants which have regularly supplied milk to the market when needed. Such provisions will relieve bona fide supply plants of having to make uneconomic shipments of milk to the market for the sole purpose of maintaining pool status.

Similarly, a proposal should not be adopted which would pool a supply plant indefinitely. It was proposed that a supply plant which qualified for each of the preceding three months could continue to participate in the pool if it notifies the market administrator that it is willing to dispose of not less than 50 percent of its receipts for use in Grade A milk products in the marketing area. Such pooling would be contingent upon the plant maintaining, among other things, specified sanitary conditions.

Shipping standards are the basis for determining which supply plants are an integral part of the market and constitute the source of regular and dependable supplies for the market. They are specifically intended to distinguish between plants meeting a reasonable standard of regular and customary service to the market and those which do not. Unless adequate pool plant requirements are provided, there is no assurance that milk will be available to the market when needed.

As recommended, a supply plant, to pool for an entire year, would need ship only 20 percent of its receipts of milk or butterfat to pooled distributing plants in each of the 6 months of July through December. Only 10 percent of such shipments would need to be whole milk or skim milk. This will assure that every plant which regularly and dependably furnished milk to the market during the

months of July through December will be included in the pool during the following months of January through June. This provision will obviate the need to ship milk to the market when it is not needed. What is more important, it will require plants to demonstrate their association with the market each ensuing year. This technique will afford market stability and be in the public interest.

The pooling standards recommended continue to provide that supply plants may ship cream, for instance, to distributing plants and have such shipments qualify the plant for pooling on the basis of the relationship of such shipments to the Grade A butterfat receipts from dairy farmers at the supply plant.

As presently provided, the order classifies separately milk as Grade A or Grade B. Separate prices apply to each such category of milk when used in Class I and Class II products. Both categories of milk, when received at a plant, are used in determining pool status for the plant.

Under present Illinois law, only Grade A milk may be sold for fluid consumption within the State. It is appropriate, therefore, in revising the pooling provisions of the order (as well as other provisions affected) to provide that only Grade A milk shall be priced and pooled under the order.

No change should be made in the unit system pooling provisions of the order. A handler proposed that distributing plants be permitted to qualify for pooling on a unit system basis. Another proposal would include direct receipts from producers at pool distributing plants in determining the pool status of supply plants under the unit system provisions.

The economic justification for pooling supply plants on a unit basis is to promote marketing efficiency by keeping transportation costs at a minimum. As provided in the order, unit system pooling maintains pool plant status for eligible supply plants by obviating the need to move milk to the market from each plant in a supply plant system to meet the pooling provisions of the order. Pooling such plant systems is accomplished by treating them as a unit in determining whether they meet the pooling standards provided in the order.

The proposals would change significantly the nature of the unit system pooling provisions. They would pool distributing plants as a unit as well as supply plants. Such proposals do not take into consideration, however, the separate and distinctive functions of distributing and supply plants.

Distributing plants are those at which fluid milk products are processed and packaged and from which Grade A fluid milk products are disposed of on routes in the marketing area. The extent of such distribution measures a distributing plant's association with a particular marketing area. Any provision that would obscure the performance of individual plants would make it difficult to make the critical measurement necessary to determine a distributing plant's association with the market.

As proposed, distributing plants servicing consumers in entirely different

markets, regulated or unregulated, could be pooled arbitrarily in the Chicago market. This could enhance financial returns to producers supplying them, but at the expense of the pool.

Supply plants, on the other hand, are those which furnish the daily, weekly, monthly and seasonal requirements of distributing plants. In performing this function, they generally retain the reserve milk associated with such supplies. Such reserves are often manufactured at the supply plant or sold to specialized manufacturing plants for processing. The point here is that in performing this supply function supply plants are often organized as systems. It was to accommodate such plant systems that the unit pooling provisions were adopted. It enables transport economies to be realized while applying aggregate pooling standards to the system. Thus, the tendency to attach more plants or milk to the pool than might otherwise be possible on an individual plant basis is minimized.

The other proposal would include direct receipts at a distributing plant as a means of pooling a "supply" of milk by applying the unit system pooling provisions. Proponent contends that this will enable handlers to close "reload points" and continue to qualify supply plant systems solely on the basis of direct receipts at distributing plants. The effect of this could be to pool a supply plant having no association with the market at any time, in any way. It could add milk to the pool without the marketing efficiencies sought by the provision. It could do this for a plant which otherwise would not be associated with the market and which could not meet the pooling standards provided for the months of July through December or for any other month.

Some handlers receive milk from both Grade A and ungraded sources. Proper safeguard should be provided in the order, therefore, to insure that the ungraded and graded portions of a plant operated by the same handler are maintained as separate entities. If a portion of a plant is physically apart from the Grade A portion of such plant and is not approved by any health authority for receiving, processing, or packaging of any fluid milk product for Grade A disposition, it should not be considered a part of a pool plant. However, if the graded and ungraded operations of a plant are not maintained separately, the entire operation of such plant would be considered as that of a pool plant, and all ungraded milk received at such plant would be considered as other source milk received at a pool plant.

That portion of the pool plant provision which grants relief from the effects of a labor dispute during the qualifying months for automatic pooling should be revised to enable a plant to retain pool status if the work stoppage includes an entire month. Such plant would be considered to have met the minimum percentage shipping requirements in that month for pool plant status. Such relief, however, would not be granted for more than two consecutive months.

An exception to the recommended decision emphasized the need to revise the

order provision concerning the pooling of a supply plant that made no shipments to pool distributing plants for a time during the delivery period because of a labor dispute. The present order requires the exclusion of a plant's receipts and utilization for each day of work stoppage in determining whether it met the shipping requirements for the month. Hence, in an instance in which a work stoppage extended for a full month, such plant would not be pooled.

It was proposed that if, during the qualifying period, a handler notifies the market administrator that a plant is unable to meet the established pooling standards because of a labor dispute, the market administrator, upon verification of the claim shall credit the plant with minimum pooling compliance for every day such condition exists.

As now provided, the order specifies the type of dispute upon which relief may be predicated. Proponent contends that the present provision can inflict economic loss to plants and producers involved in the dispute. The proposal would change the provision by expanding the scope of what would be considered a labor dispute and by extending minimum pooling compliance to the plant involved in such dispute.

Eliminating the provision which specifies that labor disputes shall mean those involving employers and employees would offer opportunities for evading pooling obligations. Such opportunities are prevented by present provisions.

There are many situations that under the proposal could be termed labor disputes and thus affect a plant's ability to meet performance standards. They could be of a direct and positive nature, or even indirect and remote, and could occur at places far distant from the plant itself or the market. Cases involving jurisdictional disputes between rival labor groups, disputes between haulers and their employees, organization disputes, picket lines for any reason and disputes in distributing plants to which the milk is shipped or in equipment factories are only a few of the many that might apply.

The change in type of relief which is requested would enable a plant to attain pool plant status under the performance standards even though it had not shipped any milk to the market during the entire qualifying period. The plant would likewise have to be credited with full compliance, although it may not have shipped any milk during any of the preceding months when there had not been a labor dispute. Thus, a plant could be a pool plant for the entire year, sharing in the pool, without having serviced the market at any time, regardless of the market's needs. If this occurred at other plants at the same time, it would become necessary to expand the market in order to replace the lost supply of milk that would continue to be pooled.

Permitting a plant to attain pool plant status in the event of work stoppage caused by a labor dispute will assist in keeping the milk supply at the plant associated with the market. Otherwise, an immediate reduction in returns to producers at the plant might result in

the interim period before another market outlet for the milk could be obtained. Limiting the period of relief to 2 consecutive months in the July-December qualifying period will provide reasonable time for the marketing adjustment required to retain such milk as a part of the market supply. The two-month maximum for pooling without shipment will insure that this work stoppage provision will not be used arbitrarily to pool a plant for an indefinite period at the expense of the pool.

3. The skim milk and butterfat components of milk and milk products received by handlers at each pool plant should be classified and accounted for separately. Separate classification of skim milk and butterfat recognizes that these components are not used in most products in the same proportion as received from producers and will make it possible to price skim milk and butterfat uniformly according to their respective uses. The order now provides for accounting for milk used in Class I on a product pounds basis and Class II and Class III milk are accounted for on the basis of the 3.5 percent milk equivalent of the butterfat used in each such class.

Under the classified use plan of a Federal order, it is necessary to insure that all milk and milk products are fully accounted for by the handler who is responsible for accounting and reporting to the market administrator and for making payments to producers on receipts of producer milk. Accounting for milk and milk products on a skim milk and butterfat basis at each individual plant and pricing in accordance with the form in which or the purpose for which such skim milk and butterfat is used or disposed of as either Class I milk or Class II milk is the most appropriate means of determining the classified value based on use of all fluid milk products involved in market transactions. Milk is disposed of in the market in a wide variety of forms, representing different proportions of skim milk and butterfat components of milk which may be greatly changed from the proportions of skim milk and butterfat as it is first received from producers.

Also, uniformity in accounting between markets is best accomplished by using the skim milk and butterfat method. There are now obvious difficulties in reconciling the quantities of product to be priced in Class I, particularly when consideration must be given to intermarket transfers of fluid milk products between the Chicago and other nearby markets. In all nearby Federal order markets, a handler's accounting is on the basis of the skim milk and butterfat contained in all milk and milk products handled. As noted above, Chicago handlers account for their utilizations on the basis of product pounds and milk equivalent of butterfat contained in various products. Meaningful uniformity of prices between markets depends upon a uniform measure of milk quantities involved. This can best be accomplished by adopting in the Chicago market separate accounting for the skim milk and butterfat components in fluid milk products.

The skim milk and butterfat accounting procedure herein provided is used

in most Federal order markets for verification of the receipts and utilization of milk and milk products and will provide for uniformity in application of the accounting system to all handlers involved. Instituting the skim milk and butterfat method of accounting as proposed herein will not change the total value of the pool or returns to producers.

Handlers record their dispositions of fluid milk products in volumetric amounts (e.g. quarts and gallons) that must be converted to pounds at the end of each month in completing their reports to the market administrator. Equal volumes of fluid milk products with varying butterfat tests vary in weight. It was proposed that a table of standard conversion factors be specified in the order for the purpose of converting volumes to weights on a basis which would be uniform between the Chicago order and orders in Ohio, Michigan, and Wisconsin that use the same conversion factors. These standard conversion factors are not a part of the other Federal orders referred to above. Inclusion of such a table of conversion factors in this order could result in lack of uniformity in the event the other order markets were to adopt different conversion factors in the future. It was not shown in what way the conversion factors proposed are different or more desirable for use than the conversion factors now used by the market administrator and made available by him to handlers and other interested persons. Therefore, inclusion of the proposed table of conversion factors in the order should be denied.

4. The order should be amended to provide for two designated classifications. There are now three classifications in the order.

Class I is presently defined to include milk and milk products disposed of for fluid consumption, except dispositions for specified uses that are designated Class II or Class III. Disposition from a plant in the form of milk, skim milk, buttermilk, flavored milk and flavored milk drinks are included in the Class I category. The order designates as Class II the milk equivalent of butterfat disposed of in the form of cream, cream products of more than 6 percent butterfat, butter cream, filled cream, frozen cream, plastic cream, eggnog, yogurt, ice cream, ice cream mix, and cottage cheese.

Class III includes the milk and milk products used to produce manufactured dairy products such as butter, cheese, and nonfat dry milk. In effect, this classification includes the milk equivalent of butterfat in milk and milk products used to produce any manufactured dairy product that is not specifically designated in Class I or Class II. Class III also includes inventory variations, plant shrinkage (within limits), and dispositions to commercial food processors.

The price for Class III milk under the order is based on the average of prices paid for manufacturing grade milk, f.o.b. plants in Wisconsin and Minnesota, as reported for the month by the Department. For 1962, the Class III price for milk containing 3.5 percent butterfat averaged \$3.11.

The Class I and Class II prices are determined by adding specified differentials to the Class III price for the preceding month. Such differentials, which average on an annual basis 90 cents for the Class I price and 53 cents for the Class II price, are subject to adjustment by a supply-demand factor that may add or subtract up to a maximum of 24 cents (depending upon the supply of milk in relation to the market's utilization of milk and milk products for fluid use). In 1962, when the supply-demand adjustment was minus 24 cents throughout the year, the Class I and Class II prices for milk containing 3.5 percent butterfat averaged \$3.78 and \$3.42, respectively.

An average of 192.0 million pounds of producer milk was utilized monthly in Class I under the Chicago order in 1962. This was 39 percent of the average monthly receipts from producers of 488.5 million pounds. Monthly Class II utilization for 1962 averaged 13 percent (62.8 million pounds) and Class III 48 percent (233.7 million pounds).

A variety of proposals relating to changes in classification and pricing was presented at the hearing.

A proposal by producers in the hearing notice provided for three classes with frozen desserts and cottage cheese in Class II, priced at 15 cents above the Class III price. This proposal was modified by proponents at the hearing to provide for two classes with cottage cheese and frozen desserts included in the one reserve classification for all manufactured dairy products.

A number of bargaining and operating cooperatives, some proprietary handlers operating supply plants and some handlers operating plants devoted exclusively to ice cream production urged the retaining of three classes with frozen desserts and cottage cheese in the newly designated Class II, priced from 10 to 20 cents above the Class III price.

An organization of ice cream manufacturers in the Chicago area proposed that ice cream and cottage cheese be placed in the one reserve classification with all other manufactured products.

The Class I classification should include milk, skim milk, buttermilk, yogurt, flavored milk, flavored milk drinks, sour cream, and sour cream products labeled Grade A, cream or any mixture in fluid form of cream and milk or skim milk (except eggnog, ice cream, and ice cream mix or frozen dessert mix, aerated cream products, evaporated, and condensed milk or skim milk and sterilized products in hermetically sealed containers). To facilitate reference to them throughout the order, all products whose disposition is Class I would be included in the "fluid milk product" definition.

There was general unanimity at the hearing with respect to which products should be designated Class I. Besides all products whose disposition is presently designated as Class I, the Class I category would include dispositions in fluid form of cream, mixtures of cream and milk or skim milk, and sour cream and sour cream products, which are now in the Class II classification in the order. The products included in the new Class I classification are those which are re-

quired most consistently by health authorities in the marketing area to be made from milk or milk products from Grade A sources.

All dispositions which are now in the Class III classification would be included in the newly designated Class II. Also included in this manufacturing use classification would be the milk and milk products used to produce frozen desserts (ice cream, ice cream mix, etc.) cottage cheese and eggnog.

(a) Milk used in the manufacture of cottage cheese should be classified and priced in the manufacturing use classification and the proposal to place it in a separate class priced above other manufacturing class uses should be denied.

Milk used in the manufacture of cottage cheese in a Chicago approved Grade A plant must be from Grade A sources. However, cottage cheese that is made outside the city of Chicago from ungraded milk may be, and is, sold in Chicago. Chicago order handlers compete in the sale of cottage cheese both in and outside the marketing area with handlers regulated by other Federal orders and unregulated handlers. In all nearby Federal orders, milk used in making cottage cheese is priced at the manufacturing class utilization under the respective orders. These manufacturing class prices are comparable to the present Class III price of the Chicago order. There is no indication that unregulated handlers pay more than the prices for manufacturing grade milk for milk used in cottage cheese manufacture. Chicago handlers would be economically disadvantaged in being required to pay a higher price for milk used for cottage cheese than their competitors outside the order.

(b) The proposal to classify milk used for ice cream manufacture in a separate classification and price it above other manufacturing class uses should be denied.

The city of Chicago health ordinance and code requires that ice cream and ice cream mixes sold in Chicago be manufactured from Grade A milk. No such requirement exists in the marketing area outside Chicago. With few exceptions, the operators of plants producing ice cream, any of which is sold in the city of Chicago, utilize Grade A milk products in the manufacture of all ice cream at their plants. At least one major ice cream producer has a dual plant, in which the production of ice cream for Chicago is maintained separately as a Grade A operation; the ungraded portion of the plant is not Grade A and the ice cream produced there is sold outside the city of Chicago. Some ice cream manufacturers maintain separate Grade A plants to supply ice cream for their city of Chicago outlets and another plant using ungraded milk to supply their customers outside Chicago.

Almost half the population of the marketing area is outside the city of Chicago. The sales area of ice cream manufacturers who supply the marketing area is significantly greater than the marketing area under the order. The record was not complete with re-

spect to the exact expanse of the territory outside the marketing area where in Chicago handlers sell ice cream. It was indicated, however, that such territory includes locations in southern Wisconsin and northern Illinois. It was further indicated that these sales are made in competition with ice cream manufacturers located in areas under Federal milk orders as well as with ice cream made in unregulated areas.

One relatively large handler testified that 60 percent of his ice cream sales are outside the city of Chicago. Nevertheless, he maintains a complete Grade A operation in order to satisfy the requirements of the city of Chicago. The figures presented for a group of seven handlers show that of their total sales of 300,000 gallons of ice cream during 1 week in May 1963, 143,000 gallons (48 percent) were sold outside the city of Chicago in competition with handlers not required to use Grade A milk for the manufacture of ice cream.

One handler estimated that 92 percent of the ice cream produced by Chicago order handlers was sold in the city of Chicago. Among the basic data used to make this estimate were the market administrator's statistics showing the quantity of ice cream produced by Chicago order handlers. These statistics do not include, however, the ice cream produced from ungraded milk and sold in that portion of the marketing area outside the city of Chicago.

The order price of milk, the butterfat of which is used in the production of ice cream, presently averages, on an annual basis, about 30 cents per hundredweight above the manufacturing use classification in the order. Since the skim milk value in this classification is the same as the skim milk value under the order in the manufacturing use classification, the 30 cent additional cost is allocable to the butterfat. This is equivalent to approximately 10 cents per pound of butterfat or 5 cents per gallon of ice cream.

The ice cream manufacturer who is a multiple plant operator or operates a dual plant (so that ice cream production from Grade A milk is maintained separately from the ice cream production from ungraded milk) has a distinct advantage over his competitor with one plant, any portion of whose sales are in the city of Chicago. The latter must use Grade A milk for all his operations whether his sales are predominantly in the city of Chicago or predominantly outside.

The maintenance of a dual plant or of separate plants by the same handler for ice cream production requires the duplication of costly equipment. Such facilities, therefore, can be justified only by large scale operations and a significant spread between the cost of Grade A and ungraded milk used in ice cream production. The present pricing provisions of the order (whereby milk for ice cream manufacture is priced above other manufacturing class uses) have tended to encourage such separate operations by the same handler. A continuation of such pricing would tend to encourage an increase in such separate operations. In

effect, the current pricing provisions have encouraged this economic waste at the expense of consumers and with little, if any, long range benefit to producers. Since any milk used for ice cream under the order must now be priced about 30 cents per hundredweight above the manufacturing class price, there is incentive for ice cream manufacturers without distribution in the city of Chicago to use milk from unregulated plants instead of that under the pool for their ice cream production. The present higher prices tend to lose outlets for Chicago order producers for milk for ice cream.

It was testified at the hearing that ice cream manufacturers are not able to obtain higher prices for ice cream made from Grade A milk outside the city of Chicago than for ice cream manufactured from milk from ungraded sources. Consumers have indicated no willingness to pay higher prices at retail for ice cream made from milk products from Grade A sources. Whether or not the milk products used in the manufacture of ice cream offered for sale are from Grade A sources the ice cream is not so labeled. Even in the city of Chicago, which requires that ice cream be made from milk from Grade A sources, no Grade A label appears on the ice cream sold there.

The multiple plant operator or the dual plant operator may use ungraded milk in making ice cream in his ungraded plant or in the ungraded portion of his dual plant. The cost of such ungraded milk may be expected to approximate the manufacturing use class price under the order. This is the class price for milk used for manufacturing purposes in other nearby Federal milk orders and is the price which handlers under such orders pay for milk used in the manufacture of ice cream and ice cream mix.

It was testified at the hearing that ice cream should not be included in the manufacturing use class because it is required by a health authority in the marketing area to be made from milk from Grade A sources. Other testimony at the hearing suggested that products required by a health jurisdiction in the marketing area to be made from Grade A sources should be classified as Class I. There was no support at the hearing for including milk used to produce ice cream in the Class I classification. In fact, proponents for a separate classification for ice cream were generally opposed to maintaining a separate classification for ice cream at the level of the present Class II price, which currently is about 30 cents above the manufacturing class price. Instead, proponents for a separate classification for ice cream urged that a classification priced at amounts ranging from 10 to 20 cents above the manufacturing use class be provided for the ice cream classification.

As now provided in the order, a plant shipping milk or specified milk products to a plant manufacturing ice cream for sale in Chicago may use such shipments to qualify as a pool plant under the order. Much of the testimony at the hearing for retaining a separate classification for milk used in the manufacture of ice

cream was linked to proposals enabling such shipping plants to continue to qualify as pool plants.

The requirements for pool plant status, which are contained in this decision, provide reasonable standards whereby any plant, wherever located, may qualify as a pool plant on a performance basis. These standards help insure that the market will be supplied with its Class I needs throughout the year. Producers who supply those plants which, by their performance qualify as pool plants, should share in the Class I sales of the market and in the burden of carrying the reserve supply of milk necessary to insure the maintenance of the market's Class I needs throughout the year. It would be uneconomical from a point of view of maintaining a reliable supply of milk for the market to provide that the benefits of the Class I market be shared with dairy farmers delivering to plants that are not a part of the market's Class I supply.

Classification in the manufacturing use class of milk used in ice cream production will provide additional outlets for the reserve supplies of milk under the order. At the present time, unregulated plants and plants under other orders pay prices approximating the manufacturing use class price under the Chicago order for milk used in ice cream production. Chicago order handlers presently, as indicated above, now pay approximately 30 cents per hundred-weight above the manufacturing use class price for milk used in ice cream manufacture. The pricing of ice cream in the manufacturing use classification under the order will enable Chicago order handlers to compete more equitably with others in disposing of reserve supplies of milk for ice cream manufacture.

(c) Milk used to make eggnog should be included in the manufacturing use classification. The principal ingredient of eggnog is a low fat ice cream mix. Unless it is labeled Grade A, few, if any, jurisdictions in the marketing area require that eggnog be made from Grade A milk. Presently, however, the classification of milk used for eggnog under the Chicago order is the same as for a Grade A fluid milk product. This has placed Chicago order handlers at a disadvantage in competition with eggnog made from ungraded milk. The classification and pricing of milk used to make eggnog in the manufacturing use classification will tend to alleviate this inequity.

(d) Milk used to produce aerated cream products should be included in the manufacturing use classification. Aerated cream products are most frequently packaged in hermetically sealed containers. In such packages they may be distributed over a wide area and at great distances from the locations where they are packaged. This makes it possible for such products made from unregulated milk to be sold in the marketing area in competition with aerated cream products made from Grade A milk at regulated plants. Under all the nearby Federal orders, milk used in aerated cream products is classified in manufacturing use classifications. In addition,

aerated cream products compete with similar products that are made with vegetable fat, the cost of which is substantially less than the cost of butterfat from either regulated or unregulated sources. To require that aerated cream be priced in a classification higher than the manufacturing use classification would tend to discourage the use of butterfat in this product and thereby lose this market for producers. It is concluded that the market will be served best by including milk used to produce aerated cream products in the manufacturing use classification.

(e) Inventories of the skim milk and butterfat in bulk and packaged fluid milk products on hand at the end of the month should be classified in the Class II classification. This was proposed by producers to replace the present order provision classifying "inventory variations" in Class III. Under this latter method any increase in a handler's inventory at the end of the month over that for the preceding month is added to his Class III utilization; conversely, a closing inventory decrease from the preceding month is subtracted from the handler's Class III utilization.

With the skim milk and butterfat method of accounting herein recommended the inventory of milk and milk products at the beginning and end of each month are significant factors in determining a handler's obligation for pool milk. The accounting procedure would be facilitated by providing that the month-end inventory of fluid milk products be classified in Class II. Such inventory would be subtracted from the available Class II milk in the following month. The higher use value of any fluid milk products in inventory which are allocated to Class I milk in the following month should be reflected in returns to producers. This would be computed at the difference between the Class I price for the current month and the Class II price for the preceding month. Although it is possible to build up inventory over a period of several months, it can be expected that any inventory reclassification would most likely be attributable to milk classified and priced as Class II in the immediately preceding month. In view of this and because there is relatively little change in the Class II price from month to month, it would be impractical to provide for a price adjustment of beginning inventory based on a Class II price for other than the preceding month.

Since the disposition of skim milk and butterfat in nonfluid milk products has been accounted for when used to produce a manufactured dairy product (and classified as Class II milk) such skim milk and butterfat should not be included in inventory. Likewise, when the Class I disposition of a fluid milk product has been established by a handler it may not be considered subsequently as a part of his inventory. Accordingly, a handler's closing inventory would be limited to the skim milk and butterfat in those fluid milk products at his plants at the end of the month for which a Class I or Class II utilization has not been established.

(f) The shrinkage provision should be revised to recognize current methods of handling milk in the market and to provide equitable division of shrinkage among handlers.

"Shrinkage" is that waste or loss of skim milk and butterfat experienced in plant operations of receiving, processing and packaging or manufacturing. Because shrinkage represents disappearance of milk for which the handler must account, but for which no direct return is realized, it should be considered as Class II milk to the extent that the amount is reasonable and is not the result of incomplete or faulty records.

The maximum shrinkage allowance in Class II of each handler should be 2.0 percent of producer milk (except that diverted to a nonpool plant or for which a cooperative association is the handler) plus 1.5 percent of producer milk from a cooperative as a handler and bulk fluid milk products from pool plants of other handlers and less 1.5 percent of bulk fluid milk products transferred to other plants (except pool plants of the same handler).

Plants which are operated in a reasonably efficient manner and for which accurate records of receipts and utilization are maintained should not have plant losses in excess of the maximums provided. Any shrinkage in excess of the maximums should be classified as Class I milk. This is reasonable and necessary to effectuate equitably the classified pricing plan.

There should be no limitation on the classification of shrinkage of other source milk in Class II. It was not shown that such limitation is necessary to adequately safeguard the classification of producer milk.

As provided elsewhere in this decision, a cooperative, at its election, may be the handler of milk of its member producers that is delivered from the farm to the pool plant of another handler in a tank truck owned and operated by or under contract to such cooperative. When a cooperative is a handler under such conditions, the operator of a pool plant receiving this bulk tank milk directly from the farm would be responsible for the milk as though it were a receipt from producers. However, the full 2 percent allowance for shrinkage would be permitted the handler only if he is purchasing the milk on the basis of farm weights and had so notified the market administrator. Otherwise, the maximum shrinkage in Class II allowed the handler on such milk would be 1.5 percent, and the cooperative would be responsible for any difference between the gross weight of producer milk received in the tank truck at the farms and that delivered to pool plants. This procedure is followed in a number of other Federal orders and provides a reasonable basis for the allocation of the shrinkage allowance in those instances wherein the cooperative is the responsible handler with respect to milk picked up at producers' farms in bulk tank trucks.

(g) Reconstituted fluid milk products should be classified as Class I and manufactured dairy products used to produce such fluid milk products should be ac-

counted for on their fluid skim milk equivalent weight.

Nonfat milk solids added to a fluid milk product should be converted to their fluid skim milk equivalent weight and accounted for on that basis. Class I classification would apply to the weight of skim milk and butterfat contained in an equivalent volume of an unmodified fluid milk product. The remainder would represent added skim milk solids and should be classified as Class II milk on a skim milk equivalent basis.

Other source milk includes milk produced by the reconstitution to fluid form of manufactured dairy products, such as fluid skim milk made by the addition of water to nonfat dry milk. Other source milk products such as nonfat dry milk and condensed milk also may be added to fluid milk products to increase the nonfat milk solids content, thus making so-called "fortified" fluid milk products.

Proposals made by producer groups and considered at the hearing contemplated the classification and accounting for reconstituted and fortified fluid milk products on the basis herein recommended. There was no opposition to such proposals at the hearing.

Under the present order provisions the products included in Class I are accounted for on the weight of the product disposed of and are normally required to be made from Grade A milk supplies. The volume disposed of in each concentrated fluid milk product is converted to a weight on the basis of the volume of milk used to produce such fluid milk product rather than using the volume of the finished product. Only the butterfat component is now accounted for in Class II and Class III.

An economic incentive exists for handlers to substitute, where possible, reconstituted fluid milk products for fluid milk products processed from current receipts of producer milk. Since such substitution of a manufactured dairy product, with a surplus value, would replace an equivalent amount of producer milk in a fluid milk product, the application of skim equivalent accounting in such circumstance is economically sound and necessary to maintain orderly marketing. The accounting procedure to be followed in the case of concentrated milk products used in reconstituted fluid milk products designated as Class I should be based on the pounds of milk or skim milk required to produce the concentrated product.

The same economic incentive to handlers is not present with respect to nonfat dry milk or condensed skim milk used to fortify a fluid milk product. The incentive for handlers to use nonfat milk solids in fortified products arises from the specific demands of consumers. The increased emphasis on lowfat diets and the high nutritional value of nonfat solids in relation to their weight have contributed to the increased demand for added nonfat solids in fluid milk products. Such products are distinguished from reconstituted products in that the resulting increased volume of fluid milk product is not attributable to the addition of water.

When the skim milk equivalent provision is applied to fortified fluid milk products, it inflates significantly the utilization and disposition of Class I milk. Proper recognition should be given to the role of fortified fluid milk products in the orderly marketing of producer milk in the market. The development of new fluid milk products in which producer milk may be used has had no evident adverse effect on total Class I sales in the market even though for some consumers they substitute for other fluid milk products. To the extent that fortification with nonfat solids adds to the total demand for fluid milk products, returns to producers are improved by a higher Class I utilization.

The use of nonfat milk solids in fortified fluid milk products represents an additional outlet for milk which would otherwise be surplus. Pricing the fluid skim equivalent of nonfat milk solids at the Class I price increases dealers' costs for resulting products. The higher cost inhibits the use of nonfat milk solids in fortified fluid milk products. In the long run, producer returns may be affected adversely.

For reasons previously stated, it is neither necessary nor appropriate to require handlers to account and pay for an inflated volume at the Class I price. Nevertheless, it is practical and administratively necessary to maintain full skim milk equivalent accounting. These conclusions may be reconciled by providing that fortified fluid milk products be classified as Class I only to the extent of the weight of an unmodified fluid milk product of the same nature and butterfat content. The skim milk equivalent of the nonfat milk solids not classified in Class I should be considered to be Class II disposition.

(h) Proposals were made to extend the "surplus milk manufacturing area" (the territory in which fluid milk products may be moved to nonpool plants and be classified as Class II milk) to include all territory within the States of Illinois and Indiana.

The present "surplus milk manufacturing area" includes the State of Wisconsin, 65 specified counties in northern Illinois and Indiana, the counties of Ottawa, Kent, Allegan, Barry, Calhoun, St. Joseph, Van Buren, Kalamazoo, Cass, and Berrien in Michigan and Van Wert County in Ohio.

The area to which shipments of milk, skim milk and cream from pool plants to nonpool plants may, under specified conditions, be classified as Class II milk should be expanded to include all territory in Illinois and Indiana not now designated as a part of the surplus milk manufacturing area. Although in the hearing notice, the Michigan counties of Kent, Allegan, Barry, Calhoun, St. Joseph, Van Buren, Kalamazoo, Cass, and Berrien were proposed to be deleted, there was no support at the hearing for their removal; and they should be retained as a part of the surplus disposal area.

In the Chicago market, milk, skim milk, and cream are moving increasingly greater distances than heretofore to nonpool plants engaged in manufacturing

dairy products. At the present time milk surplus to the fluid needs of an Illinois plant is periodically disposed of for manufacturing uses to a Wisconsin plant approximately 330 miles away. In the high production months it has been necessary to dispose of milk not needed for Class I uses to plants at even greater distances from the market than this Wisconsin plant.

There are several nonpool plants engaged in manufacturing dairy products in southern Illinois and Indiana that are potential outlets for reserve supplies of milk. Such manufacturing plants are potentially more desirable outlets for surplus milk economically, by reason of their proximity to the market than outlets available in the present surplus disposal area.

Expansion of the surplus milk manufacturing area as herein proposed, by permitting greater flexibility in disposing of reserve supplies of milk to manufacturing outlets, will contribute to orderly marketing of milk in the Chicago market. The larger area provided is adequate to dispose of supplies not needed by order handlers for Class I purposes in the marketing area.

(i) It was proposed that the annual average Class I differential over the basic formula price be changed from 90 cents to \$1. It was testified that this increase is necessary to compensate for changes in classification and accounting for milk and in adjusting the location differential application so that the Class I price is announced f.o.b. marketing area.

The attached order provides that the Class I price will be announced f.o.b. marketing area instead of at the 55-70-mile zone as now provided. This revision, which was unopposed at the hearing, would cause no change in the cost of Class I milk to handlers or in returns to producers. Because of the change in location at which the prices would be announced, the effective price at each location zone would be unchanged. At the present time, no location differential adjustment is applicable in the 55-70-mile zone. A minus location adjustment of 2 cents for each 15-mile zone is applicable beyond 70 miles. Conversely, plus location adjustments of 4 and 2 cents, respectively, are applicable to milk received at plants in the marketing area and within the 55-mile zone outside the marketing area. As herein provided, the location adjustment would be zero in the marketing area and minus 2 cents for each presently designated zone. Consequently, the Class I and uniform prices as announced would be 4 cents higher than on the present basis and would be offset in the same amount by the location adjustment revision in each zone.

The market administrator was requested by industry representatives to estimate changes in returns to producers that would result from the changeover to the skim milk and butterfat method of accounting and in the proposed revised classification procedures. The data submitted by the market administrator established that an increase of 6 cents in the Class I price was necessary to maintain returns to producers at their present

level. That is, if the two-class system and skim milk and butterfat method of accounting herein recommended were in effect from September 1961 through August 1962 without any change in the Class I price, this would have resulted in a reduction in returns to producers approximating 6 cents per hundredweight on all Class I milk.

In view of the above, it is concluded that the annual average Class I differential over the basic formula price should be increased 10 cents to compensate for changes in classification and accounting procedures and for the changeover to f.o.b. marketing area pricing. This revision will maintain the present level of pricing under the order.

(j) Several witnesses offered statements at the hearing which would increase the level of the Class I price by changing the Class I supply-demand adjustment or by basing the Class I price level on the cost of producing milk or an economic formula relating the price to consumer purchasing power and the general level of the economy.

A producer association proposed to eliminate the supply-demand adjustment or to base the supply-demand ratio on the 1962 relationship of supplies to Class I sales. The proponent urged reduction of the present 72-percent norm in the Class I formula to 41 percent to eliminate the minus adjustment of 24 cents now effective or to 61 percent to maintain the present adjustment under the reclassification herein provided. There was considerable opposition by handlers to the proposal to increase the Class I price by changing the supply-demand adjustment.

The present supply-demand adjustment is centered on 28 percent of the supply as being an adequate reserve for Class I and II sales. For the past 3 years the supply-demand adjustment has deducted the maximum amount possible under the Class I price formula (24 cents). The amount by which the Class I price has been decreased would have been substantially larger if the automatic limit of 24 cents had not applied.

The 72-percent norm now used in the supply-demand computation should not be changed on the basis of this record. It has been a reasonable measure of supplies needed to fill Class I needs of the market. More information on receipts and utilization based on the new pooling, classification, and accounting procedures recommended herein is needed to justify a different supply-demand formula. Meanwhile, the present supply-demand formula, based on Class I sales and receipts, should be continued. This would have no immediate effect since the present supply-demand computation results in an amount well above the maximum provided in the order. However, after the market has operated under the revised order for a reasonable period of time, it would then be feasible to reexamine the supply-demand formula.

Exhibit 27, a copy of a letter from the Deputy Administrator of the Agricultural Marketing Service to a proponent, denied inclusion in the hearing notice of a proposal to increase the level of the Class I price. The letter pointed out: "There is no indication that the Class I

price is not obtaining an adequate supply of milk relative to sales or is otherwise inappropriate under current or prospective conditions in the marketing area. In 1962, 52 percent of producer deliveries was used for Class I and II purposes compared to 56 percent in 1961. Producer deliveries increased 5 percent from 1961 to 1962 while Class I sales declined 2 percent. It is thus evident that the level of prices in the Chicago market has brought forth an adequate supply of milk. Accordingly, your request to include in the hearing notice a proposal to increase the Class I price is denied."

Except for the offsetting adjustments necessitated by various amendments (as indicated elsewhere in this decision), there is no basis for increasing the Class I price level of the Chicago order under the statutory requirements of the Act. The Agricultural Marketing Agreement Act of 1937, as amended, the authority under which milk marketing orders are issued, requires that prices be established at a level which will tend to obtain an adequate supply of milk to meet the fluid needs of the market plus a necessary reserve for fluctuations in demand. Of the approximately 6-billion pounds of milk pooled in 1962, less than half were required for fluid uses in the market. Thus, there is no indication that supplies are inadequate or tending to become inadequate for the Chicago market.

5. The separate classification of skim milk and butterfat herein recommended requires that the Class I and Class II prices be adjusted in accordance with the average butterfat content of milk in each class. This can be accomplished by using a butterfat differential which will reflect differences in value due to variation in the butterfat content of producer milk used in each class.

As proposed at the hearing, the butterfat differential applicable to Class I and Class II milk would be based on the average of the daily wholesale selling prices per pound of Grade A (92-score) bulk creamery butter at Chicago as reported by the Department. This quantity would be computed for each month by the market administrator and defined in the order as the "butter price".

At the present time, the only butterfat differential provided in the order is that used for adjusting the uniform price in making payment to producers. This differential, which is obtained by multiplying the butter price for the preceding month by 12 percent, is applicable to each one-tenth percent variation in butterfat above or below 3.5 percent in a hundredweight of milk.

The accounting procedures now provided in the order utilize basically the milk equivalent of the butterfat in milk and milk products disposed of in each class to establish the pounds of milk in each class. The utilization thus determined, for the purpose of settlement with the pool, is on the basis of milk containing 3.5-percent butterfat. Consequently, it has been unnecessary to provide in the order for butterfat differentials applicable to milk in each class.

The butterfat differential applicable to Class I milk should be 12 percent of the butter price for the preceding month.

This was the only Class I butterfat differential proposed at the hearing and there was no opposition to it. This rate has wide acceptance, being applicable in a number of nearby and other Federal order markets. There has been little variation in the amount of this differential from month to month in recent years because of the stability of butter price quotations on the Chicago market. From April 1962 through April 1963, the monthly butter price ranged from 57.94 cents to 58.28 cents. The butterfat differential of 12 percent of the butter price for each of these 13 months was 7.0 cents; and for each of the 15 months immediately preceding, January 1961 through March 1962, it was 7.3 cents. For 1962, this butterfat differential averaged 7.1 cents. Since the average Class I price for the year was \$3.78, the value of the 3.5 pounds of butterfat in a hundred pounds of milk (assuming the market had been on a skim and butterfat basis) was \$2.485 and the skim milk portion of such hundred pounds of milk would have been valued at \$1.295.

Any higher Class I butterfat differential than herein recommended would allocate more value to the butterfat in Class I milk. A number of fluid milk products on the market are made up of a proportionately high percentage of solids not fat (e.g. fortified or modified skim milk). With a Class I butterfat differential too high, producers would not receive their appropriate share of the Class I sales value represented by the solids not fat portion of fluid milk products. A high butterfat differential also would have the effect of pricing cream for Class I uses at a level which might tend to restrict its use by consumers and encourage the use of cream substitutes. The butterfat differential herein recommended will encourage the disposition of butterfat to Class I outlets.

There were no proposals at the hearing for a Class I butterfat differential lower than 12 percent of the butter price. It was indicated, however, that butterfat under the order for Class I should not be priced less than that provided for butterfat utilized in manufacturing. As indicated below, the butterfat differential on Class II milk would be 12 percent of the butter price for the current month and would, therefore, generally be the same as the butterfat differential for Class I milk.

A major producer association in the market proposed that the butterfat differentials for Class I and Class II milk be maintained at the same level. The witness for this association claimed that, in effect the order now provides for the same butterfat values for milk utilized in Class I and the present manufacturing class (Class III). In breaking down the butterfat and skim milk values in Class I and Class III under present order provisions, the producer butterfat differential of 12 percent of the butter price is used in determining the butterfat values in each of these classes. In view of this, it was indicated that there is no justification to establish different butterfat differentials for the newly designated Class I and Class II.

A proposal by another producer association would use a rate of 11.5 percent

of the butter price as a Class II differential. This would have the effect of reducing by approximately 10 cents the value of butterfat in a hundredweight of milk containing 3.5-percent butterfat and increasing the value of the skim milk portion by the same amount. It was not shown what imbalance in pricing, if any, that this change was intended to correct. Neither was it indicated that handlers are experiencing abnormal difficulties in marketing the butterfat in reserve supplies of milk that are not needed for fluid consumption at prices based on 12 percent of the butter price. At this rate, the cost of butterfat for use in manufactured products will remain competitive with butterfat from alternative sources of supply. No testimony was presented indicating that butterfat in the form of fluid milk products was available from nonpool plants at lower prices. It is concluded that the Class II butterfat differential should be 12 percent of the butter price for the preceding month.

Whereas the Class I butterfat differential is based on the butter price for the preceding month, the Class II butterfat differential is based on the butter price for the current month. This is because the Class I price is announced on the 5th day of the month to which it applies so that handlers may know in advance what their Class I product costs are. The class price for milk for manufacturing purposes is announced on the 5th day following the month to which it applies. Thus the Class II butter differential will reflect the market value of butterfat in the most recent month for which such information is available.

Under conditions such as prevailed in recent years, there are infrequent changes in the butter price from month to month. In most instances, therefore, the butterfat differentials for Class I and Class II will be the same. However, when there are fluctuations in the butter market, this will be reflected without lag in a Class II butterfat differential based on the butter price for the most current month.

The butterfat differential for adjusting the uniform price to producers should be continued at 12 percent of the butter price for the current month. The only proposal other than this rate made at the hearing would use as the producer butterfat differential a weighted average obtained by multiplying the applicable butterfat differential for each class by the percent of butterfat of producer milk in such class. With the butterfat differentials herein recommended for Class I and II, wherein the differentials for both the classes will generally be the same or of negligible difference each month, there would be no advantage in replacing the method of determining the producer butterfat differential, which method has wide acceptance in the market, with a more complex method that would have no additional economic benefit to producers.

6. The location adjustment credit to handlers on fluid milk products moved between pool plants should be based on the Class I utilization at the transferee plant.

The order now provides a location adjustment credit on producer milk received at a plant and (1) moved in fluid form to a regulated plant within 70 miles of the Chicago City Hall or (2) classified as Class I or Class II without moving to a regulated plant within 70 miles of Chicago. The location adjustment rate on milk and skim milk is 2 cents per hundredweight for each 15-mile zone that the transferor plant is more than 70 miles from Chicago; the maximum location adjustment rate on milk and skim milk is 42 cents. The location adjustment rate on movements of cream varies according to the distance of the transferor plant from the Chicago City Hall. This rate for each hundredweight of cream containing 36 percent butterfat (or each 36 pounds of butterfat in cream) ranges from 5 cents at the 70-85-mile zone to a maximum of 50 cents at plants 310 miles from the Chicago City Hall and beyond.

A producer association proposal would provide a location adjustment credit on milk, skim milk and cream moved between pool plants at the rates now provided in the order, except that such credit would be applicable to not more than 110 percent of the Class I utilization at the transferee plant. The location differential credit would apply to bulk milk, skim milk and cream moved to plants f.o.b. the marketing area instead of the present basis which allows credit for such movements to plants within 70 miles of Chicago. The operator of the transferee plant would receive the location adjustment credit which would be computed in sequence beginning with the transferor plant located nearest the Chicago City Hall.

Another cooperative proposed retention of the present location adjustment provisions except that a rate of 1-cent per 15-mile zone would apply to the uniform price per hundredweight of milk received from producers.

The location differential should continue to be based on the distance that a plant where milk is received from producers is from the Chicago City Hall. No location adjustment would be applicable at plants in the marketing area; at plants outside the marketing area and within the 55-mile radius of the Chicago City Hall, the location differential would be 2 cents; the rate in the next zone, 55-70 miles, would be 4 cents; and the rates beyond 70 miles would be increased 2 cents for each 15-mile zone.

The location differential would be applicable to all milk classified as Class I that was not moved to another pool plant from the plant where it was received from producers. With respect to transfers the location adjustment would be applicable to the extent that such transfers represent not more than 110 percent of the skim milk and butterfat in the Class I classification at the transferee plant.

Currently, the location adjustment credit on shipments to pool plants, which is now limited to shipments in bulk of milk, skim milk, and cream, is not dependent on the utilization of such shipments. As provided in the attached order, the location adjustment credit is computed on the basis of the assignment

of a shipment's utilization in Class I. It is appropriate, therefore, that the location differential apply to shipments between pool plants of any fluid milk product, which is defined in the attached order to include all products whose disposition is considered in the Class I category.

Exceptors requested that location differential credits be allowed on shipments of fluid milk products used in the manufacture of ice cream and cottage cheese and shipments of condensed milk and condensed skim milk.

As provided elsewhere in this decision, the skim milk and butterfat in fluid milk products used in the manufacture of ice cream, cottage cheese, condensed milk and condensed skim milk, are classified and priced in Class II. This price is based on the prices paid for manufacturing grade milk f.o.b. plants in Wisconsin and Minnesota.

To allow location adjustment credits on shipments of condensed milk or condensed skim milk and fluid milk products for ice cream and cottage cheese manufacture would result in returning to producers for the skim milk and butterfat so utilized a price lower than the price for manufacturing grade milk. For example, as proposed, a handler in the marketing area receiving milk or skim milk for cottage cheese manufacture from a plant 200 miles from the Chicago City Hall would receive a location differential credit of 22 cents per hundredweight. In effect, the milk or skim milk thus shipped and utilized would net the Chicago order pool 22 cents per hundredweight below the Class II price. Moreover, such a provision would result in pricing manufacturing grade milk in such residual uses as butter and nonfat milk solids at a higher price than milk used in cottage cheese, ice cream, condensed milk and condensed skim milk by the amount of the location adjustment credit.

While there was some support at the hearing for higher prices for the skim milk and butterfat used in cottage cheese and ice cream manufacture than that used in other outlets in the manufacturing category, no testimony supported a lower price for skim milk and butterfat used to produce cottage cheese, ice cream, condensed milk and condensed skim milk than that used to produce other manufactured products. Providing location differential credits on the Class II utilization shipments as requested would, in effect, accomplish the latter and the proposal therefore is denied.

Except for the limited quantity of Class II milk on which location adjustment credits would apply, no adjustment should be made to the Class II price for milk moved between pool plants for manufacturing use. There is little difference in the value of milk for manufactured uses associated with location of the plant receiving the milk. This is because of the low cost per hundredweight of milk involved in transporting manufactured dairy products.

Because of variations in daily demand, however, some milk that is moved to the market and intended for use as Class I milk cannot be so utilized and must be

processed into manufactured products. Providing a location differential credit for not more than 10 percent of the Class I utilization at the transferee plant for milk in the Class II classification which is moved from another pool plant should be sufficient margin for handlers in balancing their receipts from supply plants with day-to-day bottling requirements. However, to insure that milk will not be moved unnecessarily at the expense of producers, the assignment of available location credits should be made first to producer milk and fluid milk products received from other order plants and unregulated supply plants at a plant and then in sequence to transfers between pool plants beginning with the plant nearest the market.

The handler operating the transferee pool plant should receive the location adjustment credit on fluid milk products transferred in bulk between pool plants. Providing for such credit to the transferee handler will simplify administration of the order and provide the handler obtaining milk from supply plants individual control of such purchases in accordance with the utilization at his plant during the month. In computing the transferor handler's pool obligation, Class I transfer between pool plants will be priced at the f.o.b. marketing area price, irrespective of the location of the transferor plant. This is because the transferee handler will receive the location adjustment credit from the pool on such transfers.

Location differentials recognize that fluid milk similarly located with respect to the Chicago market and similarly used should be similarly priced. Milk available at locations nearest the market, by virtue of its location, is more valuable and should command a higher price than milk relatively more distant from it. The price for nearby milk should be higher than that for more distant milk by an amount which reflects the difference in cost of transporting milk to the Chicago marketing area. Since the location differentials provided for the various zones relate to transportation costs from such zones to the marketing area, no advantage will be afforded any handler or group of producers because of the location differential.

Economically, it is more feasible to meet the fluid needs of the market with milk from farms and plants nearest the market before requiring the transportation of milk from more distant plants. The value of milk for fluid purposes is greater at a packaging and distributing plant located in the marketing area than at a plant from which the milk must be moved to the area before it is processed and packaged for distribution. A location adjustment as recommended will give consideration to this difference in value. This rate is the same as that effective under the order and continues to closely approximate the cost of hauling milk to the market by an efficient means.

The uniform price paid producers supplying plants at which location differentials apply should continue to be adjusted at the present rates to reflect the value of milk f.o.b. the point to which it is delivered. Because a producer's as-

sociation with the market is based primarily on his supplying Class I milk for the market, the uniform price returned to a producer should be adjusted at the same rate and for the same reason as the location adjustment credit is applied to the Class I price.

The proposal to reduce the location adjustment rate applicable to the uniform price from 2 cents for each zone to 1 cent should be denied because it would provide an adjustment in the uniform price that is less than the cost of transporting the milk to the market.

The present order establishes a maximum limit of 42 cents for the location differential adjustment. It was pointed out that as a result of changing to f.o.b. marketing area pricing, which would increase the announced price 4 cents, that the equivalent maximum location adjustment would need to be 46 cents to compensate for such change.

The record indicated that there is no need for a maximum limit on the amount of location differential adjustment. Although presently milk does not move from distances beyond the point where the present 42 cents is applicable, there is no reason why if such milk did move that it should not be entitled to the same location adjustment of 2 cents per hundredweight for each 15-mile zone from the Chicago City Hall.

8. The entire order should be re-drafted to incorporate conforming and clarifying changes and to facilitate application of its various provisions.

(a) A producer association proposed that a "producer-handler" be defined in the order. At the present time there are no operations in the market which would qualify under this category. A producer-handler definition should be included in the Chicago order so that appropriate treatment will be provided for any producer-handler who may come on the market. There was no opposition to including a definition of a producer-handler in the order.

"Producer-handler" would be defined as any person who operates a dairy farm and a distributing plant but who, during the month, receives no fluid milk products from other dairy farmers or from sources other than pool plants. The order would exempt such operators from minimum pricing, but they should be required to make reports to the market administrator as required. Such reports are necessary to determine whether the operator is a producer-handler and to facilitate accounting with respect to the transfer of milk from other handlers.

The exemption from pricing and pooling of a producer-handler should be limited to bona fide producer-handlers. It is appropriate, therefore, that to qualify for producer-handler status, the maintenance, care, and management of the dairy animals and other resources necessary to produce milk and the processing and packaging of the milk shall be the personal enterprise and risk of the person involved. The term producer-handler is not intended to include any person who does not accept responsibility and risk for the operation of the plant in which the milk of his own production is bottled for sale.

(b) The handler definition should be changed to include:

(1) Any person in his capacity as the operator of one or more pool plants;

(2) Any person in his capacity as the operator of a partially distributing plant;

(3) Any person in his capacity as a broker buying from or selling fluid milk products to a person described in paragraphs (1) or (2);

(4) Any cooperative association with respect to producer milk which it causes to be diverted from a pool plant to a nonpool plant for the account of such cooperative association;

(5) Any cooperative association with respect to milk of its producers which is delivered from the farm to the pool plant of another handler in a tank truck owned and operated by or under contract to such cooperative association;

(6) Any person in his capacity as the operator of another order plant that is either a distributing plant or a supply plant; and

(7) A producer-handler.

The order does not now contain the provisions specified in paragraphs (4), (5), (6), and (7) above.

The provisions recommended delete from the handler definition any person who processes or packages any Class II milk product which any health authority having jurisdiction in any portion of the marketing area requires to be made from approved milk and part or all of which is disposed of in the marketing area. This provision is no longer needed because handler status under the order would be determined on or related to Class I disposition in the marketing area.

Producer-handlers and operators of other order plants should be included in the handler definition. This will facilitate the market administrator's obtaining reports from and examining the records of such persons to verify their status under the order.

Two cooperatives, making essentially the same proposals, would provide handler status for cooperatives when they divert their members' milk from a pool plant to a nonpool plant or when they cause their members' milk to be delivered from farms in tank trucks to the pool plants of other handlers. One proposal was modified at the hearing to provide that milk diverted by a cooperative would be deemed to have been received at the plant from which diverted for determining pool plant status.

The objective of the principal proposal is to permit cooperatives to perform their obligations with greater efficiency when they assume the responsibility for marketing the milk of their members.

Proprietary handlers are sometimes unable to dispose of reserve milk to best advantage. When they locate outlets for reserve milk, such outlets may not be willing to pay as much as the manufacturing class price provided in the order. It would improve marketing efficiency if handlers could arrange with cooperative associations to market the milk to best advantage. To do this, however, cooperatives need to be included in the handler definition of the order.

Changed marketing conditions also demonstrate a need to provide handler

status for cooperatives. Recently, the market's structure was changed as a result of negotiations between industry employers and employees. Work days and days included in plant processing schedules were reduced. New processing and bottling schedules changed the previously normal supply patterns for distributing plants affected by the negotiations. Cooperatives experienced additional and intensified marketing activity as a result of those supply patterns.

At the present time, if a handler receives milk from producers on 4 or 5 days a week and on the remaining days elects not to receive the milk or be responsible for its diversion, it must be received at a second pool plant in order to be pooled. Those receipts are now reported separately by handlers. By designating the cooperative as the handler for such milk, only one payroll report would be needed. Thus, administrative costs at the second pool plant would be eliminated.

In another marketing situation, the milk of certain producers may be delivered to different handlers on alternate days. By designating a cooperative as a handler, the order can provide a better working arrangement between proprietary handlers and cooperatives; and provide more marketing efficiency by saving both handling and administrative costs.

Under the terms of the order, the person receiving milk from producers is held responsible for accounting for such milk and for payments to producers. Once milk from a producer has been commingled with milk of other producers in a tank truck, there is no further opportunity to measure, sample or reject the milk of any individual producer whose milk is included in the load. The operator of a pool plant to which the load is delivered has an opportunity only to determine the weights and butterfat test of the total load. Where a tank truck picking up milk at the farm is operated under the supervision of a cooperative association, it is the association that determines the weight and butterfat content of the deliveries of individual producers. It is desirable, therefore, that the cooperative be held the responsible handler under such circumstances, if it so elects. The milk delivered by the cooperative as a handler would continue to be classified and allocated at each plant of receipt and the operator of the plant would be obligated to pay the cooperative the uniform price applicable at the plant.

Similarly, under existing order provisions, a cooperative association cannot acquire handler status except as the operator of a pool plant. The operator of a pool plant is held responsible for all milk received at his plant and, in addition, has the privilege of maintaining producer status, under specified conditions, for milk normally received at his plant but which he diverts from such plant to a nonpool plant for his account.

Some milk is necessarily moved to manufacturing outlets because of variations in day-to-day requirements and because milk is not bottled every day. The principal cooperative associations in the market assist handlers in the disposition of such milk. As an additional improvement, a cooperative association

should also be accorded handler status on milk which it diverts from a pool plant to a nonpool plant for its account. As recommended, milk diverted to a nonpool plant by a cooperative association for its account would be treated as a receipt of producer milk by such association at the location of the pool plant to which it is customarily delivered.

The recommended decision provided for pricing diverted milk at the location of the nonpool plant to which diverted when such plant is farther from the Chicago City Hall than the pool plant from which diverted. Exceptions stated that administrative problems in accounting for and pricing milk of individual producers would be minimized in the months of unlimited diversion by considering all of a producer's deliveries as received at the location of the plant to which the greatest portion of his milk was delivered during the month.

If the quantity of a producer's milk diverted to nonpool plants in January through June (months of unlimited diversion) exceeds his deliveries to pool plants, such producer's total deliveries during the month (to both pool plants and to nonpool plants) should be deemed to have been received at the location of the nonpool plant to which the greatest portion of diverted milk is delivered. This will tend to prevent a handler from exploiting the pool by considering for pricing purposes the location of a pool plant in or near the marketing area as the location where milk was received from a producer when all or a greater portion of such producer's milk was diverted to a distant nonpool plant during the month.

(c) "Producer milk" should be defined to include all skim milk and butterfat contained in milk received at a pool plant directly from producers or from a cooperative in its capacity as a handler. Producer milk would also include milk diverted under certain conditions from a pool plant to a nonpool plant by either a handler operating a pool plant or a cooperative in its capacity as a handler diverting milk for its account. This revised definition will facilitate application of the various provisions of the order by specifying in a practical manner that milk which shall be priced and pooled under the order.

Under the present producer definition, diversion of milk from a pool plant is not permitted in the months of October and November. In all other months, diversion of unlimited quantities of a producer's milk to nonpool plants is permitted. Such milk is deemed to have been received at the pool plant from which diverted.

Various proposals were submitted by producer associations regarding the extent of producer milk diversions which should be provided under the order. One association suggested diversion with no limitation for that milk not needed for fluid purposes. Another association would limit diversions of producer milk in the months of September through November to not more than the quantity of such milk that is received directly from the farm at pool plants. Unlimited diversions would be permitted in all other

months. Diversions to other pool plants, nonpool plants and other order plants would be permitted. Producer milk diverted would be deemed to have been received at the pool plant from which diverted. If the pool plant operator diverts milk to another plant on more days than milk is received from the producer at the pool plant, all of the producer's milk would be deemed to have been received at the plant to which delivered on the greater number of days during the month for the purpose of computing location adjustments.

Another cooperative's proposal would allow diversion to an unregulated plant or other order plant on any number of days in the January through June period and for not more than 15 days production in any month of the July-December period. The diverted milk would be deemed to have been received at the pool plant from which diverted unless over 50 percent of a producer's milk was diverted to a nonpool plant in a different zone than the pool plant. In such case, the location adjustment applicable to the uniform price would be that at the nonpool plant location. Diversions to an other order plant would be treated as a transfer for the purpose of determining the classification of such milk.

Producer milk should include milk diverted from a pool plant to a nonpool plant in the months of January through June and milk in a quantity not greater than the quantity of producer milk that was delivered from the farm to the pool plant in each month of the July through December period. Diverted milk should be deemed to be received at the plant location from which it is diverted. However, in each month of January through June if the quantity of milk of any producer diverted to a nonpool plant exceeds that delivered to pool plants, all milk of such producer delivered to both the pool plants and the nonpool plant should be deemed to be received at the nonpool plant for the purpose of location adjustments to the Class I and uniform prices. Such pricing of diverted milk will recognize its value according to location with respect to the market.

When milk is not needed in the market for Class I purposes, the movement of such milk to a nonpool plant for manufacturing purposes should be facilitated. Allowing for unlimited diversion during those months when reserve supplies are greatest will contribute to this end. Unlimited diversion is neither necessary nor desirable under a market pool during the other months of the year when milk regularly associated with the market is needed to supply the Class I needs of the market. It is necessary, however, to provide for limited diversion during such months to enable handlers to divert producer milk on such occasions as week-ends or holidays when the milk is not needed for Class I purposes. The diversion privilege is primarily intended to obtain efficiency in the marketing of milk not needed at pool plants for fluid uses. Instead of being physically received at the pool plant and then transferred to the nonpool plant, excess milk may be hauled directly from the farms to a nonpool plant without losing its pooling status under the order.

Milk moved from a farm directly to an other order plant should not be considered as producer milk under the Chicago order. Without a provision in the order regulating the other order plant to exclude diversions of producer milk from a Chicago order plant, it would be treated as producer milk under the other order. This would result in pricing and pooling the same quantity of milk as producer milk under both orders. On the basis of this record, action may not be taken under other orders to obtain exclusion from the producer milk definition of milk diverted from pool plants under this order.

Although a proposal was made to permit diversion of milk between pool plants, it was not shown that such diversions are necessary for the orderly marketing of reserve milk in the area. Neither was it shown that there are compelling reasons to provide for the diversion of producer milk between pool plants at this time. The proposal, therefore, should be denied.

(d) It was proposed that if for any reason a price quotation required by the order for computing class prices or for other purposes is not available in the manner described, the market administrator should use a price determined by the Secretary to be equivalent to the price that is required. Such a provision is commonly contained in Federal milk orders. Its inclusion in the Chicago order will provide a positive procedure to be followed in the absence of any price quotation customarily used and thereby prevent unnecessary interruption in the operation of the order.

(e) A proposal was made to distribute any value derived from "overrun" at a handler's plant to such handler's producers on a pro rata basis according to the pounds delivered by each producer. This would apply in lieu of including such value in the equalization pool for distribution to all producers. No testimony was presented at the hearing relative to this proposal. Accordingly, no action is taken on it in this decision.

Rulings on proposed findings and conclusions. Briefs and proposed findings and conclusions were filed on behalf of certain interested parties. These briefs, proposed findings and conclusions and the evidence in the record were considered in making the findings and conclusions set forth above. To the extent that the suggested findings and conclusions filed by interested parties are inconsistent with the findings and conclusions set forth herein, the requests to make such findings or reach such conclusions are denied for the reasons previously stated in this decision.

General findings. The findings and determinations hereinafter set forth are supplementary and in addition to the findings and determinations previously made in connection with the issuance of the aforesaid order and of the previously issued amendments thereto; and all of said previous findings and determinations are hereby ratified and affirmed, except insofar as such findings and determinations may be in conflict with the findings and determinations set forth herein.

(a) The tentative marketing agreement and the order, as hereby proposed to be amended, and all of the terms and conditions thereof, will tend to effectuate the declared policy of the Act;

(b) The parity prices of milk as determined pursuant to section 2 of the Act are not reasonable in view of the price of feeds, available supplies of feeds, and other economic conditions which affect market supply and demand for milk in the marketing area, and the minimum prices specified in the proposed marketing agreement and the order, as hereby proposed to be 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

(c) The tentative marketing agreement and the order as hereby proposed to be amended, will regulate the handling of milk in the same manner as, and will be applicable only to persons in the respective classes of industrial and commercial activity specified in, a marketing agreement upon which a hearing has been held.

Rulings on exceptions and petition for rehearing. A cooperative association requested that its exceptions to the recommended decision be considered also as a petition for a rehearing or reopening of the hearing. The Deputy Administrator found on the basis of record evidence that issuance of the proposed order with the provisions recommended would promote orderly marketing and effectuate the policy of the Act. The petition for reopening the hearing contained no points not already considered at the time of the recommended decision to warrant taking such action. The findings of the Deputy Administrator are affirmed and the petition for rehearing or reopening the hearing is denied.

In arriving at the findings and conclusions, and the regulatory provisions of this decision, each of the exceptions received was carefully and fully considered in conjunction with the record evidence pertaining thereto. To the extent that the findings and conclusions, and the regulatory provisions of this decision are at variance with any of the exceptions, such exceptions are hereby overruled for the reasons previously stated in this decision.

Marketing agreement and order. Annexed hereto and made a part hereof are two documents entitled, respectively, "Marketing Agreement Regulating the Handling of Milk in the Chicago, Illinois, Marketing Area", and "Order Amending the Order Regulating the Handling of Milk in the Chicago, Illinois, Marketing Area", which have been decided upon as the detailed and appropriate means of effectuating the foregoing conclusions.

It is hereby ordered. That all of this decision, except the attached marketing agreement, be published in the FEDERAL REGISTER. The regulatory provisions of said marketing agreement are identical with those contained in the order as hereby proposed to be amended by the attached order which will be published with this decision.

Referendum order; determination of representative period; and designation of

referendum agent. It is hereby directed that a referendum be conducted to determine whether the issuance of the attached order amending the order regulating the handling of milk in the Chicago, Illinois, marketing area is approved or favored by the producers who, during the representative period, were engaged in the production of milk for sale within the aforesaid marketing area. For the purpose of this referendum, a producer is any person defined as a producer under the terms of the order as hereby proposed to be amended or any person whose milk was delivered to a supply plant or reload point and who was a producer during the representative period under the order then in effect.

The month of August, 1964, is hereby determined to be the representative period for the conduct of such referendum. Jesse L. Cook is hereby designated agent of the Secretary to conduct such referendum in accordance with the procedure for the conduct of referenda to determine producer approval of milk marketing orders (15 F.R. 5177), such referendum to be completed on or before the 30th day from the date this decision is issued.

Signed at Washington, D.C., on November 30, 1964.

GEORGE L. MEHREN,
Assistant Secretary.

Order¹ Amending the Order Regulating the Handling of Milk in the Chicago, Illinois, Marketing Area

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¹ This order shall not become effective unless and until the requirements of § 900.14 of the rules of practice and procedure governing proceedings to formulate marketing agreements and marketing orders have been met.

- Sec.
1030.44 Computation of skim milk and butterfat in each class.
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- 1030.60 Computation of the net pool obligation (or credit) of each handler.
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AUTHORITY: The provisions of this Part 1030 issued under secs. 1-19, 48 Stat. 31, as amended; 7 U.S.C. 601-674.

§ 1030.0 Findings and determinations.

The findings and determinations hereinafter set forth are supplementary and in addition to the findings and determinations previously made in connection with the issuance of the aforesaid order and of the previously issued amendments thereto; and all of said previous findings and determinations are hereby ratified and affirmed, except insofar as such findings and determinations may be in conflict with the findings and determinations set forth herein.

(a) *Findings upon the basis of the hearing record.* Pursuant to the provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601 et seq.), and the applicable rules of practice and procedure governing the formulation of marketing agreements and marketing orders (7 CFR Part 900), a public hearing was held upon certain proposed amendments to the tentative marketing agreement and to the order regulating the handling of milk in the Chicago, Illinois, marketing area. Upon the basis of the evidence introduced at such hearing and the record thereof, it is found that:

(1) The said order as hereby amended, and all of the terms and conditions there-

of, will tend to effectuate the declared policy of the Act;

(2) The parity prices of milk as determined pursuant to section 2 of the Act, are not reasonable in view of the price of feeds, available supplies of feeds, and other economic conditions which affect market supply and demand for milk in the said marketing area, and the minimum prices specified in the order as hereby 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;

(3) The said order as hereby amended, regulates the handling of milk in the same manner as, and is applicable only to persons in the respective classes of industrial or commercial activity specified in, a marketing agreement upon which a hearing has been held.

(4) All milk and milk products handled by handlers, as defined in the order as hereby amended, are in the current of interstate commerce or directly burden, obstruct, or affect interstate commerce in milk or its products; and

(5) It is hereby found that the necessary expense of the market administrator for the maintenance and functioning of such agency will require the payment by each handler, as his pro rata share of such expense, 2 cents per hundredweight or such amount not to exceed 2 cents per hundredweight as the Secretary may prescribe, with respect to (i) producer milk (including such handler's own farm production), (ii) other source milk allocated to Class I pursuant to § 1030.45 (a) (4) and (8) and the corresponding steps of § 1030.45(b), and (iii) Class I milk disposed of in the marketing area from a partially regulated distributing plant that exceeds the hundredweight of Class I milk received during the month at such plant from pool plants and other order plants.

Order relative to handling. It is therefore ordered, that on and after the effective date hereof the handling of milk in the Chicago, Illinois, marketing area shall be in conformity to and in compliance with the terms and conditions of the aforesaid order, as amended, and as hereby further amended, as follows:

DEFINITIONS**§ 1030.1 Act.**

"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 (7 U.S.C. 601 et seq.).

§ 1030.2 Secretary.

"Secretary" means the Secretary of Agriculture or any officer or employee of the United States authorized to exercise the powers and perform the duties of the Secretary of Agriculture.

§ 1030.3 Department.

"Department" means the U.S. Department of Agriculture.

§ 1030.4 Person.

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

§ 1030.5 Cooperative association.

"Cooperative association" means any cooperative marketing association of producers which the Secretary determines after application by the association:

(a) To be qualified under the provisions of the Act of Congress of February 18, 1922, as amended, known as the "Capper-Volstead Act"; and

(b) To have full authority in the sale of milk of its members and is engaged in making collective sales of or marketing milk or milk products for its members.

§ 1030.6 Chicago, Illinois, marketing area.

"Chicago, Illinois, marketing area", hereinafter called the "marketing area" means the territory within the townships of Warren, Waukegan, Libertyville, Shields, Vernon, West Deerfield, Deerfield, and the city of Barrington, in Lake County; Cook and Du Page Counties; the townships of Dundee, Elgin, St. Charles, Geneva, Batavia, and Aurora in Kane County; the townships of Wheatland, Du Page, Plainfield, Lockport, Homer, Troy, Joliet, New Lenox and Frankfort in Will County, all in the State of Illinois.

§ 1030.7 Fluid milk product.

"Fluid milk product" means milk, skim milk, buttermilk, flavored milk, flavored milk drinks, yogurt, sour cream, and sour cream products labeled Grade A, cream or any mixture in fluid form of cream and milk or skim milk: *Provided*, That eggnog, ice cream mix, frozen dessert mix, aerated cream products, evaporated and condensed milk or skim milk and sterilized products in hermetically sealed containers shall not be fluid milk products pursuant to this section.

§ 1030.8 Route.

"Route" means a delivery, either direct or through any distribution facility other than a plant (including disposition from a plant store, vendor or vending machine) of a fluid milk product classified as Class I pursuant to § 1030.41(a) (1).

§ 1030.9 Distributing plant.

"Distributing plant" means a plant from which a Grade A fluid milk product that is processed or packaged in such plant is disposed of during the month in the marketing area on routes.

§ 1030.10 Supply plant.

"Supply plant" means a plant from which a Grade A fluid milk product is shipped during the month to a pool plant.

§ 1030.11 Reload point.

"Reload point" means any location at which milk moved from the farm in a tank truck is commingled with other milk before entering a plant, except that reloading operations on the premises of a plant shall be considered a part of the plant operation.

§ 1030.12 Pool plant.

"Pool plant" means a plant (except an other order plant or the plant of a producer-handler) specified in paragraph

(a) or (b) of this section: *Provided*, That if a portion of a plant is physically separated from the Grade A portion of such plant and is not approved by any health authority for the receiving, processing, or packaging of any fluid milk product for Grade A disposition, it shall not be considered a part of a pool plant pursuant to this section.

(a) A distributing plant from which:

(1) Not less than 30 percent of the total Grade A fluid milk products received during the month is either distributed on routes or moved in the form of packaged fluid milk products to distributing plants that are pool plants; and

(2) Not less than 10 percent of such receipts during the month is either distributed in the marketing area on routes or moved in the form of packaged fluid milk products to distributing plants that are pool plants and distributed in the marketing area on routes from such plants.

(b) A supply plant or reload point from which shipments in the form of fluid milk products during the month are physically received in pool plants pursuant to paragraph (a) of this section and are either at least 20 percent of the pounds of butterfat in or at least 20 percent of the volume of Grade A milk received from dairy farmers at such plant or reload point during the month and which shipments, in the form of milk and skim milk, include at least 10 percent of the volume of Grade A milk received from dairy farmers at such plant or reload point during the month: *Provided*, That:

(1) If, during July through December a handler notifies the market administrator in writing that a plant is unable to meet the requirements set forth herein because of a work stoppage due to a labor dispute between employer and employees, the market administrator, upon verification of the handler's claim, shall not include the receipts and utilization of milk at such plant for those days from the date of notification through the last day of the work stoppage in determining the percentage of milk or butterfat shipped pursuant to this paragraph. When the work stoppage includes an entire month, the plant shall be considered to have met the minimum percentage shipping requirements in that month for pool plant status pursuant to this paragraph, but such relief shall not be granted for more than 2 consecutive months.

(2) A plant which was a pool plant in each of the immediately preceding months of July through December shall be a pool plant for the months of January through June, unless the milk received at the plant does not continue to meet the Grade A milk requirements for use in fluid milk products distributed in the marketing area or written application is filed by the plant operator with the market administrator on or before the first day of any such month requesting the plant be designated a nonpool plant for such month and each subsequent month through June during which it would not otherwise qualify as a pool plant.

(3) Two or more plants shall be considered a unit for the purpose of this

paragraph if the following conditions are met:

(i) The plants included in a unit are owned and operated by a handler or are under his control with respect to the marketing of fluid milk products pursuant to a written contractual agreement submitted to the market administrator;

(ii) The handler establishing a unit notifies the market administrator in writing of the plants to be included therein prior to July 1 of each year and no additional plants shall be added to the unit prior to July 1 of the following year; and

(iii) The notification pursuant to subdivision (ii) of this subparagraph shall list the plants in the order in which they shall be excluded from the unit if the minimum shipping requirements are not met, such exclusion to be in sequence beginning with the first plant on the list and continuing until the remaining plants as a unit have met the minimum requirements.

§ 1030.13 Nonpool plant.

"Nonpool plant" means a plant (except a pool plant) which receives milk from dairy farmers or is a milk manufacturing, processing or bottling plant. The following categories of nonpool plants are further defined as follows:

(a) "Other order plant" means a plant that is fully subject to the pricing and pooling provisions of another order issued pursuant to the Act, unless such plant is qualified as a pool plant pursuant to § 1030.12 and a greater volume of fluid milk products is disposed of from such plant in this marketing area on routes and to pool plants qualified on the basis of route distribution in this marketing area than in the marketing area regulated pursuant to such other order.

(b) "Producer-handler plant" means a plant operated by a producer-handler as defined in any order (including this part) issued pursuant to the Act.

(c) "Partially regulated distributing plant" means a nonpool plant that is neither an other order plant nor a producer-handler plant and from which fluid milk products labeled Grade A in consumer-type packages or dispenser units are distributed in the marketing area on routes during the month.

(d) "Unregulated supply plant" means a nonpool plant that is a supply plant and is neither an other order plant nor a producer-handler plant.

§ 1030.14 Handler.

"Handler" means:

(a) Any person in his capacity as the operator of one or more pool plants;

(b) Any person in his capacity as the operator of a partially regulated distributing plant;

(c) Any person in his capacity as a broker buying from or selling fluid milk products to a person described in paragraph (a) or (b) of this section;

(d) Any cooperative association with respect to producer milk which it causes to be diverted from a pool plant to a nonpool plant for the account of such cooperative association;

(e) Any cooperative association with respect to milk of its producers which

is delivered from the farm to the pool plant of another handler in a tank truck owned and operated by or under contract to such cooperative association: *Provided*, That such cooperative association shall not be a handler pursuant to this paragraph unless the market administrator and the handler who is the operator of the pool plant where such milk is to be received are notified in writing that it elects to be the handler for such milk: *And provided further*, That such milk for which a cooperative association is the handler pursuant to this paragraph shall be deemed to have been received at the location of the pool plant to which such milk is delivered;

(f) Any person in his capacity as the operator of an other order plant that is either a distributing plant or a supply plant; or

(g) A producer-handler.

§ 1030.15 Producer-handler.

"Producer-handler" means any person who operates a dairy farm and a distributing plant and who received no fluid milk products from other dairy farmers or from sources other than pool plants: *Provided*, That such person provides proof satisfactory to the market administrator that the care and management of all the dairy animals and other resources necessary to produce the entire volume of fluid milk products handled (excluding receipts from pool plants) and the operation of the processing and packaging business are the personal enterprise and risk of such person.

§ 1030.16 Producer.

"Producer" means any person, except a producer-handler as defined in any order (including this part) issued pursuant to the Act, who produces milk in compliance with Grade A inspection requirements of a duly constituted health authority, which milk is received at a pool plant or diverted pursuant to § 1030.17 from a pool plant to a nonpool plant.

§ 1030.17 Producer milk.

"Producer milk" means the skim milk and butterfat contained in Grade A milk:

(a) Received at a pool plant directly from a dairy farmer or a handler pursuant to § 1030.14(e); or

(b) Diverted from a pool plant to a nonpool plant other than an other order plant or a producer-handler plant. Such milk shall be deemed to have been received by the diverting handler at the location of the pool plant from which diverted except that:

(1) In any of the months of July through December, the quantity of milk of any producer so diverted that exceeds that delivered to pool plants shall not be deemed to have been received by the diverting handler and shall not be producer milk; and

(2) In any of the months of January through June, if the quantity of milk of any producer so diverted exceeds the quantity delivered to pool plants during the month, the milk of such producer delivered to both pool plants and to nonpool plants shall be deemed to have been received at the location of the non-

pool plant to which the greatest portion of diverted milk is delivered.

§ 1030.18 Other source milk.

"Other source milk" means the skim milk and butterfat contained in or represented by:

(a) Fluid milk products from any source except (1) fluid milk products from pool plants, (2) producer milk, or (3) fluid milk products in inventory at the beginning of the month; and

(b) Products other than fluid milk products from any source (including those produced at the plant) which are reprocessed, converted into or combined with another product in the plant during the month.

§ 1030.19 Butter price.

"Butter price" means the simple average as computed by the market administrator of the daily wholesale selling prices (using the midpoint of any price range as one price) per pound of Grade A (92-score) bulk creamery butter at Chicago as reported during the month by the Department.

MARKET ADMINISTRATOR

§ 1030.20 Designation.

The agency for the administration of this part shall be a market administrator, selected by the Secretary, who shall be entitled to such compensation as may be determined by, and shall be subject to removal at the discretion of the Secretary.

§ 1030.21 Powers.

The market administrator shall have the following powers with respect to this part:

(a) Administer its terms and provisions;

(b) Receive, investigate, and report complaints of violations to the Secretary;

(c) Make rules and regulations to effectuate its terms and provisions; and

(d) Recommend amendments to the Secretary.

§ 1030.22 Duties.

The market administrator shall perform all duties necessary to administer the terms and provisions of this part, including but not limited to the following:

(a) Within 30 days following the date on which he enters upon his duties, or such lesser period as may be prescribed by the Secretary, execute and deliver to the Secretary a bond effective as of the date on which he enters upon his duties and conditioned upon the faithful performance of such duties, in an amount and with surety thereon satisfactory to the Secretary;

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

(c) Obtain a bond in a reasonable amount, and with reasonable surety thereon, covering each employee who handles funds entrusted to the market administrator;

(d) Pay out of the funds provided by § 1030.78, the cost of his bond and of the

bonds of his employees, his own compensation, and all other expenses except those incurred under § 1030.77, necessarily incurred by him in the maintenance and functioning of his office and in the performance of his duties;

(e) Keep such books and records as will clearly reflect the transactions provided for in this part, and upon request by the Secretary, surrender the same to such other person as the Secretary may designate;

(f) Publicly announce at his discretion, unless otherwise directed by the Secretary, by posting in a conspicuous place in his office and by such other means as he deems appropriate, the name of any person who after the date upon which he is required to perform such acts, has not made either reports pursuant to §§ 1030.30 and 1030.31 or payments pursuant to §§ 1030.70, 1030.74, 1030.76, 1030.77 and 1030.78;

(g) Submit his books and records to examination by the Secretary and furnish such information and reports as may be required by the Secretary;

(h) 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 utilization the classification of skim milk and butterfat for such handler depends, or by such investigation as the market administrator deems necessary;

(i) Prepare and disseminate for the benefit of producers, consumers and handlers such statistics and information as he deems advisable and as do not reveal confidential information;

(j) Publicly announce on or before:

(1) The 5th day of each month the Class I milk price pursuant to § 1030.51 (a) and the Class I butterfat differential pursuant to § 1030.52(a), both for the current month, and the Class II milk price pursuant to § 1030.51(b) and the Class II butterfat differential pursuant to § 1030.52(b), both for the preceding month; and

(2) The 14th day after the end of each month the uniform price pursuant to § 1030.62 and the butterfat differential pursuant to § 1030.71;

(k) Whenever required for the purpose of allocating receipts from other order plants pursuant to § 1030.45(a) (9) and the corresponding step of § 1030.45 (b), the market administrator shall estimate and publicly announce the utilization (to the nearest whole percentage) in each class during the month of skim milk and butterfat, respectively, in producer milk of all handlers. Such estimate shall be based upon the most current available data and shall be final for such purpose;

(l) Report to the market administrator of the other order, as soon as possible after the report of receipts and utilization for the month is received from a handler who has received fluid milk products from an other order plant, the classification to which such receipts are allocated pursuant to § 1030.45 pursuant to such report, and thereafter any change in such allocation required to correct errors disclosed in verification of such report; and

(m) Furnish to each handler operating a pool plant who has shipped fluid

milk products to an other order plant, the classification to which such fluid milk products were allocated by the market administrator of the other order on the basis of the report of the receiving handler; and, as necessary, any changes in such classification arising in the verification of such report.

REPORTS, RECORDS AND FACILITIES

§ 1030.30 Reports of receipts and utilization.

On or before the 10th day after the end of each month, each handler except a handler pursuant to § 1030.14 (f) and (g) shall report to the market administrator for such month, reporting in detail and on forms prescribed by the market administrator:

(a) The quantities of skim milk and butterfat contained in or represented by:

(1) Milk received from producers and from handlers pursuant to § 1030.14(e);

(2) Fluid milk products received from pool plants of other handlers;

(3) Other source milk;

(4) Milk diverted to nonpool plants pursuant to § 1030.17; and

(5) Inventories of fluid milk products at the beginning and end of the month;

(b) The utilization of all skim milk and butterfat required to be reported pursuant to this section, including a separate statement showing the respective amounts of skim milk and butterfat disposed of as Class I milk in the marketing area on routes; and

(c) Such other information with respect to the receipts and utilization of skim milk and butterfat as the market administrator may prescribe.

§ 1030.31 Other reports.

(a) Each producer-handler shall report to the market administrator at such time and in such manner as the market administrator may prescribe.

(b) Each handler who operates an other order plant shall report total receipts and utilization or disposition of skim milk and butterfat at the plant at such time and in such manner as the market administrator may require and allow verification of such reports by the market administrator.

(c) Each handler pursuant to § 1030.14(e) shall report to the market administrator in detail and on forms prescribed by the market administrator on or before the 10th day after the end of the month the quantities of skim milk and butterfat in producer milk delivered to each pool plant in such month.

(d) Each handler shall report to the market administrator in detail and on forms prescribed by the market administrator on or before the 25th day after the end of the month his producer payroll for such month which shall show for each producer:

(1) His identity;

(2) The quantity of milk received from such producer and the number of days, if less than the entire month, on which milk was received from such producer;

(3) The average butterfat content of such milk; and

(4) The net amount of such handler's payment, together with the price paid

and the amount and nature of any deductions.

§ 1030.32 Records and facilities.

Each handler shall maintain and make available to the market administrator, during the usual hours of business, such accounts and records of his operations, together with such facilities as are necessary for the market administrator to verify or establish the correct data with respect to:

(a) The receipts and utilization of all skim milk and butterfat handled in any form during the month;

(b) The weights and butterfat and other content of all milk and milk products handled during the month;

(c) The pounds of skim milk and butterfat contained in or represented by all milk products in inventory at the beginning and end of each month; and

(d) Payments to dairy farmers and cooperative associations, including the amount and nature of any deductions and the disbursement of money so deducted.

§ 1030.33 Retention of records.

All books and records required under this part to be made available to the market administrator shall be retained by the handler for a period of three years to begin at the end of the month to which such books and records pertain: *Provided*, That if within such 3-year period, the market administrator notifies the handler in writing that the retention of such books and records is necessary in connection with a proceeding under section 8c(15)(A) of the Act or a court action specified in such notice, the handler shall retain such books and records or specified books and records until further written notification from the market administrator. In either case, the market administrator shall give further written notification to the handler promptly upon the termination of the litigation or when the records are no longer necessary in connection therewith.

CLASSIFICATION

§ 1030.40 Skim milk and butterfat to be classified.

The skim milk and butterfat required to be reported pursuant to § 1030.30 (excluding transfers from a pool plant to another order plant(s) that are offset by receipt from the other order plant(s) pursuant to § 1030.43(e)) shall be classified each month pursuant to the provisions of §§ 1030.41 through 1030.45: *Provided*, That such skim milk and butterfat shall be Class I milk unless the handler who first receives such skim milk or butterfat proves to the market administrator that such skim milk or butterfat should be classified otherwise.

§ 1030.41 Classes of utilization.

Subject to the conditions of § 1030.43, the classes of utilization shall be as follows:

(a) *Class I milk*. Class I milk shall be all skim milk and butterfat:

(1) Disposed of as a fluid milk product (except as provided in paragraphs (b) (2), (3) and (4) of this section); and

(2) Not accounted for as Class II milk.

(b) *Class II milk*. Class II milk shall be:

(1) Skim milk and butterfat used to produce any product other than a fluid milk product;

(2) Skim milk and butterfat in fluid milk products delivered in bulk form to and used at commercial food establishments in the manufacture of bakery products, candy or processed foods in hermetically sealed containers;

(3) Skim milk and butterfat in fluid milk products disposed of for livestock feed or dumped if the market administrator has been notified in advance and afforded the opportunity to verify such dumping;

(4) Skim milk represented by the non-fat milk solids added to a fluid milk product which is in excess of the weight of an equivalent volume of the fluid milk product prior to such addition;

(5) Skim milk and butterfat in inventory of fluid milk products at the end of the month;

(6) Skim milk and butterfat, respectively, in shrinkage but not in excess of:

(i) 2.0 percent of producer milk (except that received from a handler pursuant to § 1030.14(e) or diverted to a nonpool plant pursuant to § 1030.17);

(ii) Plus 1.5 percent of producer milk received from a handler pursuant to § 1030.14(e): *Provided*, That if the handler receiving such producer milk files notice with the market administrator that he is purchasing such milk on the basis of farm weights, the applicable percentage pursuant to this subdivision shall be 2.0 percent;

(iii) Plus 1.5 percent of bulk fluid milk products received from pool plants of other handlers;

(iv) Plus 1.5 percent of bulk fluid milk products received from other order plants, exclusive of the quantity for which Class II utilization was requested by the operators of both plants;

(v) Plus 1.5 percent of bulk fluid milk products received from unregulated supply plants, exclusive of the quantity for which Class II utilization was requested by the handler; and

(vi) Less 1.5 percent of bulk fluid milk products transferred to other plants (except pool plants of the same handler); and

(7) Skim milk and butterfat in shrinkage of other source milk allocated pursuant to § 1030.42(b) (2).

§ 1030.42 Shrinkage.

The market administrator shall allocate shrinkage over a handler's receipts as follows:

(a) Compute the total shrinkage of skim milk and butterfat, respectively, for each handler; and

(b) Prorate the resulting amounts between receipts of skim milk and butterfat contained in:

(1) The net quantity of producer milk and other fluid milk products specified in § 1030.41(b) (6); and

(2) Other source milk exclusive of that specified in § 1030.41(b) (6).

§ 1030.43 Transfers.

Skim milk or butterfat in the form of a fluid milk product shall be classified:

(a) At the utilization indicated by the operators of both plants, otherwise as Class I milk, if transferred from a pool plant to the pool plant of another handler: *Provided*, That the skim milk or butterfat so assigned to either class shall be limited to the amount thereof remaining in such class in the plant(s) of the transferee handler after computations pursuant to § 1030.45(a) (9) and the corresponding step of § 1030.45(b);

(b) As Class I milk, if transferred from a pool plant to a producer-handler;

(c) As Class I milk, if transferred or diverted to a nonpool plant that is neither an other order plant nor a producer-handler plant and is located outside Illinois, Indiana and Wisconsin and the counties of Ottawa, Kent, Allegan, Barry, Calhoun, St. Joseph, Van Buren, Kalamazoo, Cass and Berrien in Michigan and Van Wert, in Ohio;

(d) As Class I milk, if transferred or diverted in bulk to a nonpool plant that is neither an other order plant nor a producer-handler plant and is located inside Illinois, Indiana and Wisconsin and the counties of Ottawa, Kent, Allegan, Barry, Calhoun, St. Joseph, Van Buren, Kalamazoo, Cass and Berrien in Michigan and Van Wert in Ohio, unless the requirements of subparagraphs (1) and (2) of this paragraph are met, in which case the skim milk and butterfat so transferred or diverted shall be classified in accordance with the assignment resulting from subparagraph (3) of this paragraph:

(1) The transferring or diverting handler claims classification in Class II in his report submitted pursuant to § 1030.30;

(2) The operator of such nonpool plant maintains books and records showing the utilization of all skim milk and butterfat received at such plant which are made available if requested by the market administrator for the purpose of verification; and

(3) The skim milk and butterfat so transferred shall be classified on the basis of the following assignment of utilization at such nonpool plant in excess of receipts of packaged fluid milk products from all pool plants and other order plants:

(i) Any Class I utilization disposed of on routes in the marketing area shall be first assigned to the skim milk and butterfat in the fluid milk products so transferred or diverted from pool plants, next pro rata to receipts from other order plants and thereafter to receipts from dairy farmers who the market administrator determines constitute regular sources of supply of Grade A milk for such nonpool plant;

(ii) Any Class I utilization disposed of on routes in the marketing area of another order issued pursuant to the Act shall be first assigned to receipts from plants fully regulated by such order, next pro rata to receipts from pool plants and other order plants not regulated by

such order, and thereafter to receipts from dairy farmers who the market administrator determines constitute regular sources of supply for such nonpool plant;

(iii) Class I utilization in excess of that assigned pursuant to subdivisions (i) and (ii) of this subparagraph shall be assigned first to remaining receipts from dairy farmers who the market administrator determines constitute the regular source of supply for such nonpool plant and Class I utilization in excess of such receipts shall be assigned pro rata to unassigned receipts at such nonpool plant from all pool and other order plants; and

(iv) To the extent that Class I utilization is not so assigned to it, the skim milk and butterfat so transferred shall be classified as Class II milk; and

(e) As follows, if transferred to an other order plant(s) (under the same order) of a handler pursuant to § 1030.14 (f), in excess of receipts from such plant(s) in the same category as described in subparagraphs (1), (2) or (3) of this paragraph:

(1) If transferred in packaged form, classification shall be in the classes to which allocated as a fluid milk product under the other order;

(2) If transferred in bulk form, classification shall be in the classes to which allocated as a fluid milk product under the other order (including allocation under the conditions set forth in subparagraph (3) of this paragraph);

(3) If the operators of both the transferor and transferee plants so request in the reports of receipts and utilization filed with their respective market administrators, transfers in bulk form shall be classified as Class II to the extent of the Class II utilization (or comparable utilization under such other order) available for such assignment pursuant to the allocation provisions of the transferee order;

(4) If information concerning the classification to which allocated under the other order is not available to the market administrator for purposes of establishing classification pursuant to this paragraph, classification shall be as Class I, subject to adjustment when such information is available;

(5) For purposes of this paragraph, if the transferee order provides for more than two classes of utilization, milk allocated to a class consisting primarily of fluid milk products shall be classified as Class I, and milk allocated to other classes shall be classified as Class II; and

(6) If the form in which any fluid milk product transferred to an other order plant is not defined as a fluid milk product under such other order, classification shall be in accordance with the provisions of § 1030.41.

§ 1030.44 Computation of skim milk and butterfat in each class.

For each month, each handler shall compute the pounds of skim milk and butterfat in each class in the following manner:

(a) The pounds of butterfat shall be ascertained by multiplying the pounds of milk or milk product disposed of as Class I milk or used to produce a Class II milk

product by its average butterfat content.

(b) The pounds of skim milk shall be ascertained by subtracting the pounds of butterfat computed pursuant to paragraph (a) of this section, from the weight of milk or a milk product disposed of as Class I milk or used to produce a Class II milk product: *Provided*, That if any water contained in the milk from which a product is made is removed before the product is utilized or disposed of by a handler, the pounds of skim milk disposed of in such product shall be considered to be a quantity equivalent to the nonfat milk solids contained in such product plus all the water originally associated with such solids.

(c) A handler may claim, for classification purposes pursuant to §§ 1030.40 through 1030.45 butterfat in skim milk disposed of to others or used in the manufacture of milk products by including the butterfat content of such skim milk in his report for the delivery period filed pursuant to § 1030.30(a) or by giving prior notification to the market administrator of his desire to do so. In the event that a handler does not have adequate records of the butterfat content of such skim milk, the market administrator shall use 0.06 percent as the butterfat content per hundredweight of such skim milk: *Provided*, That if the handler desires to discontinue accounting for butterfat in skim milk, or after discontinuing the accounting therefor desires to again account for the same, he may do so by notifying the market administrator in writing at least 30 days prior to the first day of the delivery period during which such change shall become effective.

§ 1030.45 Allocation of skim milk and butterfat classified.

After making the computations pursuant to § 1030.44, each handler for each month shall determine the classification of producer milk as follows:

(a) Skim milk shall be allocated in the following manner:

(1) Subtract from the total pounds of skim milk in each class, pro rata to such quantities, the pounds of skim milk in milk received from such handler's own farm production;

(2) Subtract from the remaining pounds of skim milk in Class II the pounds of skim milk classified as Class II pursuant to § 1030.41(b) (6);

(3) Subtract from the remaining pounds of skim milk in each class the pounds of skim milk in receipts of fluid milk products in packaged form from an other order plant(s) (under the same order) of a handler pursuant to § 1030.14(f), in excess of similar transfers to such plant(s), as follows:

(i) From Class II milk, the lesser of the pounds remaining or two percent of such receipts; and

(ii) From Class I milk, the remainder of such receipts;

(4) Subtract in the order specified below from the pounds of skim milk remaining in each class, in series beginning with Class II, the pounds of skim milk in each of the following:

(i) Other source milk in a form other than that of a fluid milk product;

(ii) Receipts of fluid milk products for which Grade A certification is not established, or which are from unidentified sources; and

(iii) Receipts of fluid milk products from a producer-handler, as defined under this or any other Federal order,

(5) Subtract, in the order specified below, from the pounds of skim milk remaining in Class II but not in excess of such quantity:

(i) Receipts of fluid milk products from an unregulated supply plant:

(a) For which the handler requests Class II utilization; or

(b) Which are in excess of the pounds of skim milk determined by subtracting from 125 percent of the pounds of skim milk remaining in Class I milk, the sum of the pounds of skim milk in producer milk, receipts from pool plants of other handlers, and receipts in bulk from other order plants; and

(ii) Receipts of fluid milk products in bulk from an other order plant(s) (under the same order) of a handler pursuant to § 1030.14(f), in excess of similar transfers to such plant(s), if Class II utilization was requested by both handlers;

(6) Subtract from the remaining pounds of skim milk in each class, in series beginning with Class II milk, the pounds of skim milk in inventory of fluid milk products at the beginning of the month;

(7) Add to the remaining pounds of skim milk in Class II milk the pounds of skim milk subtracted pursuant to subparagraph (2) of this paragraph;

(8) Subtract from the pounds of skim milk remaining in each class, pro rata to such quantities, the pounds of skim milk in receipts of fluid milk products from unregulated supply plants that were not subtracted pursuant to subparagraph (5) (i) of this paragraph;

(9) Subtract from the pounds of skim milk remaining in each class, in the following order, the pounds of skim milk in receipts of fluid milk products in bulk from an other order plant(s) (under the same order) of a handler pursuant to § 1030.14(f), in excess in each case of similar transfers to such plant(s), that were not subtracted pursuant to subparagraph (5) (ii) of this paragraph;

(i) In series beginning with Class II, the pounds determined by multiplying the pounds of such receipts by the larger of the percentage of estimated Class II utilization of skim milk announced for the month by the market administrator pursuant to § 1030.22(k) or the percentage that Class II utilization remaining is of the total remaining utilization of skim milk of the handler; and

(ii) From Class I, the remaining pounds of such receipts;

(10) Subtract from the remaining pounds of skim milk in each class the pounds of skim milk in fluid milk products received from pool plants of other handlers according to the classification of such products pursuant to § 1030.43 (a); and

(11) If the pounds of skim milk remaining exceed the pounds of skim milk in producer milk, subtract such excess from the pounds of skim milk remaining

in each class in series beginning with Class II. Any amount so subtracted shall be known as "overage".

(b) Butterfat shall be allocated in accordance with the procedure outlined for skim milk in paragraph (a) of this section.

MINIMUM PRICES

§ 1030.50 Basic formula price.

The basic formula price shall be the average price per hundredweight for manufacturing grade milk f.o.b. plants in Wisconsin and Minnesota, as reported by the Department for the month. Such price shall be adjusted to a 3.5 percent butterfat basis by a butterfat differential (rounded to the nearest one-tenth cent) at the rate of the butter price times 0.12 and rounded to the nearest cent.

§ 1030.51 Class prices.

Subject to the provisions of § 1030.52, the class prices per hundredweight for the month shall be as follows:

(a) *Class I milk price.* The Class I milk price shall be the basic formula price for the preceding month plus \$1.20 August through November, \$0.80 March through June and \$1.00 in other months, adjusted not more than 24 cents each month by plus or minus 2.0 cents, respectively, for each full percent that the adjusted supply-demand ratio computed as follows, is above or below 72 percent:

(1) Determine the total receipts of Grade A milk from all producers (including receipts from own-farm production) for the most recent 12-month period.

(2) Determine the total pounds of Grade A milk utilized in Class I milk during the most recent 12-month period.

(3) Divide the amount obtained in subparagraph (2) of this paragraph by the amount obtained in subparagraph (1) of this paragraph and round to the nearest full percent. The resulting percentage shall be known as the "current supply-demand ratio".

(4) If the current supply-demand ratio is greater or less than the current supply-demand ratio computed by the market administrator for the third month immediately preceding, add or subtract the difference, respectively, to or from the percentage computed pursuant to subparagraph (3) of this paragraph. The result shall be the "adjusted supply-demand ratio", and if the current supply-demand ratio does not differ from that computed for the third month preceding, the current supply-demand ratio shall be the "adjusted supply-demand ratio".

(b) *Class II milk price.* The Class II milk price shall be the basic formula price for the month.

§ 1030.52 Butterfat differentials to handlers.

For milk containing more or less than 3.5 percent butterfat, the class prices for the month pursuant to § 1030.51 shall be increased or decreased, respectively, for each one-tenth percent butterfat at a rate, rounded to the nearest one-tenth cent, determined as follows:

(a) *Class I price.* Multiply the butter price for the preceding month by 0.12.

(b) *Class II price.* Multiply the butter price for the month by 0.12.

§ 1030.53 Location adjustments to handlers.

(a) The market administrator shall determine the zone location of each plant at which milk is to be priced under this part on the following basis and the zone rates shall be as follows:

(1) Zone 1—adjustment rate—none. Zone 1 shall consist of the territory within the marketing area.

(2) Zone 2—adjustment rate—2 cents per hundredweight of milk. Zone 2 shall consist of the territory outside of the marketing area but not to exceed 55 miles from the City Hall in Chicago.

(3) For plants located beyond Zone 2, the adjustment rate shall be 2 cents per hundredweight of milk for each 15 miles or fraction thereof over 55 miles. The territory beyond 55 miles, but not to exceed 70 miles, shall be Zone 3 and each successive 15-mile area shall be an additional zone.

(b) The mileages applicable pursuant to this section and § 1030.72 shall be determined by the market administrator and shall be the shorter of either the rail or highway distance, arrived at as follows:

(1) The rail distance shall be the sum of the following:

(i) The highway distance between the handler's plant or reload point and the railroad loading point (but not to exceed 25 miles);

(ii) The rail distance by the most direct single rail line between the loading point and the rail terminal in Chicago; and

(iii) The highway distance between the appropriate rail terminal and the Chicago City Hall.

(2) Mileage shall be subject to re-determination at all times. In the event a handler requests a re-determination of the mileage pertaining to any plant, the market administrator shall notify the handler of his findings within 30 days after the receipt of such request. Any financial obligations resulting from a change in mileage shall not be retroactive for any period prior to the re-determination announced by the market administrator.

(c) The market administrator shall notify each handler of the zone determination.

(d) A handler who operates a pool distributing plant shall receive a location adjustment credit computed as follows:

(1) Determine the aggregate quantity of Class I milk at all pool plants of the handler;

(2) Subtract the quantity of packaged fluid milk products received at the handler's pool plant(s) from the plants of other handlers and from nonpool plants;

(3) Subtract the quantity of bulk fluid milk products shipped from the handler's pool plant(s) to pool plants of other handlers and to nonpool plants that are classified as Class I;

(4) Multiply the remaining quantity by 110 percent;

(5) Subtract the quantity of fluid milk products received at the handler's pool distributing plant(s) from other

order plants and unregulated supply plants that are assigned to Class I pursuant to § 1030.45;

(6) Subtract to the extent available from the remaining quantity in the following order:

(i) Producer milk received at the handler's pool distributing plant(s); and

(ii) Bulk fluid milk products received at the handler's pool distributing plant(s) from other pool plants in sequence beginning with the plant nearest the Chicago City Hall; and

(7) Multiply by the applicable zone rates the quantities subtracted pursuant to subparagraph (6) of this paragraph;

(8) Multiply by the applicable zone rates the quantity of bulk fluid milk products shipped from the handler's pool distributing plant(s) to nonpool plants and classified as Class I; and

(9) Add together the amounts obtained pursuant to subparagraphs (7) and (8) of this paragraph.

(e) A handler who operates a pool supply plant shall receive a location adjustment credit at the plant's zone rate on producer milk at such plant classified as Class I that is not shipped as a bulk fluid milk product to another pool plant.

§ 1030.54 Equivalent prices.

If for any reason a price quotation required by this order for computing class prices or for other purposes is not available in the manner described, the market administrator shall use a price determined by the Secretary to be equivalent to the price that is required.

§ 1030.55 Skim milk and butterfat prices.

The prices per hundredweight of skim milk and butterfat in each class shall be computed as follows:

(a) *Skim milk price.* Subtract from the applicable class price per hundredweight of milk containing 3.5 percent butterfat the result obtained from multiplying the applicable butterfat differential pursuant to § 1030.52 by 35; and

(b) *Butterfat price.* Add to the applicable class price per hundredweight of milk containing 3.5 percent butterfat the result obtained from multiplying the applicable butterfat differential pursuant to § 1030.52 by 965.

APPLICATION OF PRICES

§ 1030.60 Computation of the net pool obligation (or credit) of each handler.

The net pool obligation (or credit) of each handler, pursuant to § 1030.14 (a), (d), and (e) during each month shall be a sum of money computed as follows:

(a) Multiply the quantity of skim milk and butterfat in producer milk in each class as computed pursuant to § 1030.45 by the applicable skim milk and butterfat prices;

(b) Add the amount obtained from multiplying the overage deducted from each class pursuant to § 1030.45(a)(11) and the corresponding step of § 1030.45 (b) by the applicable skim milk and butterfat prices;

(c) Add the amount obtained from multiplying the difference between the Class II skim milk and butterfat prices

for the preceding month and the Class I skim milk and butterfat prices for the current month by the hundredweight of skim milk and butterfat subtracted from Class I pursuant to § 1030.45(a)(6) and the corresponding step of § 1030.45(b);

(d) Add an amount equal to the difference between the Class I and Class II skim milk and butterfat price values of the pounds of skim milk and butterfat subtracted from Class I pursuant to § 1030.45(a)(4) and the corresponding step of § 1030.45(b);

(e) Add the value at the Class I skim milk and butterfat prices (after deducting the location adjustment rate for the zone in which the nearest nonpool plant is located from which an equivalent volume was received) of the skim milk and butterfat subtracted from Class I pursuant to § 1030.45(a)(8) and the corresponding step of § 1030.45(b); and

(f) Subtract an amount equal to the location adjustment credits computed pursuant to § 1030.53.

§ 1030.61 Computation of aggregate value used to determine uniform price.

For each month the market administrator shall correct for mathematical and obvious errors the reports of handlers submitted pursuant to § 1030.30 and shall compute an aggregate value from which to determine the uniform price as follows:

(a) Combine into one total the values obtained pursuant to § 1030.60 for all handlers who reported pursuant to § 1030.30 for such month;

(b) Add or subtract for each one-tenth percent that the average butterfat content of milk represented by the values specified in paragraph (a) of this section is less or more, respectively, than 3.5 percent, the amount obtained by multiplying such difference by the butterfat differential pursuant to § 1030.71 and multiplying the result by the total hundredweight of such milk;

(c) Add an amount equal to the total value of the location differential deductions to be made pursuant to § 1030.72;

(d) Subtract an amount equal to the total value of the location differential additions to be made pursuant to § 1030.72; and

(e) Add an amount equal to one-half the unobligated cash balance in the producer-settlement fund.

§ 1030.62 Computation of uniform price.

For each month the market administrator shall compute a uniform price as follows:

(a) Divide the aggregate value computed pursuant to § 1030.61 by the sum of the following:

(1) The total hundredweight of producer milk; and

(2) The total hundredweight for which a value is computed pursuant to § 1030.60(e); and

(b) Subtract not less than 4 nor more than 5 cents from the price computed pursuant to paragraph (a) of this section.

§ 1030.63 Obligations of handler operating a partially regulated distributing plant.

Each handler who operates a partially regulated distributing plant shall pay to the market administrator for the producer-settlement fund on or before the 25th day after the end of the month either of the amounts (at the handler's election) calculated pursuant to paragraph (a) or (b) of this section. If the handler fails to report pursuant to § 1030.30 the information necessary to compute the amount specified in paragraph (a), he shall pay the amount computed pursuant to paragraph (b) of this section:

(a) An amount computed as follows:

(1) The obligation that would have been computed pursuant to § 1030.60 at such plant shall be determined as though such plant were a pool plant. For purposes of such computation, receipts at such nonpool plant from a pool plant or an other order plant shall be assigned to the utilization at which classified at the pool plant or other order plant and transfers from such nonpool plant to a pool plant or an other order plant shall be valued at the Class II price if allocated to such class at the pool plant or other order plant and be valued at the uniform price of the respective order if so allocated to Class I milk. There shall be included in the obligation so computed a charge in the amount specified in § 1030.60(e) and a credit in the amount specified in § 1030.74(b)(2) with respect to receipts from an unregulated supply plant, unless an obligation with respect to such plant is computed as specified below in this subparagraph. If the operator of the partially regulated distributing plant so requests, and provides with his report pursuant to § 1030.30 similar reports with respect to the operations of any other nonpool plant which serves as a supply plant for such partially regulated distributing plant by shipments to such plant during the month equivalent to the requirements of § 1030.12(b), with agreement of the operator of such plant that the market administrator may examine the books and records of such plant for purposes of verification of such reports, there will be added the amount of the obligation computed at such nonpool supply plant in the same manner and subject to the same conditions as for the partially regulated distributing plant.

(2) From this obligation there will be deducted the sum of (i) the gross payments made by such handler for Grade A milk received during the month from dairy farmers at such plant and like payments made by the operator of a supply plant(s) included in the computations pursuant to subparagraph (1) of this paragraph, and (ii) any payments to the producer-settlement fund of another order under which such plant is also a partially regulated distributing plant.

(b) An amount computed as follows:

(1) Determine the respective amounts of skim milk and butterfat disposed of as Class I milk in the marketing area on routes;

(2) Deduct (except that deducted under a similar provision of another order issued pursuant to the Act) the respective amounts of skim milk and butterfat received as Class I milk at the partially regulated distributing plant from pool plants and other order plants;

(3) Combine the amounts of skim milk and butterfat remaining into one total and determine the weighted average butterfat content; and

(4) From the value of such milk at the Class I skim milk and butterfat prices (after deducting the location adjustment rate for the zone in which the nonpool plant is located) subtract its value at the uniform price pursuant to § 1030.62 at the same location or at the Class II price, whichever is higher.

PAYMENTS

§ 1030.70 Time and method of payment.

(a) Each handler who operates a pool plant shall pay each producer on or before the 18th day after the end of the month not less than the uniform price pursuant to § 1030.62 adjusted pursuant to §§ 1030.71, 1030.72, and 1030.77, for each hundredweight of producer milk received during such month for which payment is not made to a cooperative association pursuant to paragraph (b) of this section; and

(b) Each handler shall pay a cooperative association on or before the 15th day after the end of the month an amount equal to the sum of the individual payments pursuant to paragraph (a) of this section for producer milk which is caused to be delivered to such handler, if such cooperative association is authorized to collect such payment for its members and exercises such authority.

§ 1030.71 Butterfat differential to producers.

The uniform price pursuant to § 1030.62 shall be increased or decreased for each one-tenth percent that the butterfat content of such milk is above or below 3.5 percent, respectively, at the rate (rounded to the nearest one-tenth cent) determined by multiplying the butter price for the month by 0.12.

§ 1030.72 Location differentials to producers and on nonpool milk.

The uniform price pursuant to § 1030.62 shall be adjusted as follows:

(a) For producer milk received at a pool plant outside the marketing area and within 55 miles of the Chicago City Hall deduct 2 cents per hundredweight.

(b) For producer milk received at a plant which is 55 miles or more from the Chicago City Hall, deduct 4 cents per hundredweight for the first 70 miles or less and 2 cents per hundredweight for each additional 15 miles or fraction thereof that such plant is more than 70 miles from the Chicago City Hall.

(c) Add 4 cents per hundredweight for milk received from producers whose farms are located in the territory lying within the city of Kenosha, the townships of Pleasant Prairie, Bristol, and Salem in Kenosha County, all in the State of Wisconsin; the townships of

Richmond, Burton, Greenwood, McHenry, Seneca, Dorr, Nunda, Coral, Grafton, and Algonquin in McHenry County, Lake County, Kane County, Cook County, Du Page County, Kendall County, Will County; the townships of Saratoga, Aux Sable, Goose Lake, and Felix in Grundy County; and the townships of Rockville, Manteno, Sumner, Yellowhead, Bourbonnais, Ganeer, and Memonce in Kankakee County, all in the State of Illinois; and Lake County, and Porter County, except Pleasant Township, all in the State of Indiana, which territory shall be known as Zone A.

(d) Add 2 cents per hundredweight for milk received from producers whose farms are located in the territory lying within the city of Racine, the townships of Raymond, Caledonia, Burlington, Dover, Yorkville, and Mount Pleasant in Racine County; the townships of Brighton, Paris, Somers, Wheatland, and Randall in Kenosha County; the townships of Lyons, Linn, and Bloomfield, of Walworth County, all in the State of Wisconsin; the townships of Chemung, Alden, Hebron, Dunham, Hartland, Marengo, and Riley in McHenry County; the townships of Boone, Bonus, and Spring in Boone County; DeKalb County; the townships of Earl, Adams, Northville, Serena, Mission, Dayton, Rutland, Miller, and Manlius, in LaSalle County; the townships of Nettle Creek, Erienna, Norman, Morris, Wau-ponsee, Vienna, Mazon, Maine, Braceville, Good Farm, Garfield, and Greenfield in Grundy County; the townships of Essex, Salina, Limestone, Kankakee, Norton, Pilot, Otto, Aroma, St. Anne, and Pembroke, in Kankakee County; the townships of Chebanse, Papineau, and Beaverville, in Iroquois County, all in the State of Illinois; the townships of Lake, Lincoln, McClellan, Colfax, Beaver, and Jackson in Newton County; the townships of Keener, Union, Wheatfield, Walker, and Kankakee in Jasper County; Pleasant Township in Porter County; the townships of Dewey, Prairie, Cass, Hanna, Clinton, Noble, New Durham, Scipio, Coolspring, Center, Kankakee, Michigan, Springfield, and Galena in LaPorte County, all in the State of Indiana; and the townships of New Buffalo, Three Oaks, and Chikaming in Berrien County in the State of Michigan, which territory shall be known as Zone B.

§ 1030.73 Producer-settlement fund.

The market administrator shall maintain a separate fund known as the "producer-settlement fund" into which he shall deposit all payments into such funds and out of which he shall make all payments from such fund pursuant to §§ 1030.63, 1030.74, 1030.75, and 1030.76: *Provided*, That the market administrator shall offset the payment due to a handler against payments due from such handler.

§ 1030.74 Payments to the producer-settlement fund.

On or before the 16th day after the end of the month each handler shall pay to the market administrator the amount, if any, by which the total amounts speci-

fied in paragraph (a) of this section exceed the amounts specified in paragraph (b) of this section:

(a) The net pool obligation computed pursuant to § 1030.60 for such handler; and

(b) the sum of:

(1) The value of such handler's producer milk at the applicable uniform price; and

(2) The value at the uniform price applicable at the location of the plant from which received (not to be less than the value at the Class II price) with respect to other source milk for which a value is computed pursuant to § 1030.60 (e).

§ 1030.75 Payments from the producer-settlement fund.

On or before the 17th day after the end of each month, the market administrator shall pay to each handler the amount, if any, by which the amount computed pursuant to § 1030.74(b) exceeds the amount computed pursuant to § 1030.60: *Provided*, That if the balance in the producer-settlement fund is insufficient to make all payments pursuant to this section, the market administrator shall reduce uniformly such payments and shall complete such payments as soon as the necessary funds become available.

§ 1030.76 Adjustment of accounts.

When verification by the market administrator of reports or payment of any handler discloses errors resulting in monies due (1) the market administrator from such handler, (2) such handler from the market administrator, or (3) any producer or cooperative association from such handler, the market administrator shall promptly notify such handler of any amount so due and payment thereof shall be made not later than the date for making payment next following such disclosure.

§ 1030.77 Marketing services.

(a) Except as set forth in paragraph (b) of this section, each handler in making payments to each producer pursuant to § 1030.70 shall deduct 3 cents per hundredweight or such lesser amount as the Secretary may prescribe with respect to producer milk received by such handler (except such handler's own farm production) during the month, and shall pay such deductions to the market administrator not later than the 18th day after the end of the month. Such monies, shall be used by the market administrator to verify or establish weights, samples, and tests of producer milk and to provide producers with market information. Such services shall be performed in whole or in part by the market administrator or by an agent engaged by and responsible to him.

(b) In the case of producers for whom a cooperative association is performing, as determined by the Secretary, the services set forth in paragraph (a) of this section, each handler shall make, in lieu of the deductions specified in paragraph (a) of this section such deductions as are authorized by such producers and, on or before the 18th day after the end

of each month, pay over such deductions to the association rendering such services.

§ 1030.78 Expense of administration.

As his pro rata share of the expense of administration of the order, each handler shall pay to the market administrator on or before the 18th day after the end of each month 2 cents per hundredweight or such lesser amount as the Secretary may prescribe with respect to (a) producer milk (including such handler's own farm production), (b) other source milk allocated to Class I pursuant to § 1030.45(a) (4) and (8) and the corresponding steps of § 1030.45(b), and (c) Class I milk disposed of in the marketing area from a partially regulated distributing plant that exceeds the hundredweight of Class I milk received during the month at such plant from pool plants and other order plants.

§ 1030.79 Termination of obligations.

The provisions of this section shall apply to any obligation under this part for the payment of money.

(a) The obligation of any handler to pay money required to be paid under the terms of this part shall, except as provided in paragraphs (b) and (c) of this section, terminate 2 years after the last day of the calendar month during which the market administrator receives the handler's utilization report on the milk involved in such obligation unless within such 2-year period the market administrator notifies the handler in writing that such money is due and payable. Service of such notice shall be complete upon mailing to the handler's last known address and it shall contain but need not be limited to, the following:

(1) The amount of the obligation;

(2) The months during which the milk, with respect to which the obligation exists, was received or handled; and

(3) If the obligation is payable to one or more producers or to an association of producers, the name of such producers or association of producers, or if the obligation is payable to the market administrator, the account for which it is to be paid.

(b) If a handler fails or refuses, with respect to any obligation under this part, to make available to the market administrator or his representatives all books and records required by this part to be made available, the market administrator may, within the 2-year period provided for in paragraph (a) of this section, notify the handler in writing of such failure or refusal. If the market administrator so notifies a handler, the said 2-year period, with respect to such obligations, shall not begin to run until the first day of the calendar month following the month during which all such books and records pertaining to such obligation are made available to the market administrator or his representatives.

(c) Notwithstanding the provisions of paragraphs (a) and (b) of this section, a handler's obligation under this part to pay money shall not be terminated with respect to any transaction involving fraud or willful concealment of a fact, material to the obligation, on the part

of the handler against whom the obligation is sought to be imposed.

(d) Any obligation on the part of the market administrator to pay a handler any money which such handler claims to be due him under the terms of this part shall terminate 2 years after the end of the calendar month during which the milk involved in the claim was received if an underpayment is claimed, or 2 years after the end of the calendar month during which the payment (including deduction or set-off by the market administrator) was made by the handler if a refund on such payment is claimed, unless such handler, within the applicable period of time, files pursuant to section 8c(15) (A) of the Act, a petition claiming such money.

EFFECTIVE TIME, SUSPENSION OR TERMINATION

§ 1030.80 Effective time.

The provisions of this part, or any amendments to this part, shall become effective at such time as the Secretary may declare and shall continue in force until suspended or terminated.

§ 1030.81 Suspension or termination.

The Secretary shall suspend or terminate any or all of the provisions of this part whenever he finds that it obstructs or does not tend to effectuate the declared policy of the Act. This part shall, in any event, terminate whenever the provisions of the Act authorizing it cease to be in effect.

§ 1030.82 Continuing power and duty of the market administrator.

(a) If, upon the suspension or termination of any or all of the provisions of this part, there are any obligations arising hereunder, the final accrual or ascertainment of which requires further acts by any handler, by the market administrator, or by any other person, the power and duty to perform such further acts shall continue notwithstanding such suspension or termination: *Provided*, That any such acts required to be performed by the market administrator shall, if the Secretary so directs be performed by such other person, persons or agency as the Secretary may designate.

(b) The market administrator or such other person as the Secretary may designate 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, or such person, to such person as the Secretary shall direct; and (3) if so directed by the Secretary, execute such assignment or other instruments necessary or appropriate to vest in such person full title to all funds, property and claims vested in the market administrator or such person pursuant thereto.

§ 1030.83 Liquidation after suspension or termination.

Upon the suspension or termination of any or all provisions of this part the market administrator, or such person as the Secretary may designate 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 or owing at the time of such suspension or termination. Any funds collected pursuant to the provisions of this part, over and above the amounts necessary to meet outstanding obligations and the expenses necessarily incurred by the market administrator or such person in liquidating such funds shall be distributed to the contributing handlers and producers in an equitable manner.

MISCELLANEOUS PROVISIONS

§ 1030.90 Separability of provisions.

If any provision of this part, or its application to any person or circumstances, is held invalid, the application of such provision, and of the remaining provisions of this part, to other persons or circumstances shall not be affected thereby.

§ 1030.91 Agents.

The Secretary may, by designation in writing, name any officer or employee of the United States to act as his agent or representative in connection with any of the provisions of this part.

[F.R. Doc. 64-12397; Filed, Dec. 4, 1964; 8:45 a.m.]

[7 CFR Parts 1030, 1031]

[Docket Nos. AO-101-A28 and AO-170-A15]

MILK IN CHICAGO, ILLINOIS, AND SOUTH BEND-LA PORTE-ELKHART INDIANA, MARKETING AREAS

Decision on Proposed Amendments to Tentative Marketing Agreement and to Order

Pursuant to the provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601 et seq.), and the applicable rules of practice and procedure governing the formulation of marketing agreements and marketing orders (7 CFR Part 900), a public hearing was held at South Bend, Indiana, May 7-8, 1963, pursuant to notice thereof issued April 15, 1963 (28 F.R. 3872).

Upon the basis of the evidence introduced at the hearing and the record thereof, the Deputy Administrator, Agricultural Marketing Service on May 26, 1964 (29 F.R. 7117; F.R. Doc. 64-5400) filed with the Hearing Clerk, United States Department of Agriculture, his recommended decision containing notice of the opportunity to file written exceptions thereto.

A separate decision to amend the Chicago order would remove from the marketing area defined therein territory added to the South Bend-LaPorte-Elkhart marketing area by this decision.

The material issues, findings and conclusions, rulings, and general findings of the recommended decision (29 F.R. 7117; F.R. Doc. 64-5400) are hereby approved and adopted and are set forth in full herein subject to the following modifications:

1. Three new paragraphs are inserted after the twelfth paragraph in issue 1.

2. The third and fifth paragraphs in issue 2 are revised.

The material issues on the record of the hearing relate to:

1. Expansion of the marketing area.
2. The supply-demand adjustment applicable to the Class I price.
3. Class II and III milk; classification and pricing.
4. Revision of location differential adjustments.
5. Reduction of butterfat differential rates.
6. Discontinuing the base-excess plan in paying producers.
7. Increasing the marketing service assessment.
8. Conforming changes.

Findings and conclusions on issue 6 were included in an earlier decision on this record issued July 29, 1963 (28 F.R. 7845). Following approval by producers, the order was amended August 8, 1963, to discontinue the base and excess plan. Findings and conclusions on all issues on this record except issue 6 are contained in this decision.

Findings and conclusions. The following findings and conclusions on the material issues are based on evidence presented at the hearing and the record thereof:

1. The South Bend-La Porte-Elkhart marketing area should be redesignated the Northwestern Indiana marketing area and should include the eight Indiana counties of Elkhart, Kosciusko, Lake, La Porte, Marshall, Porter, St. Joseph and Starke. The presently designated marketing area is limited to Elkhart, La Porte and St. Joseph Counties.

The proposal to enlarge the marketing area was made by Pure Milk Association, which represents about 75 percent of the approximately 1,500 dairy farmers supplying 26 handlers who would be regulated by the recommended order. Of the 26 handlers, 17 are now under the South Bend-La Porte-Elkhart order, 5 are under the Chicago order and 4 are unregulated. In addition to the above, a plant that is now regulated by the Indianapolis order might become subject instead to the recommended Northwestern Indiana order.

The 1960 census population of the South Bend-La Porte-Elkhart marketing area was 440,000 and of the recommended marketing area 1.1 million. The population of Gary, the largest city in the proposed marketing area, was 178,000. The population of the next largest cities, South Bend, Hammond, East Chicago, Elkhart and Michigan City, ranged from 133,000 to 37,000. Because a substantial part of the fluid milk sales of handlers are in rural communities and because much of the population immediately surrounds the cities and towns, the marketing area should be defined on the basis of county lines.

Lake County (1960 population 513,000) is the most heavily populated county in the marketing area. The Lake County townships of Calumet, Hobart and North, known as the Calumet area, are now within the Chicago milk marketing area. A separate decision to amend the Chicago order recommends removing these townships from the Chicago marketing area.

The handlers who would be regulated by the proposed order are the principal distributors in Lake County. Estimates of their total distribution in Lake County, as presented at the hearing, ranged from 58 to 75 percent. The remaining Class I distribution in the county is primarily from plants in the city of Chicago.

The Calumet area handlers are associated more intimately in their competition for Class I sales with handlers who would be regulated by the recommended order than with Chicago order handlers. There is substantial distribution by these Calumet handlers throughout each of the eight counties in the proposed marketing area. These same Calumet handlers are not approved for and do not have any Class I business in the city of Chicago. The Chicago based handlers who distribute in the Calumet area have relatively little distribution in Indiana outside of Lake County, and their distribution there represents a small proportion of their total distribution.

Producers supplying Calumet area handlers are located in the milkshed overlapping the South Bend-La Porte-Elkhart milkshed. The different prices and utilizations of the Chicago and South Bend-La Porte-Elkhart orders have made it difficult for the Calumet area handlers to obtain adequate supplies in the local procurement area. The Chicago order uniform price applicable at plants in the Calumet area averaged \$3.55 in 1962. Under the South Bend-La Porte-Elkhart order, the average uniform price of \$3.85 for the same period was 30 cents higher. Calumet handlers, with relatively high Class I utilization, have had to pay more than the minimum prices prescribed by the Chicago order to obtain milk from local producers sufficient for their Class I sales plus a necessary reserve. This has placed Calumet area handlers at a disadvantage in competing with handlers able to buy supplies at the class prices under the South Bend-La Porte-Elkhart and other nearby orders.

Inclusion of Kosciusko, Marshall, Porter and Starke Counties in the recommended marketing area would result in bringing under regulation four handlers who are not now subject to regulation under a Federal order. Each of these four counties is contiguous to the present marketing area and the Class I distribution in this four-county area is by a wide majority from presently regulated handlers. Of the total Class I distribution in these counties 72 percent in Kosciusko, 63 percent in Marshall, 56 percent in Starke and 54 percent in Porter is from the plants of these regulated handlers.

The four presently unregulated handlers who would be regulated by the recommended order pay the approximately 25 dairy farmers supplying them a price based on and comparable to the South Bend-La Porte-Elkhart or Indianapolis order uniform price. They have a high proportion of fluid milk sales to receipts, ranging generally from 80 to 100 percent Class I utilization. Handlers now regulated by the order are at a price disadvantage in competing with unregulated handlers for Class I sales in the

proposed marketing area because they are required to pay the higher Class I order price to which their competitors are not subject.

Benton, Carroll, Cass, Fulton, Jasper, Miami, Newton, Pulaski, and White Counties were also proposed to be added to the marketing area. The several South Bend-La Porte-Elkhart order handlers who currently have some Class I distribution in these nine counties are not the principal distributors in these counties and their distribution in them is not a substantial portion of their Class I business. The majority of the Class I distribution in this nine-county area is not by handlers now subject to the order. In some of the counties such as Cass, Carroll and Miami, the estimated distribution by handlers presently regulated by the order is less than 20 percent. Moreover, no evidence was submitted to show that the marketing conditions in this nine-county area are such as to show that presently regulated handlers are disadvantaged in competing with the several unregulated handlers operating in these counties.

The unregulated handler with the greatest distribution in the nine-county area receives milk from about 40 dairy farmers at his plant in Logansport in Cass County. From this plant he has Class I distribution in Cass, Carroll, Fulton, Miami, Pulaski, White, and Marshall Counties. Of these latter counties only Marshall is recommended for inclusion in the marketing area. However, this handler's Class I sales in Marshall County are limited to only a small area in the county and represent a small portion of his total Class I disposition. It is not expected that he would be subject to regulation because of this distribution.

A cooperative under the Chicago order opposed a shift of the Calumet area to the South Bend-La Porte-Elkhart marketing area. It claimed that the removal of Calumet area Class I sales from the Chicago pool would reduce the Chicago blend price 1 cent per hundred-weight. However, the cooperative did not present testimony that would substantiate its position that operations of the Calumet area handlers in both distribution and procurement are more intimately associated with those of Chicago order handlers than with handlers regulated by the South Bend-La Porte-Elkhart order.

Exceptions to limiting the expansion of the marketing area as herein provided were filed by producer associations and handlers. In his exceptions, a handler with limited sales in Marshall County claimed he would in some months become regulated under the proposed order because of his sales in Starke County. Hence, he requested its deletion from the proposed marketing area. The record evidence shows no sales by this handler in Starke County. However, if such handler meets the pooling requirements of the order by virtue of sales in Starke and other counties associating him primarily with this market, it is appropriate that he be regulated by the Northwestern Indiana order.

Another handler and a cooperative requested in their exceptions that the proposed marketing area be reduced in size in order to avoid regulation under this order of handlers now regulated by the Ft. Wayne and Indianapolis orders. There is no basis for such action on the evidence of this record. If handlers now associated with another regulated market have more Class I sales in the proposed Northwestern Indiana marketing area than in any other marketing area, it is appropriate that they be regulated by this order. However, there is no positive indication in the record that such Indianapolis or Fort Wayne order handlers would be regulated instead by the Northwestern Indiana order.

Another cooperative association in its exceptions renewed its request that the counties of Benton, Carroll, Cass, Fulton, Jasper, Newton, Pulaski and White be included in the marketing area. The evidence in this record was insufficient to show the relative proportion of sales made in this area by handlers now regulated under the Chicago and South Bend-La Porte-Elkhart orders and those by handlers under the Indianapolis order. Any further expansion of the marketing area beyond that provided in the attached order cannot be justified at this time on the basis of the present record. However, in the event it can be shown at a later date that marketing conditions and sales in these counties are primarily associated with the Northwestern Indiana market, consideration may then be given to their inclusion in the marketing area.

The marketing area expansion herein recommended would promote orderly marketing by assuring Northwestern Indiana handlers that their competitors in the marketing area would be required to pay for milk at prices based on the minimums prescribed by the order.

The recommended Northwestern Indiana marketing area represents an area of uniform minimum health standards for Grade A milk products sold for fluid consumption. Fluid milk products sold under a Grade A label must be approved by local and State health ordinances, practices and procedures patterned after the U.S. Public Health Ordinance and Code. Shipments of Grade A milk, in bulk and packaged form, between various localities in the marketing area are through reciprocal approval of the responsible health authorities.

Territory within the boundaries of the designated marketing area which is occupied by government (municipal, State or Federal) reservations, installations, institutions or other similar establishments should be considered to be within the marketing area. Exemption of sales by a handler in any such territory could place regulated handlers at a disadvantage. So there will be no doubt as to the intent of the application of the marketing area definition, the order should clearly specify that all premises within the marketing area, as described above, will be included as part of the marketing area.

2. The Class I price supply-demand adjustment should be replaced with that used in the Chicago order.

The order presently provides a Class I price calculated by adding a differential to the Minnesota-Wisconsin price series basic formula with a supply-demand adjustment based on local sales and receipts data. This formula has reflected the relationship of supplies and demand in the present marketing area.

The South Bend - LaPorte - Elkhart Class I price is presently established at a level 20 cents above the Chicago order Class I price at the 55-70 mile zone prior to adjustment by the supply-demand factor in each market. In 1962, the South Bend-LaPorte-Elkhart Class I price averaged 38 cents higher than the Chicago order Class I price. Of this difference, 19 cents was due to the difference in the supply-demand adjustment in the two orders. The Chicago order supply-demand adjustment averaged minus 24 cents and that for the South Bend-LaPorte-Elkhart order minus 5 cents.

Class I prices under the Northwestern Indiana order must recognize that the Chicago order prices are an important factor in pricing milk in the region. Because of the proximity of the sales and procurement areas of Northwestern Indiana and Chicago order handlers, a close alignment of Class I prices is essential for orderly marketing conditions and to minimize uneconomic shifts of producers and plants between the markets. With the expansion of the marketing area to include Lake County and the consequent regulation under this order of several former Chicago handlers who compete for sales with handlers who will remain under Chicago regulation, the use of the current supply-demand adjuster would not be warranted under the close pricing relationship that is necessary between this and the Chicago market.

Replacing the present supply-demand adjuster with that now used in the Chicago order without otherwise adjusting the Class I price formula would have the immediate effect of reducing by about 19 cents the Class I price to handlers regulated by the present South Bend-LaPorte-Elkhart order. Such reduction at this time might tend to create a disalignment in Class I prices between this order and the nearby Indiana Federal order markets of Ft. Wayne and Indianapolis and would tend to jeopardize the maintenance of an adequate supply of milk for the market.

The Class I sales by Calumet handlers that would be pooled under the Northwestern Indiana order would be approximately half the Class I milk pooled under the proposed order. For the year ending August 31, 1962, Class I sales by those Calumet handlers who are now regulated by the Chicago order and who would become regulated as a result of this decision by the proposed Northwestern Indiana order were 146 million pounds. In this same period, Class I sales by handlers presently regulated by the South Bend-LaPorte-Elkhart order were 136 million pounds.

The differential in the Class I price formula should be increased 10 cents to compensate for the difference (which averaged 19 cents in 1962) in the supply-demand adjustment between the present and proposed orders. Such an adjustment would be equitable to all handlers and would tend to minimize any immediate Class I price changes for the presently regulated South Bend-LaPorte-Elkhart handlers and the other handlers who would become fully regulated under the new order. Moreover, it will tend to insure producers an overall return for Class I milk approximating that now required to be paid in the aggregate by Calumet area handlers and those presently regulated by the South Bend-LaPorte-Elkhart order.

3. The utilizations now designated as Class II and Class III should be included in one class (Class II) and priced at the average price per hundredweight for manufacturing grade milk, f.o.b. plants in Wisconsin and Minnesota as reported by the United States Department of Agriculture.

Under the present order provisions, Class II includes all skim milk and butterfat used to produce cottage cheese. Class III is all skim milk and butterfat used in condensed milk and skim milk, ice cream and frozen desserts and mixes, evaporated milk, butter, cheese, nonfat dry milk and other manufactured products.

The present Class II price is the higher of the Midwest Condensery price series or a butter-powder formula. The Class III price is the Midwest Condensery price. For the 12 months ending May 1963, the Class II price averaged \$3.12 and the Class III price \$2.98. During the same period the Class II price herein recommended averaged \$3.07.

It is not practicable to retain a separate classification and pricing structure for milk used for cottage cheese. There is no uniform requirement throughout the expanded marketing area that cottage cheese must be made from Grade A milk. Moreover, cottage cheese made from ungraded milk can be distributed in most of the marketing area in competition with cottage cheese made from Grade A supplies.

Classification and pricing of skim milk and butterfat used to produce cottage cheese in the same class as all other manufactured products will assist in maintaining an important outlet for producer milk by assuring continued use of producer milk in the production of cottage cheese. Such classification and pricing is consistent with that recommended for cottage cheese in the Chicago order and will assure handlers under this order of prices for cottage cheese which are aligned with such prices in other nearby markets functioning as alternative supply sources for cottage cheese sold in this market.

Elsewhere in this decision, the need for maintaining alignment of the Class I price with the Chicago order is emphasized. Alignment of reserve milk prices between the orders is no less necessary. The Class II price herein recommended is the same as for reserve milk

under the Chicago order and approximates the Class II price of the Fort Wayne and Indianapolis orders. In effect, the Class II price recommended herein will return producers a value for their milk consistent with the value of milk used in manufactured products in the nearby markets.

The recommended classification and pricing of reserve milk recognizes that prices for manufacturing grade milk tend to be reasonably uniform regardless of the use made of the milk and reflects the competitive value of reserve milk used for manufacturing purposes.

4. The Class I and uniform prices should be reduced 10 cents for the first 70 miles and 1.6 cents for each additional 10 miles or fraction thereof for milk received at plants not less than 60 miles from the nearest of the City Hall, Gary, Indiana; St. Joseph County Court House, South Bend, Indiana; or White County Court House, Monticello, Indiana. These cities are so located with respect to the overall sales area of regulated handlers that basing mileage zones from them will be equitable to all handlers and producers. The present order location differential at the same rate (10 cents plus 1.6 cents each additional 10 miles) is first applicable at pool plants between 55 and 60 miles from South Bend.

Practically all handlers obtain their milk supplies by direct delivery from farms in this nearby area. The value of milk to the market for fluid purposes is greater at the location of a plant in the marketing area than at a plant from which milk must be moved to the marketing area for Class I uses. Beyond 60 miles from the nearest of the basing points milk has a lower value because of location with respect to the major consuming centers in the marketing area and the added cost of transportation.

These location adjustment rates and mileage zones are consistent with those used under nearby orders and are representative of the cost of transporting milk to the market by efficient means.

5. The butterfat differentials used to adjust the class prices should be reduced to more appropriately reflect the relative value of butterfat under current marketing conditions. The value resulting from multiplying the Chicago butter price by 0.120 for Class I milk and by 0.113 for Class II milk will provide appropriate means for adjusting the prices in the expanded marketing area for each one-tenth percent variation in the butterfat content of milk used in various products.

These butterfat differentials, which were proposed by both handlers and producers at the hearing, are the same as those used to adjust Class I and Class II prices in the Indianapolis order.

The present Class II (milk used to make cottage cheese) butterfat differential is 0.113 times the Chicago 92-score butter price. Class I and Class III butterfat differentials are 0.130 and 0.120 times such butter price.

The higher butterfat differential applicable to Class I milk allocates more value to the butterfat in the milk. A number of fluid milk products on the market are made up of a proportionately high percentage of solids not fat (e.g.

fortified or modified skim milk). With too high a butterfat differential, producers do not receive their appropriate share of the Class I sales value represented by the solids not fat portion of fluid milk products. A high butterfat differential has the effect of pricing cream for Class I uses at a high level. On the other hand, the butterfat differential herein recommended will encourage increased disposition of butterfat in Class I outlets.

A Class II butterfat differential of 11.3 percent of the Chicago butter price will facilitate the movement of butterfat in the reserve supply of milk to manufacturing outlets. This would result in a lower price for butterfat in manufacturing uses than the Class II butterfat differential recommended for the Chicago order of 12 percent of the butter price. However, in this market there are no large scale manufacturing facilities at pool plants and excess milk must be collected in small lots for disposition to nonpool manufacturing outlets.

A handler testified that he had been unable to dispose of the butterfat in excess milk at the order prices and had incurred a loss of five cents per pound of butterfat in the first four months of 1963. In view of the pricing in nearby orders in Indiana and Michigan which provide for 11.3 to 11.5 percent of the butter price for reserve milk butterfat differentials, a Class II butterfat differential of 11.3 percent of the Chicago butter price is appropriate for this order.

The butterfat differential to producers should be revised to reflect the Class I and Class II butterfat differentials weighted by the proportion of butterfat in producer milk classified in each class during the month. Thus, returns to producers will reflect the value of butterfat at the class prices provided by the order. This method also will tend to reduce the incentive to produce milk of a high butterfat test which has been provided by the relatively high butterfat differentials for Class I and Class III milk now in the order.

7. No increase in the marketing service assessment rate should be made at this time.

It was proposed that the rate be increased from four cents to six cents because of possible increased costs in providing services to nonmember producers by expansion of the marketing area. Comparison of the expected number of producers, the estimated quantity of milk produced for the expanded area, and the rates applicable in markets of comparable size indicates that the present maximum rate of four cents per hundredweight of producer milk is reasonable and should continue to provide the funds necessary to conduct the program.

8. Conforming and clarifying changes necessary to effectuate and facilitate application of the revised classification, pricing, pooling and other provisions recommended should be incorporated in the order. These changes, none of which is substantive in nature, include the following:

(a) "Fluid milk product" would be defined to mean milk, skim milk, butter-

milk, flavored milk, flavored milk drinks, sour cream and sour cream products labeled Grade A, cream or any mixture in fluid form of cream and milk or skim milk. These products are the same as those whose disposition is designated as Class I milk. Manufactured milk products such as eggnog, ice cream mix, frozen dessert mix, aerated cream products, evaporated and condensed milk or skim milk and sterilized products in hermetically sealed metal containers would be excluded from the fluid milk product definition. Inclusion of the fluid milk product definition in the order will provide a convenient reference for a category that is used several times in order provisions.

(b) A "butter price" would be defined as the simple average as computed by the market administrator of the daily wholesale selling prices per pound of Grade A (92-score) bulk creamery butter at Chicago as reported during the month by the Department. This butter price is used in various pricing sections of the order and its specific definition will facilitate order references.

Rulings on proposed findings and conclusions. Briefs and proposed findings and conclusions were filed on behalf of certain interested parties. These briefs, proposed findings and conclusions and the evidence in the record were considered in making the findings and conclusions set forth above. To the extent that the suggested findings and conclusions filed by interested parties are inconsistent with the findings and conclusions set forth herein, the requests to make such findings or reach such conclusions are denied for the reasons previously stated in this decision.

General findings. The findings and determinations hereinafter set forth are supplementary and in addition to the findings and determinations previously made in connection with the issuance of the aforesaid order and of the previously issued amendments thereto; and all of said previous findings and determinations are hereby ratified and affirmed, except insofar as such findings and determinations may be in conflict with the findings and determinations set forth herein.

(a) The tentative marketing agreement and the order, as hereby proposed to be amended, and all of the terms and conditions thereof, will tend to effectuate the declared policy of the Act;

(b) The parity prices of milk as determined pursuant to section 2 of the Act are not reasonable in view of the price of feeds, available supplies of feeds, and other economic conditions which affect market supply and demand for milk in the marketing area, and the minimum prices specified in the proposed marketing agreement and the order, as hereby proposed to be 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

(c) The tentative marketing agreement and the order, as hereby proposed to be amended, will regulate the handling of milk in the same manner as, and will be applicable only to persons

in the respective classes of industrial and commercial activity specified in a marketing agreement upon which a hearing has been held.

Rulings on exceptions and petition for rehearing. A cooperative association requested that its exceptions to the recommended decision be considered also as a petition for a rehearing or reopening of the hearing. The Deputy Administrator found on the basis of record evidence that issuance of the proposed order with the provisions recommended would promote orderly marketing and effectuate the policy of the Act. The petition for reopening the hearing contained no facts not already considered at the time of the recommended decision to warrant taking such action. The findings of the Deputy Administrator are affirmed and the petition for rehearing or reopening the hearing is denied.

In arriving at the findings and conclusions, and the regulatory provisions of this decision, each of the exceptions received was carefully and fully considered in conjunction with the record evidence pertaining thereto. To the extent that the findings and conclusions, and the regulatory provisions of this decision are at variance with any of the exceptions, such exceptions are hereby overruled for the reasons previously stated in this decision.

Marketing agreement and order. Annexed hereto and made a part hereof are two documents entitled, respectively, "Marketing Agreement Regulating the Handling of Milk in the Northwestern Indiana Marketing Area", and "Order Amending the Order Regulating the Handling of Milk in the Northwestern Indiana Marketing Area", which have been decided upon as the detailed and appropriate means of effectuating the foregoing conclusions.

It is hereby ordered. That all of this decision, except the attached marketing agreement, be published in the FEDERAL REGISTER. The regulatory provisions of said marketing agreement are identical with those contained in the order as hereby proposed to be amended by the attached order which will be published with this decision.

Referendum order: Determination of representative period; and designation of referendum agent. It is hereby directed that a referendum be conducted to determine whether the issuance of the attached order amending the order regulating the handling of milk in the Northwestern Indiana marketing area, is approved or favored by the producers, as defined under the terms of the order, as hereby proposed to be amended, and who, during the representative period, were engaged in the production of milk for sale within the aforesaid marketing area.

The month of August 1964 is hereby determined to be the representative period for the conduct of such referendum.

Richard J. Connolly is hereby designated agent of the Secretary to conduct such referendum in accordance with the procedure for the conduct of referenda to determine producer approval of milk marketing orders (15 F.R. 5177), such referendum to be completed on or before

the 30th day from the date this decision is issued.

Signed at Washington, D.C., on November 30, 1964.

GEORGE L. MEHREN,
Assistant Secretary.

Order¹ Amending the Order Regulating the Handling of Milk in the Northwestern Indiana Marketing Area

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- 1031.2 Secretary.
- 1031.3 Department.
- 1031.4 Person.
- 1031.5 Market administrator.
- 1031.6 Northwestern Indiana marketing area.
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- 1031.9 Reload point.
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- 1031.12 Producer.
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MARKET ADMINISTRATOR

- 1031.20 Designation.
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- 1031.30 Monthly reports of receipts and utilization.
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- 1031.41 Classes of utilization.
- 1031.42 Shrinkage.
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- 1031.45 Computation of skim milk and butterfat in each class.
- 1031.46 Allocation of skim milk and butterfat classified.

MINIMUM PRICES

- 1031.50 Basic formula price.
- 1031.51 Class prices.
- 1031.52 Butterfat differentials to handlers.
- 1031.53 Location differentials to handlers.
- 1031.54 Computation of prices of skim milk and butterfat.
- 1031.55 Equivalent prices.

APPLICATION OF PROVISIONS

- 1031.60 Exempt milk.
- 1031.61 Producer-handlers.

DETERMINATION OF UNIFORM PRICES TO PRODUCERS

- 1031.70 Computation of the net pool obligation of each pool handler.
- 1031.71 Computation of uniform price.
- 1031.72 Obligations of handlers operating a partially regulated distributing plant.

¹ This order shall not become effective unless and until the requirements of § 900.14 of the rules of practice and procedure governing proceedings to formulate marketing agreements and marketing orders have been met.

PAYMENTS

- Sec. 1031.80 Time and method of payment.
- 1031.81 Producer butterfat and location differentials to producers and on nonpool milk.
- 1031.82 Producer-settlement fund.
- 1031.83 Payments to the producer-settlement fund.
- 1031.84 Payments out of the producer-settlement fund.
- 1031.85 Expense of administration.
- 1031.86 Marketing services.
- 1031.87 Adjustments of accounts.
- 1031.88 Termination of obligations.

EFFECTIVE TIME, SUSPENSION, OR TERMINATION

- 1031.90 Effective time.
- 1031.91 Suspension or termination.
- 1031.92 Continuing obligations.
- 1031.93 Liquidation.

MISCELLANEOUS PROVISIONS

- 1031.100 Agents.
- 1031.101 Separability of provisions.

AUTHORITY: The provision of this Part 1031 issued under secs. 1-19, 48 Stat. 31, as amended; 7 U.S.C. 601-674.

§ 1031.0 Findings and determinations.

The findings and determinations hereinafter set forth are supplementary and in addition to the findings and determinations previously made in connection with the issuance of the aforesaid order and of the previously issued amendments thereto; and all of said previous findings and determinations are hereby ratified and affirmed, except insofar as such findings and determinations may be in conflict with the findings and determinations set forth herein.

(a) *Findings upon the basis of the hearing record.* Pursuant to the provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601 et seq.), and the applicable rules of practice and procedure governing the formulation of marketing agreements and marketing orders (7 CFR Part 900), a public hearing was held upon certain proposed amendments to the tentative marketing agreement and to the order regulating the handling of milk in the South Bend-LaPorte-Elkhart, Indiana marketing area. Upon the basis of the evidence introduced at such hearing and the record thereof, it is found that:

(1) The said order as hereby amended, and all of the terms and conditions thereof, will tend to effectuate the declared policy of the Act;

(2) The parity prices of milk, as determined pursuant to section 2 of the Act, are not reasonable in view of the price of feeds, available supplies of feeds, and other economic conditions which affect market supply and demand for milk in the said marketing area, and the minimum prices specified in the order as hereby 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;

(3) The said order as hereby amended, regulates the handling of milk in the same manner as, and is applicable only to persons in the respective classes of industrial or commercial activity specified in, a marketing agreement upon which a hearing has been held.

(4) All milk and milk products handled by handlers, as defined in the order

as hereby amended, are in the current of interstate commerce or directly burden, obstruct, or affect interstate commerce in milk or its products; and

(5) It is hereby found that the necessary expense of the market administrator for the maintenance and functioning of such agency will require the payment by each handler, as his pro rata share of such expense, 4 cents per hundredweight or such amount not to exceed 4 cents per hundredweight as the Secretary may prescribe, with respect to skim milk and butterfat in (i) producer milk (including such handler's own production), (ii) other source milk allocated to Class I pursuant to § 1031.46(a) (3) and (6) and the corresponding steps of § 1031.46(b), and (iii) Class I milk disposed of in the marketing area from a partially regulated distributing plant that exceeds the hundredweight of Class I milk received during the month at such plant from pool plants and other order plants.

Order relative to handling. It is therefore ordered, that on and after the effective date hereof the handling of milk in the Northwestern Indiana marketing area shall be in conformity to and in compliance with the terms and conditions of the aforesaid order, as amended, and as hereby further amended as follows:

DEFINITIONS

§ 1031.1 Act.

"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 (48 Stat. 31, as amended; 7 U.S.C. 601 et seq.).

§ 1031.2 Secretary.

"Secretary" means the Secretary of Agriculture or any other officer or employee of the United States authorized to exercise the powers or to perform the duties of the Secretary of Agriculture.

§ 1031.3 Department.

"Department" means the United States Department of Agriculture or such other Federal agency authorized to perform the price reporting functions of the United States Department of Agriculture specified in this part.

§ 1031.4 Person.

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

§ 1031.5 Market administrator.

"Market administrator" means the person designated pursuant to § 1031.20 as the agency for the administration of this part.

§ 1031.6 Northwestern Indiana marketing area.

"Northwestern Indiana marketing area", hereinafter called the "marketing area", means all the territory within the boundaries of the counties of Elkhart, Kosciusko, Lake, LaPorte, Marshall, Porter, St. Joseph and Starke, all in the State of Indiana, including all territory within such boundaries occupied by government (municipal, State or Federal)

reservations, installations, institutions or other similar establishments.

§ 1031.7 Route.

"Route" means any delivery either inside or outside the marketing area (including disposition by a vendor or from a plant store or from vending machines) of any item of Class I milk to a wholesale or retail stop other than a plant (§ 1031.8), but excluding any disposition of skim milk or butterfat in the marketing area from a nonpool plant to any other plant or to a commercial processor of foods.

§ 1031.8 Plant.

"Plant" means the entire land, building, surroundings, facilities and equipment, whether owned or operated by one or more persons, maintained and operated at the same location primarily for the receiving, processing or other handling of milk or milk products. This definition shall not include any building, premises, facilities, or equipment used primarily to hold or store bottled milk or milk products in finished form in transit for wholesale or retail distribution on a route(s).

§ 1031.9 Reload point.

"Reload point" means any location at which milk moved from the farm in a tank truck is commingled with other milk before entering a plant, except that reloading operations on the premises of a plant shall be considered a part of the plant's operations.

§ 1031.10 Pool plant.

"Pool plant" means any plant meeting the conditions of paragraph (a) of this section, or any plant or reload point meeting the conditions of paragraph (b) of this section, but not any plant exempt pursuant to § 1031.60, or the plant of a person defined in § 1031.16:

(a) A plant in which milk is processed or packaged and from which not less than 10 percent of its total disposition of Class I milk during the month either by the operator of such plant or by another person is made within the marketing area on a route(s): *Provided*, That the total quantity of Class I milk disposed of from such plant during the month either inside or outside the marketing area is not less than 50 percent of such plant's total receipts of milk eligible for sale in fluid form as Grade A milk within the marketing area; or

(b) Any plant or reload point from which during any month 50 percent or more of its total receipts for such month from farms of skim milk or butterfat eligible for sale in fluid form as Grade A milk within the marketing area is delivered to a plant(s) which has qualified pursuant to paragraph (a) of this section: *Provided*, That if during each of any 5 consecutive months during the period August through March, inclusive, a plant meets the delivery requirements set forth in this paragraph, such plant shall be a pool plant for the immediately following months of April, May, June, and July, unless the plant is withdrawn from such status upon request of the handler, which withdrawal would become effective on the first day of the

month following in which the market administrator is notified of the request for withdrawal. Any plant so withdrawn from pool plant status may not regain status prior to the following August.

§ 1031.11 Nonpool plant.

"Nonpool plant" means any milk receiving, manufacturing or processing plant other than a pool plant. The following categories of nonpool plants are further defined as follows:

(a) "Other order plant" means a plant that is fully subject to the pricing and pooling provisions of another order issued pursuant to the Act.

(b) "Producer-handler plant" means a plant operated by a producer-handler as defined in any order (including this part) issued pursuant to the Act.

(c) "Partially regulated distributing plant" means a nonpool plant that is neither an other order plant nor a producer handler plant and from which fluid milk products labeled Grade A in consumer-type packages or dispenser units are distributed on routes in the marketing area during the month.

(d) "Unregulated supply plant" means a nonpool plant that is neither an other order plant nor a producer-handler plant and from which a Grade A fluid milk product is shipped during the month to a pool plant.

§ 1031.12 Producer.

"Producer" means any person, other than a producer-handler as defined in any order (including this part) issued pursuant to the Act, who produces milk eligible for sale in fluid form as Grade A milk within the marketing area which is either (a) received from the farm at a pool plant(s), or (b) caused to be temporarily diverted by the handler for his account from a pool plant to a nonpool plant: *Provided*, That such diverted milk shall be deemed to be received by such handler at the location of the pool plant from which it was diverted.

§ 1031.13 Cooperative association.

"Cooperative association" means any cooperative marketing association of producers which the Secretary determines, after application by the association, to be qualified pursuant to the provisions of the Act of Congress of February 18, 1922, as amended, known as the "Capper-Volstead Act", and to be engaged in making collective sales or marketing of milk or its products for the producers thereof.

§ 1031.14 Producer milk.

Except as provided in § 1031.60, "producer milk" or "milk received from producers" means milk produced by one or more dairy farmers who are producers (as defined in § 1031.12).

§ 1031.15 Handler.

"Handler" means:

(a) Any person in his capacity as the operator of a pool plant(s);

(b) Any cooperative association with respect to producer milk caused to be delivered for the account of such association from the farms of producers to the pool plant(s) of another handler(s) and milk customarily received as producer

milk at a pool plant which is diverted by such association for its account to a nonpool plant;

(c) Any person who operates a partially regulated distributing plant;

(d) Any person in his capacity as the operator of an other order plant from which during the month fluid milk products are either distributed on routes in the marketing area or shipped to a pool plant; or

(e) A producer-handler.

§ 1031.16 Producer-handler.

"Producer-handler" means any handler who produces milk eligible for sale in fluid form as Grade A milk within the marketing area but receives no milk directly from other dairy farmers: *Provided*, That the maintenance, care and management of the dairy animals and other resources necessary to produce such milk and the processing, or distribution of such milk are his personal enterprise and at his personal risk.

§ 1031.17 Other source milk.

"Other source milk" means all skim milk and butterfat received in any form, except in a nonfluid milk product disposed of in the same form as received, from sources other than producer milk and a pool plant(s).

§ 1031.18 Fluid milk product.

"Fluid milk product" means milk, skim milk, buttermilk, flavored milk, flavored milk drinks, sour cream and sour cream products labeled Grade A, cream or any mixture in fluid form of cream and milk or skim milk: *Provided*, That eggnog, ice cream mix, frozen dessert mix, aerated cream products, evaporated and condensed milk or skim milk and sterilized products in hermetically sealed metal containers shall not be fluid milk products pursuant to this section.

§ 1031.19 Butter price.

"Butter price" means the simple average as computed by the market administrator of the daily wholesale selling prices (using the midpoint of any price range as one price) per pound of Grade A (92-score) bulk creamery butter at Chicago as reported during the month by the Department.

MARKET ADMINISTRATOR

§ 1031.20 Designation.

The agency for the administration hereof shall be a market administrator, selected by the Secretary, who shall be entitled to such compensation as may be determined by, and shall be subject to removal at the discretion of, the Secretary.

§ 1031.21 Powers.

The market administrator shall have the following powers with respect to this part:

(a) To administer its terms and provisions;

(b) To receive, investigate, and report to the Secretary complaints of violations;

(c) To make rules and regulations to effectuate its terms and provisions; and

(d) To recommend amendments to the Secretary.

§ 1031.22 Duties.

The market administrator shall perform all duties necessary to administer the terms and provisions of this part, including, but not limited to, the following:

(a) Within 30 days following the date on which he enters upon his duties, or such lesser period as may be prescribed by the Secretary, execute and deliver to the Secretary a bond, effective as of the date on which he enters upon such duties and conditioned upon the faithful performance of such duties, in an amount and with surety thereon satisfactory to the Secretary;

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

(c) Obtain in an amount and with surety thereon satisfactory to the Secretary a bond covering each employee who handles funds entrusted to the market administrator;

(d) Pay out of the funds provided by § 1031.85:

(1) The cost of his bond and of the bonds of his employees;

(2) His own compensation; and

(3) All other expenses, except those incurred under § 1031.86, necessarily incurred by him in the maintenance and functioning of his office and in the performance of his duties;

(e) Keep such books and records as will clearly reflect the transactions provided for in this part, and upon request by the Secretary, surrender the same to such other person as the Secretary may designate;

(f) Publicly announce, unless otherwise directed by the Secretary, by posting in a conspicuous place in his office and by such other means as he deems appropriate, the name of any person who within 10 days after the day upon which he is required to perform such acts, has not made (1) reports pursuant to §§ 1031.30 and 1031.31 or (2) payments pursuant to §§ 1031.80 to 1031.87;

(g) Submit his books and records to examination by the Secretary and furnish such information and reports as may be requested by the Secretary;

(h) Verify all reports and payments of each handler by inspection of such handler's records and of the records of any other handler or person upon whose utilization the classification of skim milk and butterfat for such handler depends;

(i) Publicly announce by posting in a conspicuous place in his office and by such other means as he deems appropriate on or before:

(1) The 7th day of each month the Class I milk price pursuant to § 1031.51 (a) and the Class I butterfat differential pursuant to § 1031.52(a), both for the current month, and the Class II milk price pursuant to § 1031.51(b) and the Class II butterfat differential pursuant to § 1031.52(b), both for the preceding month, and

(2) The 14th day after the end of each month the uniform price computed pursuant to § 1031.71 and the butterfat and location differentials pursuant to § 1031.81;

(j) Prepare and disseminate to the public such statistics and information as

he deems advisable and as do not reveal confidential information;

(k) Whenever required for purpose of allocating receipts from other order plants pursuant to § 1031.46(a)(7) and the corresponding step of § 1031.46(b), the market administrator shall estimate and publicly announce the utilization (to the nearest whole percentage) in each class during the month of skim milk and butterfat, respectively, in producer milk of all handlers. Such estimate shall be based upon the most current available data and shall be final for such purpose;

(l) Report to the market administrator of the other order, as soon as possible after the report of receipts and utilization for the month is received from a handler who has received fluid milk products from an other order plant, the classification to which such receipts are allocated pursuant to § 1031.46 pursuant to such report, and thereafter any change in such allocation required to correct errors disclosed in verification of such report; and

(m) Furnish to each handler operating a pool plant who has shipped fluid milk products to an other order plant, the classification to which the skim milk and butterfat in such fluid milk products were allocated by the market administrator of the other order on the basis of the report of the receiving handler; and, as necessary, any changes in such classification arising in the verification of such report.

REPORTS, RECORDS AND FACILITIES**§ 1031.30 Monthly reports of receipts and utilization.**

(a) On or before the 9th day of each month and in the detail and on forms prescribed by the market administrator, each person who is a handler pursuant to § 1031.15 (a) or (b) shall report to the market administrator for the preceding month with respect to all milk and milk products, except any milk product defined as Class II milk which is disposed of in the form in which received without further processing or packaging by the handler, received at each pool plant, the following:

(1) The quantities of skim milk and the quantities of butterfat contained in milk received from producers (including such handler's own production) producer-handlers, and other handlers;

(2) The quantities of skim milk and quantities of butterfat contained in other source milk, with the sources thereof;

(3) The utilization of all skim milk and butterfat required to be reported pursuant to this paragraph, including the quantities of skim milk and butterfat on hand at the beginning and end of each month as milk and milk products; and

(4) Such other information with respect to all receipts and utilization as the market administrator may prescribe.

(b) Each handler specified in § 1031.15(c) who operates a partially regulated distributing plant shall report as required in paragraph (a) of this section, except that receipts of Grade A milk from dairy farmers shall be reported in lieu of those in producer milk. Such report shall include a separate statement showing the respective amounts of skim

milk and butterfat disposed of on routes in the marketing area as Class I milk.

§ 1031.31 Other reports.

(a) Each producer-handler who handles during the month only milk of his own production shall make reports to the market administrator at such times and in such manner as the market administrator shall prescribe.

(b) On or before the 25th day of each month, each handler shall submit to the market administrator such handler's producer payroll for the preceding month which shall show for each producer and cooperative association (1) the total pounds of milk delivered with the average butterfat test thereof, (2) the net amount of the payment to each producer and to each cooperative association, together with the prices, deductions and charges involved.

§ 1031.32 Records and facilities.

Each handler shall permit the market administrator to make such examination of his operations, equipment and facilities as the market administrator deems necessary and shall maintain and make available to the market administrator during the usual hours of business, such accounts and records of operations and such facilities as the market administrator deems necessary to verify or to establish the correct data with respect to (a) the receipts and utilization in whatever form of all skim milk and butterfat received, including nonfluid milk products disposed of in the form in which received without further processing or packaging; (b) the weights, and tests for butterfat and for other content, of all other skim milk or butterfat handled; (c) payments to producers and cooperative associations; and (d) the pounds of skim milk and butterfat contained in or represented by all milk, skim milk, cream, and each milk product on hand at the beginning and at the end of each month.

§ 1031.33 Retention of records.

All books and records required under this order to be made available to the market administrator shall be retained by the handler for a period of 3 years to begin at the end of the month to which such books and records pertain: *Provided*, That if within such 3-year period the market administrator notifies the handler in writing that the retention of such books and records, or of specified books and records, is necessary in connection with a proceeding under section 8c(15)(A) of the Act or a court action specified in such notice, the handler shall retain such books and records or specified books and records until further written notification from the market administrator. In either case the market administrator shall give further written notification to the handler promptly upon the termination of the litigation or when the records are no longer necessary in connection therewith.

CLASSIFICATION**§ 1031.40 Skim milk and butterfat to be classified.**

All skim milk and butterfat, in any form, received within the month by a handler, in producer milk in other source

milk and from another handler shall be classified by the market administrator pursuant to the provisions of §§ 1031.41 to 1031.46, inclusive.

§ 1031.41 Classes of utilization.

Subject to the conditions of § 1031.44, the classes of utilization shall be as follows:

(a) *Class I milk.* Class I milk shall be all skim milk and butterfat:

(1) Disposed of as a fluid milk product (except as provided in paragraph (b) (2), (3) and (4) of this section); and

(2) Not accounted for as Class II milk.

(b) *Class II milk.* Class II milk shall be:

(1) Skim milk and butterfat used to produce any product other than a fluid milk product;

(2) Skim milk and butterfat in fluid milk products delivered in bulk form to and used at commercial food establishments devoted exclusively to the manufacture of bakery products, candy or processed foods in hermetically sealed containers;

(3) Skim milk in fluid milk products disposed of for livestock feed or dumped if the market administrator has been notified in advance and afforded the opportunity to verify such dumping;

(4) Skim milk represented by the nonfat milk solids added to a fluid milk product which is in excess of the weight of an equivalent volume of the fluid milk products prior to such addition;

(5) Skim milk and butterfat in monthly inventory variations;

(6) Skim milk and butterfat, respectively (except in milk diverted to a non-pool plant) in shrinkage but not in excess of:

(i) 2.0 percent of producer milk;

(ii) Plus 2.0 percent of receipts of fluid milk products in bulk from other order plants, exclusive of the quantity for which Class II utilization was requested by the operators of both plants;

(iii) Plus 2.0 percent of receipts of fluid milk products in bulk from unregulated supply plants, exclusive of the quantity for which Class II utilization was requested by the handler; and

(iv) Less 2.0 percent of fluid milk products transferred in bulk to other order plants; and

(7) In shrinkage assigned pursuant to § 1031.42(b) (2).

§ 1031.42 Shrinkage.

The market administrator shall allocate shrinkage over a handler's receipts as follows:

(a) Compute the total shrinkage of the skim milk and butterfat, respectively, for each handler; and

(b) Prorate the resulting amounts between the receipts of skim milk and butterfat contained in:

(1) The net quantity of producer milk and other fluid milk products specified in § 1031.41(b) (6); and

(2) Other source milk exclusive of that specified in § 1031.41(b) (6).

§ 1031.43 Responsibility of handlers and reclassification of milk.

(a) All skim milk and butterfat shall be Class I milk, unless the handler who first receives such skim milk or butter-

fat proves to the market administrator that such skim milk or butterfat should be classified otherwise.

(b) Any skim milk or butterfat classified (except that transferred to a producer-handler) in one class shall be reclassified if used or reused by such handler or by another handler in another class.

§ 1031.44 Transfers.

Skim milk or butterfat in the form of a fluid milk product shall be classified:

(a) At the utilization indicated by the operators of both plants, otherwise as Class I milk, if transferred from a pool plant to the pool plant of another handler, subject in either event to the following conditions:

(1) The skim milk or butterfat so assigned to each class shall be limited to the amount thereof remaining in such class in the transferee plant after computations pursuant to § 1031.46(a) (7) and the corresponding step of § 1031.46 (b);

(2) If the transferor plant received during the month other source milk to be allocated pursuant to § 1031.46(a) (3), the skim milk and butterfat so transferred shall be classified so as to allocate the least possible Class I utilization to such other source milk; and

(3) If the transferor handler received during the month other source milk to be allocated pursuant to § 1031.46(a) (6) or (7) and the corresponding steps of § 1031.46(b), the skim milk and butterfat so transferred up to the total of such receipts shall not be classified as Class I milk to a greater extent than would be applicable to a like quantity of such other source milk received at the transferee plant;

(b) As Class I milk, if transferred from a pool plant to a producer-handler;

(c) As Class I milk, if transferred or diverted in bulk to a nonpool plant that is neither an other order plant nor a producer-handler plant, unless the requirements of subparagraphs (1) and (2) of this paragraph are met, in which case the skim milk and butterfat so transferred or diverted shall be classified in accordance with the assignment resulting from subparagraph (3) of this paragraph:

(1) The transferring or diverting handler claims classification pursuant to the assignment set forth in subparagraph (3) of this paragraph in his report submitted to the market administrator pursuant to § 1031.30 for the month within which such transaction occurred;

(2) The operator of such nonpool plant maintains books and records showing the utilization of all skim milk and butterfat received at such plant which are made available if requested by the market administrator for the purpose of verification; and

(3) The skim milk and butterfat so transferred shall be classified on the basis of the following assignment of utilization at such nonpool plant in excess of receipts of packaged fluid milk products from all pool plants and other order plants:

(i) Any Class I utilization disposed of on routes in the marketing area shall be first assigned to the skim milk and

butterfat in the fluid milk products so transferred or diverted from pool plants, next pro rata to receipts from other order plants and thereafter to receipts from dairy farmers who the market administrator determines constitutes regular sources of supply of Grade A milk for such nonpool plant;

(ii) Any Class I utilization disposed of on routes in the marketing area of another order issued pursuant to the Act shall be first assigned to receipts from plants fully regulated by such order, next pro rata to receipts from pool plants and other order plants not regulated by such order, and thereafter to receipts from dairy farmers who the market administrator determines constitute regular sources of supply for such nonpool plant;

(iii) Class I utilization in excess of that assigned pursuant to subdivisions (i) and (ii) of this subparagraph shall be assigned first to remaining receipts from dairy farmers who the market administrator determines constitute the regular source of supply for such non-pool plant and Class I utilization in excess of such receipts shall be assigned pro rata to unassigned receipts at such nonpool plant from all pool and other order plants; and

(iv) To the extent that Class I utilization is not so assigned to it, the skim milk and butterfat so transferred shall be classified as Class II milk;

(d) As producer milk in the transferee plant, if transferred as bulk milk to the pool plant of another handler by a cooperative association from its pool plant or in its capacity as a handler pursuant to § 1031.15(b). Such milk shall be excluded from producer milk to be classified as that of the cooperative association; and

(e) As follows, if transferred to another order plant in excess of receipts from such plant in the same category as described in subparagraph (1), (2) or (3) of this paragraph:

(1) If transferred in packaged form, classification shall be in the classes to which allocated as a fluid milk product under the other order;

(2) If transferred in bulk form, classification shall be in the classes to which allocated as a fluid milk product under the other order (including allocation under the conditions set forth in subparagraph (3) of this paragraph);

(3) If the operators of both the transferor and transferee plants so request in the reports of receipts and utilization filed with their respective market administrators, transfers in bulk form shall be classified as Class II to the extent of the Class II utilization (or comparable utilization under such other order) available for such assignment pursuant to the allocation provisions of the transferee order;

(4) If information concerning the classification to which allocated under the other order is not available to the market administrator for purposes of establishing classification pursuant to this paragraph, classification shall be as Class I, subject to adjustment when such information is available;

(5) For purposes of this paragraph, if the transferee order provides for more

than two classes of utilization, milk allocated to a class consisting primarily of fluid milk products shall be classified as Class I, and milk allocated to other classes shall be classified as Class II; and

(6) If the form in which any fluid milk product is transferred to an other order plant is not defined as a fluid milk product under such other order, classification shall be in accordance with the provisions of § 1031.41.

§ 1031.45 Computation of skim milk and butterfat in each class.

For each month, the market administrator shall correct for mathematical and for other obvious errors the monthly report submitted by each handler and compute the total pounds of skim milk and butterfat, respectively, in each class for such handler.

§ 1031.46 Allocation of skim milk and butterfat classified.

After making the computations pursuant to § 1031.45, the market administrator shall determine the classification of milk for each handler as follows:

(a) Skim milk shall be allocated in the following manner:

(1) Subtract from the total pounds of skim milk in Class II, the pounds of skim milk classified as Class II pursuant to § 1031.41(b)(6);

(2) Subtract from the remaining pounds of skim milk in each class the pounds of skim milk in fluid milk products received in packaged form from other order plants as follows:

(i) From Class II milk, the lesser of the pounds remaining or two percent of such receipts; and

(ii) From Class I milk, the remainder of such receipts;

(3) Subtract in the order specified below from the pounds of skim milk remaining in each class, in series beginning with Class II, the pounds of skim milk in each of the following:

(i) Other source milk in a form other than that of a fluid milk product;

(ii) Receipts of fluid milk products for which Grade A certification is not established, or which are from unidentified sources; and

(iii) Receipts of fluid milk products from a producer-handler, as defined under this or any other Federal order;

(4) Subtract, in the order specified below, from the pounds of skim milk remaining in Class II but not in excess of such quantity:

(i) Receipts of fluid milk products from an unregulated supply plant:

(a) For which the handler requests Class II utilization; or

(b) Which are in excess of the pounds of skim milk determined by subtracting from 125 percent of the pounds of skim milk remaining in Class I milk the sum of the pounds of skim milk in producer milk, receipts from pool plants of other handlers, and receipts in bulk from other order plants; and

(ii) Receipts of fluid milk products in bulk from an other order plant in excess of similar transfers to such plant, if Class II utilization was requested by the operator of such plant and the handler;

(5) Add to the remaining pounds of skim milk in Class II milk the pounds subtracted pursuant to subparagraph (1) of this paragraph;

(6) Subtract from the pounds of skim milk remaining in each class, pro rata to such quantities, the pounds of skim milk in receipts of fluid milk products from unregulated supply plants which were not subtracted pursuant to subparagraph (4) (i) of this paragraph;

(7) Subtract from the pounds of skim milk remaining in each class, in the following order, the pounds of skim milk in receipts of fluid milk products in bulk from an other order plant(s), in excess in each case of similar transfers to the same plant, which were not subtracted pursuant to subparagraph (4) (ii) of this paragraph:

(i) In series beginning with Class II, the pounds determined by multiplying the pounds of such receipts by the larger of the percentage of estimated Class II utilization of skim milk announced for the month by the market administrator pursuant to § 1031.22(k) or the percentage that Class II utilization remaining is of the total remaining utilization of skim milk of the handler; and

(ii) From Class I, the remaining pounds of such receipts;

(8) Subtract from the pounds of skim milk remaining in each class the pounds of skim milk received in fluid milk products from other pool plants according to the classification assigned pursuant to § 1031.44(a);

(9) If the pounds of skim milk remaining in each class exceed the pounds of skim milk in producer milk, subtract such excess from the pounds of skim milk remaining in each class in series beginning with Class II. Any amount so subtracted shall be known as "overage";

(b) Butterfat shall be allocated in accordance with the procedure outlined for skim milk in paragraph (a) of this section.

MINIMUM PRICES

§ 1031.50 Basic formula price.

The basic formula price shall be the average price per hundredweight for manufacturing grade milk, f.o.b. plants in Wisconsin and Minnesota, as reported by the Department for the month. Such price shall be adjusted to a 3.5 percent butterfat basis by a butterfat differential (rounded to the nearest one-tenth cent) computed at 0.12 times the butter price and rounded to the nearest cent.

§ 1031.51 Class prices.

Subject to the provisions of §§ 1031.52 and 1031.53, the class prices per hundredweight for the month shall be as follows:

(a) *Class I milk price.* The price for Class I milk shall be the basic formula price for the preceding month plus \$1.40 August through November, \$1.00 March through June and \$1.20 in other months: *Provided*, That such Class I price shall be increased or decreased, respectively, 2 cents for each full percent that the adjusted supply-demand ratio computed pursuant to Part 1030 (Chicago) of this Chapter is greater or less than 72 percent, but shall not be increased or de-

creased more than 24 cents because of such adjusted supply-demand ratio;

(b) *Class II milk price.* The Class II milk price shall be the basic formula price for the month.

§ 1031.52 Butterfat differentials to handlers.

For milk containing more or less than 3.5 percent butterfat, the class prices for the month pursuant to § 1031.51 shall be increased or decreased, respectively, for each one-tenth percent butterfat at a rate, rounded to the nearest one-tenth cent, determined as follows:

(a) *Class I price.* Multiply the butter price for the preceding month by 0.120.

(b) *Class II price.* Multiply the butter price for the month by 0.113.

§ 1031.53 Location differentials to handlers.

(a) The Class I price for producer milk and other source milk (for which a location adjustment is applicable) received at a plant or reload point located 60 miles or more by the shortest hard-surfaced highway distance as determined by the market administrator from the nearest of the City Hall, Gary, Ind.; St. Joseph County Court House, South Bend, Ind.; and White County Court House, Monticello, Ind.; shall be reduced 10 cents for the first 70 miles or less and 1.6 cents for each additional 10 miles or fraction thereof that such plant or reload point is from the nearest of such places;

(b) For the purpose of calculating location differentials, receipts of fluid milk products from pool plants shall be assigned any remainder of Class I milk at the transferee plant that is in excess of the sum of receipts at such plant from producers and handlers pursuant to § 1031.15(b) and that assigned as Class I to receipts from other order plants and unregulated supply plants. Such assignment shall be made in sequence according to the location differential applicable at each plant beginning with the plant at which the lowest location differential is applicable.

§ 1031.54 Computation of prices of skim milk and butterfat.

The prices per hundredweight of skim milk and butterfat to be paid by each handler for milk in each class shall be computed as follows: For each class, respectively, the price per hundredweight of skim milk shall be the applicable class price for the month less the result of multiplying the applicable class butterfat differential for the month by 35. For each class, respectively, the price per hundredweight of butterfat shall be the applicable class price for the month plus the result of multiplying the applicable class butterfat differential for the month by 965.

§ 1031.55 Equivalent prices.

If for any reason a price quotation required by this order for computing class prices or for other purposes is not available in the manner described, the market administrator shall use a price determined by the Secretary to be equivalent to the price that is required.

APPLICATION OF PROVISIONS

§ 1031.60 Exempt milk.

(a) Milk received at a plant qualified as a pool plant under § 1031.10(a) shall be exempt from the provisions of this part if the conditions of subparagraphs (1) and (2) of this section are met: *Provided*, That the handler of such milk shall make reports to the market administrator with respect to his total receipts and utilization of skim milk and butterfat at such times and in such manner as the market administrator may require and allow verification of such reports by the market administrator in accordance with § 1031.32;

(1) The Secretary determines that a greater quantity of milk is disposed of in fluid form from such plant to another regulated area as defined in another marketing agreement or order issued pursuant to the Act either on a route(s) or through a plant(s) regulated by such other marketing agreement or order than is disposed of from such plant in the Northwestern Indiana marketing area either on a route(s) or through another pool plant(s); and

(2) Such milk would be subject to the class price and producer payment provisions of the other marketing agreement or order upon being made exempt from this part.

(b) Milk received at a plant qualified as a pool plant under § 1031.10(b) shall be exempt from the provisions of this part as producer milk if such milk is subject to class prices at a plant regulated under another marketing agreement or order issued pursuant to the Act: *Provided*, That the proviso set forth in paragraph (a) of this section shall apply.

(c) In the case of producer milk received directly from a farm at a pool plant which milk (1) has been diverted (without being physically received therein) from a plant at which farm receipts of milk are subject to the class price provisions of another marketing agreement or order issued pursuant to the Act, (2) is reflected on the producer-payroll of the plant from which diverted, and (3) is not specifically exempt from class pricing by the terms of such other marketing agreement or order, the Secretary shall make a determination as to the extent to which the terms of this part shall apply to such milk.

§ 1031.61 Producer-handlers.

Sections 1031.40 to 1031.46, 1031.50 to 1031.54, 1031.70 and 1031.71, 1031.80 to 1031.84, and 1031.86 to 1031.88 shall not apply to a producer-handler.

DETERMINATION OF UNIFORM PRICES TO PRODUCERS

§ 1031.70 Computation of the net pool obligation of each pool handler.

The net pool obligation of each pool handler during each month shall be a sum of money computed by the market administrator as follows:

(a) Multiply the quantity of producer milk (including any such milk caused to be delivered to such handler from the farms of producers for the account of a cooperative association) in each class, as

computed pursuant to § 1031.46, by the applicable class prices;

(b) Add the amount obtained from multiplying the average deducted from each class pursuant to § 1031.46(a)(9) and the corresponding step of § 1031.46(b) by the applicable class prices;

(c) Add an amount equal to the difference between the Class I and Class II price values at the pool plant of the skim milk and butterfat subtracted from Class I pursuant to § 1031.46(a)(3) and the corresponding step of § 1031.46(b); and

(d) Add the value at the Class I price, adjusted for location of the nearest nonpool plant(s) from which an equivalent volume was received, of the skim milk and butterfat subtracted from Class I pursuant to § 1031.46(a)(6) and the corresponding step of § 1031.46(b).

§ 1031.71 Computation of uniform price.

For each month the market administrator shall compute a uniform price as follows:

(a) Combine into one total the values computed pursuant to § 1031.70 for all handlers who filed the reports prescribed by § 1031.30 for the month and who made the payments pursuant to § 1031.83 for the preceding month;

(b) Add an amount equal to the total value of the location differentials computed pursuant to § 1031.81(b);

(c) Subtract, if the average butterfat content of the milk specified in paragraph (a) of this section is more than 3.5 percent, or add, if such butterfat content is less than 3.5 percent, an amount computed by multiplying the amount by which the average butterfat content of such milk varies from 3.5 percent by the butterfat differential computed pursuant to § 1031.81(a) and multiplying the result by the total hundredweight of such milk;

(d) Add an amount equal to not less than one-half of the unobligated balance in the producer-settlement fund;

(e) Divide the resulting amount by the sum of the following for all handlers included in these computations;

(1) The total hundredweight of producer milk; and

(2) The total hundredweight for which a value is computed pursuant to § 1031.70(d); and

(f) Subtract not less than four cents nor more than 5 cents per hundredweight.

§ 1031.72 Obligations of handler operating a partially regulated distributing plant.

Each handler who operates a partially regulated distributing plant shall pay to the market administrator for the producer-settlement fund on or before the 25th day after the end of the month either of the amounts (at the handler's election) calculated pursuant to paragraph (a) or (b) of this section. If the handler fails to report pursuant to § 1031.30(b) the information necessary to compute the amount specified in paragraph (a) of this section, he shall pay the amount computed pursuant to paragraph (b) of this section:

(a) An amount computed as follows:

(1) (i) The obligation that would have been computed pursuant to § 1031.70 at such plant shall be determined as though such plant were a pool plant. For purposes of such computation, receipts at such nonpool plant from a pool plant or an other order plant shall be assigned to the utilization at which classified at the pool plant or other order plant and transfers from such nonpool plant to a pool plant or an other order plant shall be classified as Class II milk if allocated to such class at the pool plant or other order plant and be valued at the uniform price of the respective order if so allocated to Class I milk. There shall be included in the obligation so computed a charge in the amount specified in § 1031.70(d) and a credit in the amount specified in § 1031.83(b) (2) with respect to receipts from an unregulated supply plant, unless an obligation with respect to such plant is computed as specified below in this subparagraph.

(ii) If the operator of the partially regulated distributing plant so requests, and provides with his report pursuant to § 1031.30(b) a similar report with respect to the operations of any other nonpool plant which serves as a supply plant for such partially regulated distributing plant by shipments to such plant during the month equivalent to the requirements of § 1031.10(b), with agreement of the operator of such plant that the market administrator may examine the books and records of such plant for purposes of verification of such reports, there will be added the amount of the obligation computed at such nonpool supply plant in the same manner and subject to the same conditions as for the partially regulated distributing plant.

(2) From this obligation there will be deducted the sum of (i) the gross payments made by such handler for Grade A milk received during the month from dairy farmers at such plant and like payments made by the operator of a supply plant(s) included in the computations pursuant to subparagraph (1) of this paragraph, and (ii) any payments to the producer-settlement fund of another order under which such plant is also a partially regulated distributing plant.

(b) An amount computed as follows:

(1) Determine the respective amounts of skim milk and butterfat disposed of as Class I milk on routes in the marketing area.

(2) Deduct (except that deducted under a similar provision of another order issued pursuant to the Act) the respective amounts of skim milk and butterfat received as Class I milk at the partially regulated distributing plant from pool plants and other order plants;

(3) Combine the amounts of skim milk and butterfat remaining into one total and determine the weighted average butterfat content; and

(4) From the value of such milk at the Class I price applicable at the location of the nonpool plant, subtract its value at the uniform price pursuant to § 1031.71 at the same location or at the Class II price, whichever is higher.

PAYMENTS

§ 1031.80 Time and method of payment.

Each handler shall make payments as follows:

(a) On or before the 18th day after the end of each month, to each producer, except producers for whom payment is made to a cooperative association pursuant to paragraph (b) of this section, at not less than the uniform price adjusted by the producer butterfat and location differentials pursuant to § 1031.81, for all milk received from such producer during such month and less payment to such producer made pursuant to paragraph (c) of this section: *Provided*, That if by such date such handler has not received full payment for such month pursuant to § 1031.84, he may reduce such payments uniformly per hundredweight for all producers by an amount not in excess of the per hundredweight reduction in payment from the market administrator: *And provided further*, That such handler shall make such balance of payment to those producers to whom it is due on or before the date for making payments pursuant to this paragraph next following that on which such balance of payment is received from the market administrator.

(b) On or before the 15th day after the end of each month, to a cooperative association with respect to milk caused to be delivered from producers' farms to such handler by such association for its account during such month, not less than the value of skim milk and butterfat in such milk computed at the minimum class prices, less payments to such association made pursuant to paragraph (c) of this section. For the purpose of determining the classification of skim milk and butterfat in such milk, such skim milk and butterfat shall be ratably apportioned among the quantities of skim milk and butterfat in such handler's Class I and Class II milk allocated to producer milk pursuant to § 1031.46.

(c) On or before the 4th day after the end of such month each handler shall pay to each producer, or to a cooperative association authorized to collect payment, not less than the amount per hundredweight provided in the schedule set forth in this paragraph, for milk received from such producer or caused to be delivered to such handler by such cooperative association during the first 15 days of such month: *Provided*, That in the event any producer or cooperative association discontinues shipping to such handler during any month, such partial payments shall not be made and full payment for all milk received from such producer or cooperative association during such month shall be made on or before the 18th day after the end of such month pursuant to paragraphs (a) and (b) of this section:

When the uniform price for the preceding month is—	The amount of the partial payment shall be
Under \$1	\$0.00
\$1 to \$1.99	1.00
\$2 to \$2.99	2.00
\$3 to \$3.99	3.00
\$4 to \$4.99	4.00
\$5 to \$5.99	5.00
\$6 to \$6.99	6.00
\$7 and over	7.00

§ 1031.81 Producer butterfat and location differentials to producers and on nonpool milk.

(a) The uniform price pursuant to § 1031.71 shall be increased or decreased for each one-tenth percent that the butterfat content of such milk is above or below 3.5 percent, respectively, at the rate determined by multiplying the pounds of butterfat allocated to Class I and Class II milk pursuant to § 1031.46 by the respective butterfat differential for each class, dividing the sum of such values by the total pounds of butterfat, and rounding the resulting figure to the nearest one-tenth cent.

(b) The uniform price for milk received at a plant shall be reduced according to the location of the plant at the rates set forth in § 1031.53.

§ 1031.82 Producer-settlement fund.

The market administrator shall establish and maintain a separate fund known as the "producer-settlement fund" into which he shall deposit payments made by handlers pursuant to §§ 1031.72 and 1031.83 and payments related thereto pursuant to § 1031.87 and out of which he shall make all payments to handlers pursuant to § 1031.84 and payments related thereto pursuant to § 1031.87.

§ 1031.83 Payments to the producer-settlement fund.

On or before the 16th day after the end of the month, each handler shall pay to the market administrator the amount if any, by which the total amounts specified in paragraph (a) of this section exceed the amounts specified in paragraph (b) of this section: *Provided*, That with respect to milk for which a cooperative association receives payment from a handler pursuant to § 1031.80(b), each cooperative association shall pay to the market administrator on or before the 16th day after the end of the month, the amount by which the utilization value of such milk is greater than the value computed at the uniform price:

(a) The net pool obligation computed pursuant to § 1031.70 for such handler; and

(b) The sum of:

(1) The value of such handler's producer milk at the applicable uniform price; and

(2) The value at the uniform price(s) applicable at the location of the plant(s), from which received (not to be less than the value at the Class II price) with respect to other source milk for which a value is computed pursuant to § 1031.70 (d).

§ 1031.84 Payments out of the producer-settlement fund.

On or before the 17th day after the end of each month, the market administrator shall pay to each handler the amount if any, by which the amount computed pursuant to § 1031.83(b) exceeds the amount computed pursuant to § 1031.83(a). The market administrator shall offset any payment due any handler against payments due from such handler: *Provided*, That with respect to milk for which a cooperative association receives payment from a handler pursuant to § 1031.80(b), the market administra-

tor shall pay to such cooperative association on or before the 17th day after the end of the month, the amount by which the utilization value of such milk is less than the value computed at the uniform price: *And provided further*, That if the balance in the producer-settlement fund is insufficient to make all payments pursuant to this section, the market administrator shall reduce uniformly per hundredweight such payments and shall complete such payments as soon as the necessary funds are available.

§ 1031.85 Expense of administration.

As his pro rata share of the expense of administration of the order, each handler shall pay to the market administrator on or before the 16th day after the end of the month 4 cents per hundredweight or such lesser amount as the Secretary may prescribe, with respect to (a) producer milk (including such handler's own production), (b) other source milk allocated to Class I pursuant to § 1031.46(a) (3) and (6) and the corresponding steps of § 1031.46(b), and (c) Class I milk disposed of in the marketing area from a partially regulated distributing plant that exceeds the hundredweight of Class I milk received during the month at such plant from pool plants and other order plants.

§ 1031.86 Marketing services.

(a) Except as set forth in paragraph (b) of this section, each handler, in making payments to producers pursuant to § 1031.80(a) shall make a deduction of 4 cents per hundredweight of milk, or such lesser deduction as the Secretary from time to time may prescribe, with respect to the following:

(1) All milk received from producers (except milk of such handler's own production) at a plant not operated by a cooperative association; and

(2) All milk received at a plant operated by a cooperative association from producers who are not members of such association. Such deductions shall be paid by the handler to the market administrator on or before the 16th day after the end of each month. Such moneys shall be expended by the market administrator for verification of weights, samples and tests of milk received from such producers and in providing market information to such producers, such services to be performed in whole or in part by the market administrator or by an agent engaged by and responsible to him.

(b) In the case of each producer, except a producer for whom payments are collected by a cooperative association pursuant to § 1031.80(b), (1) who is a member of, or who has given written authorization for the rendering of marketing services and the taking of deduction therefor, to a cooperative association, (2) whose milk is received at a plant not operated by such association, and (3) for whom the Secretary determines that such association is performing the services described in paragraph (a) of this section, each handler shall deduct, in lieu of the deduction specified under paragraph (a) of this section, from the payments made pursuant to § 1031.80(a)

the amount per hundredweight on milk authorized by such producer and shall pay over, on or before the 16th day after the end of such month, such deduction to the association entitled to receive it under this paragraph.

§ 1031.87 Adjustments of accounts.

(a) Whenever audit by the market administrator of any handler's reports, books, records, or accounts discloses errors resulting in moneys due (1) the market administrator from such handler, (2) such handler from the market administrator or, (3) any producer or cooperative association from such handler, the market administrator shall promptly notify such handler of any such amount due; and payment thereof shall be made on or before the next date for making payment set forth in the provision under which such error occurred following the 5th day after such notice.

(b) An unpaid obligation of a handler or of the market administrator shall bear interest at the rate of one-half of 1 percent per month, such interest to accrue on the first day of the month next following the date of such obligation and on the first day of each month thereafter until such obligation is paid.

§ 1031.88 Termination of obligations.

The provisions of this section shall apply to any obligation under this part for the payment of money irrespective of when such obligation arose.

(a) The obligation of any handler to pay money required to be paid under the terms of this part shall, except as provided in paragraphs (b) and (c) of this section, terminate 2 years after the last day of the month during which the market administrator receives the handler's utilization report on the milk involved in such obligation, unless within such 2-year period the market administrator notifies the handler in writing that such money is due and payable. Service of such notice shall be complete upon mailing to the handler's last known address, and it shall contain but need not be limited to, the following information:

- (1) The amount of the obligation;
- (2) The month(s) during which the milk, with respect to which the obligation exists was received or handled; and
- (3) If the obligation is payable to one or more producers or to an association of producers, the name of such producer(s) or association of producers, or if the obligation is payable to the market administrator, the account for which it is to be paid.

(b) If a handler fails or refuses, with respect to any obligation under this part, to make available to the market administrator or his representatives all books and records required by this part to be made available, the market administrator may, within the 2-year period provided for in paragraph (a) of this section, notify the handler in writing of such failure or refusal. If the market administrator so notifies a handler, the said 2-year period with respect to such obligation shall not begin to run until the first day of the month following the month during which all such books and records pertaining to such obligation are

made available to the market administrator or his representatives.

(c) Notwithstanding the provisions of paragraphs (a) and (b) of this section, a handler's obligation under this part to pay money shall not be terminated with respect to any transaction involving fraud or willful concealment of a fact, material to the obligation, on the part of the handler against whom the obligation is sought to be imposed.

(d) Any obligation on the part of the market administrator to pay a handler any money which such handler claims to be due him under the terms of this part shall terminate 2 years after the end of the month during which the milk involved in the claim was received if an underpayment is claimed, or 2 years after the end of the month during which the payment (including deduction or setoff by the market administrator) was made by the handler if a refund on such payment is claimed, unless such handler, within the applicable period of time, files, pursuant to section 8c(15)(A) of the Act, a petition claiming such money.

EFFECTIVE TIME, SUSPENSION, OR TERMINATION

§ 1031.90 Effective time.

The provisions of this part or of any amendment hereto, shall become effective at such time as the Secretary may declare and shall continue in force until suspended or terminated.

§ 1031.91 Suspension or termination.

The Secretary shall, whenever he finds that this part or any provision thereof, obstructs or does not tend to effectuate the declared policy of the act, terminate or suspend the operation of this part or any such provision thereof.

§ 1031.92 Continuing obligations.

If, upon the suspension or termination of any or all provisions of this part, there are any obligations thereunder the final accrual or ascertainment of which requires further acts by any person (including the market administrator), such further acts shall be performed notwithstanding such suspension or termination.

§ 1031.93 Liquidation.

Upon the suspension or termination of the provisions of this part, except this section, the market administrator, or such other liquidating agent as the Secretary may designate, shall, if so desired by the Secretary, liquidate the business of the market administrator's office, dispose of all property in his possession or control, including accounts receivable, and execute and deliver all assignments or other instruments necessary or appropriate to effectuate any such disposition. If a liquidating agent is so designated, all assets, books, and records of the market administrator shall be transferred promptly to such liquidating agent. If upon such liquidation, the funds on hand exceed the amounts required to pay outstanding obligations of the office of the market administrator and to pay necessary expenses of liquidation and distribution, such excess shall be distributed to contributing handlers and producers in an equitable manner.

MISCELLANEOUS PROVISIONS

§ 1031.100 Agents.

The Secretary may, by designation in writing, name any officer or employee of the United States to act as his agent or representative in connection with any of the provisions of this part.

§ 1031.101 Separability of provisions.

If any provision of this part, or its application to any person or circumstances, is held invalid, the application of such provision, and of the remaining provisions of this part, to other persons or circumstances shall not be affected thereby.

[F.R. Doc. 64-12398; Filed, Dec. 4, 1964; 8:45 a.m.]

DEPARTMENT OF LABOR

Wage and Hour Division

[29 CFR Parts 601, 670, 675, 720]

[Administrative Order 587]

COMMITTEES FOR VARIOUS INDUSTRIES IN PUERTO RICO

Appointment To Investigate Conditions and Recommend Minimum Wages; Notice of Hearings

Pursuant to section 5 of the Fair Labor Standards Act of 1938 (29 U.S.C. 205), Reorganization Plan No. 6 of 1950 (3 CFR 1949-53 Comp., p. 1004), and 29 CFR Part 511, I hereby appoint Industry Committee No. 70-A for the shoe and related products industry in Puerto Rico (as defined in 29 CFR 601.2); Industry Committee No. 70-B for the rubber products industry in Puerto Rico (as defined in 29 CFR 720.1); Industry Committee No. 70-C for the chemical, petroleum, and related products industry in Puerto Rico (as defined in 29 CFR 670.1); and Industry Committee No. 70-D for the lumber and wood products industry in Puerto Rico (as defined in 29 CFR 675.1).

Pursuant to section 8 of the Fair Labor Standards Act of 1938 (29 U.S.C. 208), Reorganization Plan No. 6 of 1950 (3 CFR 1949-53 Comp., p. 1004), and 29 CFR Part 511, I hereby:

(a) Convene each of the above appointed industry committees;

(b) Refer to each of these industry committees the following: (1) The question of the minimum rate or rates of wages to be fixed for the industry with which it is concerned for employees who are engaged in commerce or in the production of goods for commerce (except those industries and parts thereof described in 29 CFR 670.2(e), 670.2(f), 675.2(a), and 720.2(e), and (2) the question of the minimum rate or rates of wages to be fixed for any employees covered by the Act by reason of the Fair Labor Standards Amendments of 1961;

(c) Give notice of the hearing to be held by each of them at the times and places indicated below. Each industry committee shall investigate conditions in its industry, and each industry committee, or any authorized subcommittee thereof, shall hear such witnesses and receive such evidence as may be neces-

sary or appropriate to enable the committee to perform its duties and functions under the aforementioned Act.

Industry Committee No. 70-A shall meet in executive session to commence its investigation at 10:00 a.m. on January 18, 1965, in the office of the Wage and Hour and Public Contracts Divisions, United States Department of Labor, seventh floor, Condominio San Alberto Building, 1200 Ponce de Leon Avenue, Santurce, Puerto Rico, and shall commence its hearing at 1:30 p.m. on the same date at the same place. Following this hearing Industry Committees Nos. 70-B, 70-C, and 70-D shall meet serially at the same place at hours designated by the committee chairman to conduct their investigations and to hold their hearings.

Each industry committee shall recommend to the Administrator of the Wage and Hour and Public Contracts Divisions of this Department the highest minimum wage rates (in the case of question (1) referred to the committee, not exceeding the minimum wage rate of \$1.25 per hour, and in the case of question (2) referred to the committee, not exceeding the minimum wage rate of \$1.15 per hour for immediate effect and \$1.25 per hour for effect on and after September 3, 1965, and in no case less than the currently effective rate) which it determines, having due regard to economic and competitive conditions, will not substantially curtail employment in the industry and will not give any industry in Puerto Rico a competitive advantage over any industry in the United States outside of Puerto Rico, the Virgin Islands and American Samoa.

Whenever any industry committee finds that a higher minimum wage may be determined for employees engaged in certain activities or in the manufacture of certain products in an industry than may be determined for other employees in that industry, the committee shall recommend such reasonable classifications within that industry as it determines to be necessary for the purpose of fixing for each classification the highest minimum wage rate that can be determined for it under the principles set forth herein which will not give a competitive advantage to any group in the industry. No classification shall be made, however, and no minimum wage rate shall be fixed solely on a regional basis or on the basis of age or sex. In determining whether there should be classifications within an industry, in making such classifications, and in determining the minimum wage rates for such classifications, each industry committee shall consider, among other relevant factors, the following: (1) Competitive conditions as affected by transportation, living, and production costs; (2) wages established for work of like or comparable character by collective labor agreements negotiated between employers and employees by representatives of their own choosing; and (3) wages paid for work of like or comparable character by employers who voluntarily

maintain minimum wage standards in the industry.

The Administrator shall prepare economic reports for the industry committees containing such data as he is able to assemble pertinent to the matters referred to them. Copies of each such report may be obtained at the national and Puerto Rican offices of the United States Department of Labor as soon as they are completed and prior to the hearings. Each industry committee shall take official notice of the facts stated in the economic reports to the extent that they are not refuted at the hearings.

The procedure of industry committees shall be governed by 29 CFR Part 511. As a prerequisite to participation in the hearings, interested persons shall file prehearing statements containing the data specified in 29 CFR 511.8 not later than January 8, 1965.

Signed at Washington, D.C., this 30th day of November 1964.

W. WILLARD WIRTZ,
Secretary of Labor.

[F.R. Doc. 64-12483; Filed, Dec. 4, 1964; 8:49 a.m.]

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Food and Drug Administration

[21 CFR Part 46]

PEANUT BUTTER; DEFINITIONS AND STANDARDS OF IDENTITY

Extension of Time for Filing Comments on Proposed Modification of Standard of Identity

In the matter of establishing a definition and standard of identity for peanut butter:

A notice of proposed rule making in the above-identified matter was published in the FEDERAL REGISTER of November 10, 1964 (29 F.R. 15173), and granted a period of 30 days for the filing of comments. The Commissioner of Food and Drugs has received a request for an extension of this time. Good reasons therefor appearing, the time for filing comments in this matter is extended to January 22, 1965.

This action is taken pursuant to the provisions of the Federal Food, Drug, and Cosmetic Act (secs. 401, 701, 52 Stat. 1046, 1055, as amended 70 Stat. 919, 72 Stat. 948; 21 U.S.C. 341, 371) and under the authority delegated to the Commissioner by the Secretary of Health, Education, and Welfare (21 CFR 2.90; 29 F.R. 471).

Dated: November 30, 1964.

GEO. P. LARRICK,
Commissioner of Food and Drugs.

[F.R. Doc. 64-12472; Filed, Dec. 4, 1964; 8:48 a.m.]

FEDERAL AVIATION AGENCY

[14 CFR Part 39 [New]]

[Docket No. 6362]

AIRWORTHINESS DIRECTIVES

Beech Model 35 Series Aircraft

The Federal Aviation Agency has under consideration a proposal to amend Part 39 [New] of the Federal Aviation Regulations to revise AD's 57-18-1, 62-8-3, and 63-25-1. It has been determined that a number of airworthiness directives for the Beech Model 35 Series aircraft should apply to the Model Super V aircraft, which is a twin-engine conversion of the Beech 35. However, as the earlier AD's listed specific models, compliance for the nonlisted models is not required. It is proposed to extend the applicability of AD's 57-18-1, 62-8-3, and 63-25-1 to cover model designations which did not exist at the time of original publication.

Interested persons are invited to participate in the making of the proposed rule by submitting such written data, views, or arguments as they may desire. Communications should identify the docket number and be submitted in duplicate to the Federal Aviation Agency, Office of the General Counsel, Attention: Rules Docket, 800 Independence Avenue SW., Washington, D.C., 20553. All communications received on or before January 4, 1965, will be considered by the Administrator before taking action upon the proposed rule. The proposals contained in this notice may be changed in the light of comments received. All comments will be available, both before and after the closing date for comments, in the Rules Docket for examination by interested persons.

This amendment is proposed under the authority of sections 313(a), 601 and 603 of the Federal Aviation Act of 1958 (72 Stat. 752, 775, 776; 49 U.S.C. 1354(a), 1421, 1423).

In consideration of the foregoing, it is proposed to amend § 39.13 of Part 39 [New] (14 CFR Part 39 [New]), as follows:

1. Amendment 3, 23 F.R. 438, AD 57-18-1, is amended by changing the applicability and compliance statements to read:

Applies to Model 35 Series aircraft and Model Super V conversions of standard Beech Models 35, A35 or B35.

A. Applies to Model 35 aircraft Serial Numbers D-1 through D-1500 and Model Super V aircraft Serial Numbers SV-XXX-D-1 through SV-XXX-D-1500.

Compliance required within 100 hours' time in service after the effective date of this amendment unless already accomplished, and thereafter within 100 hours' time in service from the last inspection.

B. Applies to Models 35 and Super V aircraft.

Compliance required within 100 hours' time in service after the effective date of this amendment unless already accomplished.

2. Amendment 421, 27 F.R. 3652, AD 62-8-3, is amended by changing the

applicability and compliance statements and by changing paragraph (c) to read:

Applies to Models 35, 50, 65, and 95 Series aircraft and Model Super V conversions of the standard Beech Models 35, A35, or B35 with white plastic rams horn control wheels installed as original equipment or by kit installation in the field.

Compliance required within 100 hours' time in service after the effective date of this amendment unless already accomplished.

(c) Inspections may be discontinued when metal replacement control wheel, P/N 35-380057 for Models 35 and 95 Series and Model Super V, and P/N 50-350025 for Models 50 and 65 Series, or an FAA-approved equivalent is installed.

3. Amendment 652, 28 F.R. 12926, AD 63-25-1, as revised by Amendment 719, 29 F.R. 5542, is further amended by changing the applicability and compliance statements to read:

Applies to Model 35 aircraft Serial Numbers D-1 through D-1500, Model 35R aircraft Serial Numbers D-XXR1 and up (35R aircraft are remanufactured Model 35 aircraft and retain the original serial number in addition to the appropriate 35R serial number, and Model Super V conversions of the standard Beech Models 35, A35, or B35 Serial Numbers SV-XXX-D-1 through SV-XXX-D-1500.

Compliance required within 25 hours' time in service after the effective date of this amendment unless already accomplished within the last 75 hours' time in service and thereafter within 100 hours' time in service from the last inspection.

Issued in Washington, D.C., on November 27, 1964.

C. W. WALKER,
Acting Director,
Flight Standards Service.

[F.R. Doc. 64-12432; Filed, Dec. 4, 1964;
8:45 a.m.]

[14 CFR Part 39 [New]]

[Docket No. 6360]

AIRWORTHINESS DIRECTIVES

Mooney Models M20E, M20C and M20D Aircraft

The Federal Aviation Agency has under consideration a proposal to amend Part 39 [New] of the Federal Aviation Regulations to include an airworthiness directive for Mooney Models M20E, M20C and M20D aircraft. There have been failures of the Dukes electric fuel pumps attributed to uneven motor brush wear and to the pump vanes being made of breakable carbon which could break into small pieces as a result of the fuel pump rotor malfunctioning. To correct this condition, this AD requires replacement of the fuel pumps with redesigned fuel pumps.

Interested persons are invited to participate in the making of the proposed rule by submitting such written data, views, or arguments as they may desire. Communications should identify the docket number and be submitted to the Federal Aviation Agency, Office of the General Counsel, Attention: Rules Docket, 800 Independence Avenue, SW., Washington, D.C., 20553. All communications received on or before January 4, 1965, will be considered by the Adminis-

trator before taking action upon the proposed rule. The proposals contained in this notice may be changed in the light of comments received. All comments will be available, both before and after the closing date for comments, in the Rules Docket for examination by interested persons.

This amendment is proposed under the authority of sections 313(a), 601 and 603 of the Federal Aviation Act of 1958 (72 Stat. 752, 775, 776; 49 U.S.C. 1354(a), 1421, 1423).

In consideration of the foregoing, it is proposed to amend § 39.13 of Part 39 [New] (14 CFR Part 39 [New]), by adding the following airworthiness directive:

MOONEY. Applies to Model M20E, Serial Numbers 101 through 353, Model M20C, Serial Numbers 2623 through 2737, 2739 through 2741, and Model M20D, Serial Numbers 201 through 251.

Compliance required as indicated unless already accomplished.

As a result of service experience, it is necessary to replace Dukes fuel pumps now in service with a redesigned Dukes fuel pump as follows:

(a) For Model M20E aircraft equipped with Dukes fuel pump:

(1) Within 25 hours' time in service after the effective date of this AD, replace Dukes fuel pump, P/N 4140-00-19, Serial Numbers 101, 102, 103, and 150 through 312, with Dukes fuel pump, P/N 4140-00-19A, in accordance with Mooney Service Letter 20-121.

(2) Within 100 hours' time in service after the effective date of this AD, replace Dukes fuel pump, P/N 4140-00-19, Serial Numbers 313 through 613, with Dukes fuel pump, P/N 4140-00-19A, in accordance with Mooney Service Letter 20-121.

(b) For Models M20C and M20D aircraft equipped with Dukes fuel pump:

(1) Within 25 hours' time in service after the effective date of this AD, replace Dukes fuel pump, P/N 4140-00-21, Serial Numbers 100, 102, 103, and 150 through 244, with Dukes fuel pump, P/N 4140-00-21A, in accordance with Mooney Service Letter 20-121.

(2) Within 100 hours' time in service after the effective date of this AD, replace Dukes fuel pump, P/N 4140-00-21, Serial Numbers 245 through 409, with Dukes fuel pump, P/N 4140-00-21A, in accordance with Mooney Service Letter 20-121.

(c) For Model M20E, Serial Numbers 101 through 263, Model M20C, Serial Numbers 2623 through 2690, and Model M20D, Serial Numbers 201 through 226, concurrent with the fuel pump replacement in paragraphs (a) and (b), remove Mooney electric fuel pump mounting bracket, P/N 610032, and install redesigned pump bracket, P/N 610048, in accordance with Mooney Service Letter 20-120.

Issued in Washington, D.C., on November 27, 1964.

C. W. WALKER,
Acting Director,
Flight Standards Service.

[F.R. Doc. 64-12433; Filed, Dec. 4, 1964;
8:45 a.m.]

[14 CFR Part 39 [New]]

[Docket No. 6361]

AIRWORTHINESS DIRECTIVES

United Data Control, Inc., Model F-542 Series Flight Data Recorders

The Federal Aviation Agency has under consideration a proposal to amend

Part 39 [New] of the Federal Aviation Regulations to include an airworthiness directive for United Data Control, Inc. Model F-542 Series flight data recorders. It has been determined that modifications are necessary to improve the crash survivability of these flight data recorders. The manufacturer has completed design improvements which will provide greatly increased protection from impact damage. Accordingly, this AD requires modifications to insure containment of the magazine assembly within the frame of the recorder and to provide additional protection for the recording medium from crushing and puncturing forces.

Interested persons are invited to participate in the making of the proposed rule by submitting such written data, views, or arguments as they may desire. Communications should identify the docket number and be submitted in duplicate to the Federal Aviation Agency, Office of the General Counsel, Attention: Rules Docket, 800 Independence Avenue SW., Washington, D.C., 20553. All communications received on or before January 4, 1965, will be considered by the Administrator before taking action upon the proposed rule. The proposals contained in this notice may be changed in the light of comments received. All comments will be available both before and after the closing date for comments, in the Rules Docket for examination by interested persons.

This amendment is proposed under the authority of sections 313(a), 601 and 603 of the Federal Aviation Act of 1958 (72 Stat. 752, 775, 776; 49 U.S.C. 1354(a), 1421, 1423).

In consideration of the foregoing, it is proposed to amend § 39.13 of Part 39 [New] (14 CFR Part 39 [New]), by adding the following airworthiness directive:

UNITED DATA CONTROL, INC. Applies to United Data Control, Inc. Model F-542 Series flight data recorders installed in aircraft as required by applicable operating rules.

Compliance required within six months time in service after the effective date of this AD, unless already accomplished.

To improve the crash survivability of the flight record, modify all United Data Control, Inc. Model F-542 Series flight data recorders, Serial Number 1399 and prior, in accordance with UDC Service Bulletin No. 10 as follows:

(a) Install UDC armor plates 100275 and 100276 and blocks 100277 and 100279 on the sides of the case.

(b) Replace the front panel assembly with a UDC P/N 100198 armored front panel assembly.

(c) Replace the magazine latch assembly with a UDC P/N 100168 magazine latch assembly.

(d) Remove the nameplate from the old door, and attach it to the new door. (United Data Control, Inc. Service Bulletin No. 10 applies to this subject.)

Issued in Washington, D.C., on November 27, 1964.

C. W. WALKER,
Acting Director,
Flight Standards Service.

[F.R. Doc. 64-12434; Filed, Dec. 4, 1964;
8:45 a.m.]

[14 CFR Part 71 [New]]

[Airspace Docket No. 64-80-28]

CONTROL ZONE**Proposed Designation**

In consonance with ICAO International Standards and Recommended Practices, notice is hereby given that the Federal Aviation Agency (FAA) is considering an amendment to Part 71 [New] of the Federal Aviation Regulations. This proposal relates to navigable airspace both within and outside the United States.

Interested persons may participate in the proposed rule making by submitting such written data, views, or arguments as they may desire. Communications should identify the airspace docket number and be submitted in triplicate to the Director, Southern Region, Attention: Chief, Air Traffic Division, Federal Aviation Agency, Post Office Box 20636, Atlanta, Ga., 30320. All communications received within 30 days after publication of this notice in the FEDERAL REGISTER will be considered before action is taken on the proposed amendment. The proposal contained in this notice may be changed in the light of comments received.

An official docket will be available for examination by interested persons at the Federal Aviation Agency, Office of the General Counsel, Attention: Rules Docket, 800 Independence Avenue SW., Washington, D.C. An informal docket also will be available for examination at the office of the Regional Air Traffic Division Chief.

Applicability of International Standards and Recommended Practices, by the Air Traffic Service, FAA, in areas outside domestic airspace of the U.S. is governed by Article 12 and Annex 11 to the Convention on International Civil Aviation (ICAO), which pertains to the establishment of air navigation facilities and services necessary to promoting safe, orderly and expeditious flow of civil air traffic. Its purpose is to insure that civil flying on international air routes is carried out under uniform conditions designed to improve the safety and efficiency of air operations.

The International Standards and Recommended Practices in Annex 11 apply in those parts of the airspace under the jurisdiction of a contracting state, derived from ICAO, wherein air traffic services are provided and also whenever a contracting state accepts the responsibility of providing air traffic services over high seas or in airspace of undetermined sovereignty. A contracting state accepting such responsibility may apply the International Standards and Recommended Practices to civil aircraft in a manner consistent with that adopted for airspace under its domestic jurisdiction.

In accordance with Article 3 of the Convention of International Civil Aviation, Chicago, 1944, state aircraft are exempt from the provisions of Annex 11 and its Standards and Recommended Practices. As a contracting state, the U.S. agreed by Article 3(d) that its state aircraft will be operating in interna-

tional airspace with due regard for the safety of civil aircraft.

Since this action involves in part the designation of navigable airspace outside the United States, the Administrator has consulted with the Secretary of State and the Secretary of Defense in accordance with the provisions of Executive Order 10854.

The Federal Aviation Agency is considering the designation of a control zone at the Harry S. Truman Airport Charlotte Amalie, Saint Thomas, Virgin Islands. The control zone would be designated within a 5-mile radius of the Harry S. Truman Airport (latitude 18°-20'25" N., longitude 64°58'10" W.), effective from 0600 to 2200 hours, local time, daily. The control zone would provide protection for aircraft operating into, and out of, the Harry S. Truman Airport. Communications and weather service would be provided by an FAA control tower scheduled to be commissioned at the Harry S. Truman Airport in December 1964.

This amendment is proposed under the authority of section 307(a) and 1110, Federal Aviation Act of 1958 (49 U.S.C. 1348, 1510) and Executive Order 10854, 24 F.R. 9565.

Issued in Washington, D.C., on November 30, 1964.

D. E. BARROW,
Chief, Airspace Regulations
and Procedures Division.

[F.R. Doc. 64-12435; Filed, Dec. 4, 1964;
8:45 a.m.]

[14 CFR Part 71 [New]]

[Airspace Docket No. 63-SW-103]

CONTROL ZONES AND TRANSITION AREAS**Proposed Alteration and Designation**

The Federal Aviation Agency is considering an amendment to Part 71 [New] of the Federal Aviation Regulations which would alter the controlled airspace in the Tyler, Tex., terminal area.

The following controlled airspace is presently designated in the Tyler, Tex., terminal area:

1. The Tyler, Tex., control zone is designated as that airspace within a 5-mile radius of Pounds Field, Tyler, Tex. (latitude 32°21'17" N., longitude 95°23'55" W.); within 2 miles either side of the Pounds Field ILS localizer NW course extending from the 5-mile radius zone to the OM and within 2 miles either side of the Pounds Field ILS localizer SE course extending from the 5-mile radius zone to the INT of the Pounds Field ILS localizer SE course and the Gregg County, Tex., VOR 265° radial.

2. The Longview, Tex., control zone is designated as that airspace within a 5-mile radius of the Gregg County Airport, Longview, Tex. (latitude 32°23'05" N., longitude 94°42'45" W.), within 2 miles each side of the Gregg County VOR 313° radial extending from the 5-mile radius zone to 8 miles NW of the VOR, within 2 miles each side of the Gregg County ILS localizer NW course extending from the 5-mile radius zone to the

LOM, and within 2 miles each side of the Gregg County ILS localizer SE course extending from the 5-mile radius zone to the INT of the ILS localizer SE course and the Marshall, Tex., VOR 251° radial.

3. The Tyler, Tex., control area extension is designated as that airspace within a 25-mile radius of the Tyler RBN; the airspace N of Tyler bounded on the N by V-16, on the SE and E by V-289, on the S by a line 13 miles S of and parallel to the centerline of V-94 and on the W by the Dallas, Tex., control area extension; and within 10 miles NE and 7 miles SW of the Tyler ILS localizer SE course extending from the Tyler 25-mile radius area to 34 miles SE of the localizer.

4. The Dallas, Tex., control area extension is designated as that airspace bounded on the E by a line 5 miles E of and parallel to the Dallas VORTAC 133° radial, the Leona, Tex., VOR 353° and 140° radials, the Houston, Tex., VORTAC 353° radial and V-20, on the S by a line 5 miles N of and parallel to the Eagle Lake, Tex., VOR 106° radial, on the SW by a line 5 miles NE of and parallel to the Austin VOR 134° and Eagle Lake VOR 291° radials, on the NW by V-17 from Austin, Tex., VORTAC to the Waco, Tex., VORTAC and by V-15 from the Waco VORTAC to the Dallas VORTAC; including the airspace SE of Dallas extending from 44 miles N to 76 miles N of the Leona VOR, bounded on the E by a line 12 miles E of and parallel to the Leona VOR 353° radial and on the W by the Leona VOR 353° radial.

5. The Shreveport, La., control area extension is designated as that airspace bounded by a line beginning on the S boundary of V-278 at longitude 93°29'30" W., thence SE to the S boundary of V-18 at longitude 92°33'00" W., thence E along the S boundary of V-18 to the INT thereof with a line 5 miles SE of and parallel to the Monroe, La., VORTAC 237° radial, thence SW via this line to the INT thereof with V-114, thence NW along V-114 to the INT thereof with V-289, thence N along V-289 to the INT thereof with V-278, thence E along V-278 to the point of beginning.

6. The Longview, Tex., transition area is designated as that airspace extending upward from 1,200 feet above the surface within 5 miles E and 8 miles W of the Gregg County ILS localizer SE course extending from the INT of the Gregg County ILS localizer SE course and the Marshall, Tex., VOR 251° radial to 12 miles SE, and within 5 miles each side of the Marshall VOR 230° radial extending from the INT of the Gregg County VOR 181° radial and the Marshall VOR 230° radial to the INT of the Gregg County ILS localizer SE course and the Marshall VOR 230° radial, excluding the portion within Federal airways.

The Federal Aviation Agency, having completed a comprehensive review of the terminal airspace structure requirements in the Tyler, Tex., terminal area, including studies attendant to the implementation of the provisions of CAR Amendments 60-21/60-29, proposes the following airspace actions:

1. Redesignate the Tyler, Tex., control zone as that airspace within a 5-mile radius of Pounds Field, Tyler, Tex. (latitude 32°21'15" N., longitude 95°23'55" W.)

W.); within 2 miles each side of the Pounds Field ILS localizer NW course extending from the 5-mile radius zone to .5 mile SE of the OM, and within 2 miles each side of the Pounds Field ILS localizer SE course extending from the 5-mile radius zone to 6 miles SE of the airport.

2. Redesignate the Longview, Tex., control zone as that airspace within a 5-mile radius of Gregg County Airport, Longview, Tex. (latitude 32°23'05" N., longitude 94°42'45" W.); within 2 miles each side of the Gregg County VOR 313° radial extending from the 5-mile radius zone to 7 miles NW of the VOR, within 2 miles each side of the Gregg County ILS localizer NW course extending from the 5-mile radius zone to .5 mile southeast of the OM, and within 2 miles each side of the Gregg County ILS localizer SE course extending from the 5-mile radius zone to 6 miles SE of the airport.

3. Designate the Tyler, Tex., transition area as that airspace extending upward from 700 feet above the surface bounded by a line beginning at latitude 32°07'00" N., longitude 95°14'00" W., to latitude 32°26'00" N., longitude 95°45'15" W., to latitude 32°36'00" N., longitude 95°33'30" to latitude 32°17'00" N., longitude 95°02'00" W., to point of beginning; and that airspace extending upward from 1,200 feet above the surface bounded by a line beginning at latitude 32°43'00" N., longitude 95°39'00" W., to latitude 32°41'00" N., longitude 95°00'00" W., to latitude 32°17'00" N., longitude 94°19'00" W., to latitude 31°59'00" N., longitude 94°30'00" W., to latitude 31°59'00" N., longitude 95°31'00" W., to latitude 31°47'00" N., longitude 95°55'00" W., to latitude 32°30'00" N., longitude 95°53'00" W., to point of beginning.

4. Redesignate the Longview, Tex., transition area as that airspace extending upward from 700 feet above the surface within a 6-mile radius of the Gregg County Airport, Longview, Tex. (latitude 32°23'05" N., longitude 94°42'45" W.); within 2 miles each side of the Gregg County ILS localizer NW course, extending from the 6-mile radius area to 8 miles NW of the OM, within 2 miles each side of the Gregg County ILS localizer SE course, extending from the 6-mile radius area to 14 miles SE of the airport, and within 2 miles each side of the Gregg County VOR 313° radial extending from the 6-mile radius area to 8 miles NW of the VOR.

5. Designate the Athens, Tex., transition area as that airspace extending upward from 700 feet above the surface within a 5-mile radius of the Glad Oaks Airport, Athens, Tex. (latitude 32°01'15" N., longitude 95°41'45" W.); and within 2 miles each side of the 348° bearing from the Glad Oaks RBN, extending from the 5-mile radius area to 8 miles N of the RBN.

The proposed Tyler and Longview control zones would provide protection for aircraft executing prescribed instrument approach and departure procedures at Pounds Field and Gregg County Airport.

The proposed designation of the 1,200 foot floor portion of the Tyler transition

area would raise the floor of controlled airspace beyond the immediate vicinity of Pounds Field, Gregg County Airport, and Glad Oaks Airport from 700 to 1,200 feet above the surface, yet the transition areas proposed would provide protection for aircraft executing prescribed instrument holding, arrival and departure procedures in the Tyler terminal area.

The floors of the airways and the portions of the Tyler, Dallas, and Shreveport control area extensions that would traverse the transition areas proposed herein would automatically coincide with the floor of the transition areas. The revocation of the Tyler, Dallas, and Shreveport control area extensions will be accomplished at a later date as a part of the CAR Amendments 60-21/60-29 program proposed for the terminal areas which adjoin the Tyler terminal area.

Certain minor revisions to prescribed instrument procedures would be effected in conjunction with the actions proposed herein, but operational complexity would not be increased nor would aircraft performance characteristics or established landing minimums be adversely affected.

Specific details of the changes to procedures and minimum instrument flight rules altitudes that would be required may be examined by contacting the Chief, Air Traffic Division, Southwest Region, Federal Aviation Agency, Fort Worth, Tex.

Interested persons may submit such written data, views or arguments as they may desire. Communications should be submitted in triplicate to the Chief, Air Traffic Division, Southwest Region, Federal Aviation Agency, P.O. Box 1689, Fort Worth, Tex., 76101. All communications received within 45 days after publication of this notice in the FEDERAL REGISTER will be considered before action is taken on the proposed amendment. No public hearing is contemplated at this time, but arrangements for informal conferences with Federal Aviation Agency officials may be made by contacting the Chief, Air Traffic Division. Any data, views or arguments presented during such conferences must also be submitted in writing in accordance with this notice in order to become part of the record for consideration. The proposal contained in this notice may be changed in the light of comments received.

The official Docket will be available for examination by interested persons at the Office of the Regional Counsel, Southwest Region, Federal Aviation Agency, Fort Worth, Tex. An informal Docket will also be available for examination at the Office of the Chief, Air Traffic Division.

This amendment is proposed under the authority of section 307(a), Federal Aviation Act of 1958 (49 U.S.C. 1348).

Issued in Fort Worth, Tex., on November 27, 1964.

PHILLIP M. SWATEK,
Acting Director,
Southwest Region.

[F.R. Doc. 64-12436; Filed, Dec. 4, 1964; 8:45 a.m.]

[14 CFR Part 75 [New]]

[Airspace Docket No. 64-WA-54]

JET ROUTES

Notice of Proposed Rule Making

The Federal Aviation Agency is considering an amendment to Part 75 [New] of the Federal Aviation Regulations which would extend Jet Route No. 14 from the Richmond, Va., VOR to an intersection overlying the Kenton, Del., VORTAC.

Interested persons may participate in the proposed rule making by submitting such written data, views, or arguments as they may desire. Communications should identify the airspace docket number and be submitted in duplicate to the Federal Aviation Agency, Office of the General Counsel, Attention: Rules Docket, 800 Independence Avenue SW., Washington, D.C., 20553. All communications received within 30 days after publication of this notice in the FEDERAL REGISTER will be considered by the Administrator before taking action on the proposed rule. The proposal contained in this notice may be changed in the light of comments received. All comments submitted will be available, both before and after the closing date for comments, in the Rules Docket for examination by interested persons.

On June 26, 1964, a notice of proposed rule making was published in the FEDERAL REGISTER (29 F.R. 8147) as Airspace Docket No. 64-EA-5 stating among other proposals that the Federal Aviation Agency (FAA) had under consideration the extension of Jet Route No. 14 from the Atlanta, Ga., VORTAC via the Spartanburg, S.C., VORTAC; the Greensboro, N.C., VOR; the Richmond, Va., VOR; to the Kenton, Del., VORTAC. Subsequent to the publication of the notice, it was determined that the Kenton VORTAC would be removed from the high altitude structure. On August 12, 1964, Airspace Docket No. 64-EA-5 was published in the FEDERAL REGISTER (29 F.R. 11527) as a final rule extending Jet Route No. 14 from Atlanta to Richmond, among other actions. That rule stated that action would be taken at a later date to extend Jet Route No. 14 beyond Richmond.

It has been determined that existing facilities can provide the required signal strength for navigation to an intersection overlying the site of the Kenton VORTAC. Since there is a requirement for a jet route between Richmond and Kenton in the high altitude structure, it is proposed to extend Jet Route No. 14 from Richmond, Va., to the intersection of the Richmond 039° and the Yardley, Pa., 205 True radials.

This amendment is proposed under section 307(a), Federal Aviation Act of 1958 (49 U.S.C. 1348).

Issued in Washington, D.C., on November 30, 1964.

D. E. BARROW,
Chief, Airspace Regulations
and Procedures Division.

[F.R. Doc. 64-12437; Filed, Dec. 4, 1964; 8:45 a.m.]

FEDERAL MARITIME COMMISSION

[46 CFR Ch. IV]

[Docket No. 934]

**PREDATED BILLS OF LADING
Notice of Discontinuance of
Proceeding**

A notice of proposed rule making with respect to the issuance of predated bills of lading by common carriers as defined under section 1, Shipping Act, 1916, as amended (46 U.S.C. 801) was published in the FEDERAL REGISTER on March 29, 1961, and amended by notice published on April 14, 1961 (26 F.R. 2647, 3203).

The Commission has considered all the written statements and comments submitted by interested parties in response to said notice and has found that the aforesaid proposed rule would be duplicative of provisions of the Federal Bills of Lading Act (49 U.S.C.), sometimes called the Pomerene Act, and that there is therefore no need for the issuance of the rule proposed.

It is therefore ordered that the proceeding in the matter of Predated Bills of Lading in Docket 934 be and is hereby discontinued.

By the Commission, November 24, 1964.

[SEAL]

THOMAS LIST,
Secretary.

[F.R. Doc. 64-12486; Filed, Dec. 4, 1964;
8:49 a.m.]

Notices

DEPARTMENT OF THE INTERIOR

Bureau of Land Management

[W-0311814]

WYOMING

Notice of Proposed Withdrawal and Reservation of Lands

NOVEMBER 30, 1964.

The Bureau of Sport Fisheries and Wildlife, United States Department of the Interior, has filed an application, serial number Wyoming 0311814, for the withdrawal of the lands described below from all forms of appropriation under the public land laws, including the mining, but not the mineral leasing laws, subject to valid existing rights.

The applicant desires the lands for use as part of the Pathfinder National Wildlife Refuge.

For a period of 30 days from the date of publication of this notice, all persons who wish to submit comments, suggestions, or objections in connection with the proposed withdrawal may present their views in writing to the undersigned officer of the Bureau of Land Management, United States Department of the Interior, 2002 Capitol Avenue, Cheyenne, Wyo., 82001.

The Department's regulations 43 CFR 2311.1-3(c) provide that the authorized officer of the Bureau of Land Management will undertake such investigations as are necessary to determine the existing and potential demand for the lands and their resources. He will also undertake negotiations with the applicant agency with the view of adjusting the application to reduce the area to the minimum essential to meet the applicant's needs, to provide for the maximum concurrent utilization of the lands for purposes other than the applicant's, to eliminate lands needed for purposes more essential than the applicant's and to reach agreement on the concurrent management of the lands and their resources.

The authorized officer will also prepare a report for consideration by the Secretary of the Interior, who will determine whether or not the lands will be withdrawn as requested by the applicant agency.

The determination of the Secretary on the application will be published in the FEDERAL REGISTER. A separate notice will be sent to each interested party of record.

If circumstances warrant, a public hearing will be held at a convenient time and place, which will be announced.

The lands involved in the application are:

SIXTH PRINCIPAL MERIDIAN, WYOMING

T. 29 N., R. 84 W.,
 Sec. 5, S $\frac{1}{2}$ NW $\frac{1}{4}$;
 Sec. 7, lots 2, 3, and NE $\frac{1}{4}$ SW $\frac{1}{4}$.
 T. 27 N., R. 85 W.,
 Sec. 13, W $\frac{1}{2}$;
 Sec. 14, E $\frac{1}{2}$ SE $\frac{1}{4}$;
 Sec. 23, E $\frac{1}{2}$ NE $\frac{1}{4}$;
 Sec. 24, NW $\frac{1}{4}$.

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T. 29 N., R. 85 W.,
 Sec. 6, lots 6, 7, and E $\frac{1}{2}$ SW $\frac{1}{4}$;
 Sec. 7, lots 1, 2, N $\frac{1}{2}$ NE $\frac{1}{4}$, and E $\frac{1}{2}$ NW $\frac{1}{4}$;
 Sec. 12, SE $\frac{1}{4}$ NE $\frac{1}{4}$ and N $\frac{1}{2}$ SE $\frac{1}{4}$.
 T. 30 N., R. 85 W.,
 Sec. 25, S $\frac{1}{2}$ SW $\frac{1}{4}$ and SW $\frac{1}{4}$ SE $\frac{1}{4}$;
 Sec. 26, SW $\frac{1}{4}$ NW $\frac{1}{4}$, NW $\frac{1}{4}$ SE $\frac{1}{4}$, and SE $\frac{1}{4}$ SE $\frac{1}{4}$;
 Sec. 27, S $\frac{1}{2}$ NE $\frac{1}{4}$ and SE $\frac{1}{4}$ SW $\frac{1}{4}$;
 Sec. 30, S $\frac{1}{2}$ SE $\frac{1}{4}$.
 T. 29 N., R. 86 W.,
 Sec. 12, E $\frac{1}{2}$ NE $\frac{1}{4}$ and NE $\frac{1}{4}$ SE $\frac{1}{4}$.

The areas described aggregate 1,971.97 acres.

ED PIERSON,
 State Director.

[F.R. Doc. 64-12444; Filed, Dec. 4, 1964;
 8:46 a.m.]

DEPARTMENT OF AGRICULTURE

Agricultural Marketing Service

[P. & S. Docket No. 425]

SIOUX CITY STOCK YARDS

Notice of Petition for Modification of Rate Order

Pursuant to the provisions of the Packers and Stockyards Act, 1921, as amended (7 U.S.C. 131 et seq.), an order was issued on May 9, 1963 (22 A.D. 489), authorizing the Sioux City Stock Yards Co., Sioux City, Iowa, to assess the current temporary schedule of rates and charges to and including December 31, 1964, unless modified or extended by further order before the latter date.

On November 23, 1964, a petition was filed on behalf of The Sioux City Stock Yards, a division of United Stockyards Corp., formerly the Sioux City Stock Yards Co., a corporation, requesting authority to modify, as soon as possible, the current temporary schedule of rates and charges as indicated below and to continue in effect after January 1, 1965, its present schedule, as so modified.

1. In Item 1, amend basic yardage charges, per head, as follows:

	Present	Proposed
Cattle (except bulls 700 lbs. or over).....	\$0.96	\$1.02
Bulls (minimum 700 lbs.).....	1.25	1.30
Calves (400 lbs. or under).....	.55	.57
Hogs.....	.34	.36

2. In Item 2, amend yardage charges, per head, for livestock consigned direct to packers, as follows:

	Present	Proposed
Cattle (except bulls 700 lbs. or over).....	\$0.48	\$0.51
Bulls (minimum 700 lbs.).....	.62	.65
Calves (400 lbs. or under).....	.27	.29
Hogs.....	.17	.18

The modifications, if authorized, will produce additional revenue for the respondent and increase the cost of

marketing livestock. Accordingly, it appears that this public notice of the filing of the petition and its contents should be given in order that all interested persons may have an opportunity to indicate a desire to be heard in the matter.

All interested persons who desire to be heard in the matter shall notify the Hearing Clerk, United States Department of Agriculture, Washington, D.C., 20250, within 15 days after the publication of this notice in the FEDERAL REGISTER.

Done at Washington, D.C., this 2d day of December 1964.

DONALD A. CAMPBELL,
 Director, Packers and Stockyards Division, Agricultural Marketing Service.

[F.R. Doc. 64-12488; Filed, Dec. 4, 1964;
 8:49 a.m.]

DEPARTMENT OF COMMERCE

Bureau of International Commerce

[File No. 22-59]

NEWMAN & NEWMAN ET AL.

Notice of Related Party Determinations

In the matter of Newman & Newman, S. E. Newman, F. R. Newman, 408 Strand, London, W.C. 2, England; Fellgower Ltd., 37 Silkfield Road, London, N.W. 9, England; Jilcliffe Ltd., 27 Cottswold Gardens, London, N.W. 2, England; Ryelodge Ltd., 1 Hermitage Gardens, London, N.W. 2, England; Brentgreg Ltd., 34 Sussex Way, East Barnet, Hertfordshire, England; File No. 22-59.

By order dated November 15, 1963, the Bureau of International Commerce, United States Department of Commerce, entered an order against American British and Canadian International Spare Parts Co., also known as ABC Spare Parts Company, Joseph W. Kent and J. W. Kent (Foreign Trade) Ltd., all of London, England, denying all privileges of participating in any manner or capacity in exportations from the United States of commodities or technical data. This order was published in the FEDERAL REGISTER on November 23, 1963 (28 F.R. 12591).

Section 382.1(b) of the Export Regulations provides in part that, to the extent necessary to prevent evasion of any order denying export privileges, said order may be made applicable to persons other than those named in the order with whom said named persons may then or thereafter be related by ownership, control, position of responsibility, affiliation, or other connection in the conduct of trade or related services. It has been determined by the Office of Export Control that within the purview of said section the following firms and individuals are related parties to one or more of the respondents named in the order of November 15, 1963:

Newman & Newman, S. E. Newman, and F. R. Newman, 408 Strand, London, W.O. 2, England.
 Fellgower Ltd., 37 Silkfield Road, London, N.W. 9, England.
 Jilcliffe Ltd., 27 Ottswold Gardens, London, N.W. 2, England.
 Ryelodge Ltd., 1 Hermitage Gardens, London, N.W. 2, England.
 Brentreg Ltd., 34 Sussex Way, East Barnet, Hertfordshire, England.

The said parties have been notified of these determinations and have been advised that they may apply to have the rulings reconsidered. Due notice will be given of any termination or change in these related party determinations.

Dated: November 24, 1964.

FORREST D. HOCKERSMITH,
 Director,
 Office of Export Control.

[F.R. Doc. 64-12454; Filed, Dec. 4, 1964; 8:48 a.m.]

Office of the Secretary
 WILLIAM E. VAUGHN

Statement of Changes in Financial Interests

In accordance with the requirements of section 710(b) (6) of the Defense Production Act of 1950, as amended, and Executive Order 10647 of November 28, 1955, the following changes have taken place in my financial interests as reported in the FEDERAL REGISTER during the past six months:

- A. Deletions: no change.
- B. Additions: no change.

This statement is made as of November 18, 1964.

Dated: November 18, 1964.

WILLIAM E. VAUGHN.

[F.R. Doc. 64-12453; Filed, Dec. 4, 1964; 8:47 a.m.]

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Office of Education

ALLOTMENT RATIOS FOR VOCATIONAL EDUCATION ACT OF 1963

Pursuant to section 3 of the Vocational Education Act of 1963 (77 Stat. 403, 20 U.S.C. 35b), the following allotment ratios for the several States of the Union, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, and American Samoa, as computed pursuant to said Act on the basis of the per capita incomes of the States of the Union and the District of Columbia for the years 1961, 1962, and 1963, being the three most recent consecutive fiscal years for which satisfactory data are available from the Department of Commerce, or as otherwise specified in said Act, are hereby promulgated for the fiscal year ending June 30, 1966.

Alabama	0.6000
Alaska	.4185
Arizona	.5633
Arkansas	.6000

California	0.4000
Colorado	.4877
Connecticut	.4000
Delaware	.4000
Florida	.5665
Georgia	.6000
Hawaii	.4908
Idaho	.6000
Illinois	.4000
Indiana	.5006
Iowa	.5358
Kansas	.5984
Kentucky	.6000
Louisiana	.6000
Maine	.5983
Maryland	.4386
Massachusetts	.4179
Michigan	.4915
Minnesota	.5265
Mississippi	.6000
Missouri	.4920
Montana	.5514
Nebraska	.5224
Nevada	.4000
New Hampshire	.5262
New Jersey	.4000
New Mexico	.6000
New York	.4000
North Carolina	.6000
North Dakota	.5900
Ohio	.4907
Oklahoma	.5946
Oregon	.4924
Pennsylvania	.4985
Rhode Island	.5015
South Carolina	.6000
South Dakota	.5953
Tennessee	.6000
Texas	.5724
Utah	.5652
Vermont	.5682
Virginia	.5823
Washington	.4845
West Virginia	.6000
Wisconsin	.5129
Wyoming	.4924
District of Columbia	.4000
American Samoa	.6000
Guam	.6000
Puerto Rico	.6000
Virgin Islands	.6000

Dated: November 12, 1964.

[SEAL] FRANCIS KEPPEL,
 Commissioner of Education.

Approved: November 30, 1964.

ANTHONY J. CELEBREZZE,
 Secretary of Health, Education,
 and Welfare.

[F.R. Doc. 64-12473; Filed, Dec. 4, 1964; 8:48 a.m.]

ATOMIC ENERGY COMMISSION

[Docket No. 27-5]

WALKER TRUCKING CO.

Notice of Amendment of Byproduct, Source and Special Nuclear Material License

Please take notice that the Atomic Energy Commission has issued Amendment No. 2 to License No. 6-3627-1, held by The Walker Trucking Company, 1283 East Street, New Britain, Connecticut. The initial issuance of the license was on March 18, 1959.

The license amendment provides for the following changes in the license:

1. Authorizes the possession of 500 grams of special nuclear material provided that not more than 350 grams is contained in any single shipment.

2. Deletes authorization for sea disposal of radioactive wastes.

3. Authorizes disposal of radioactive wastes by transfer to authorized land burial sites.

4. Deletes Brownstone Avenue, Portland, Connecticut as an authorized place of use.

5. Renews the license for a period of two years.

The license provides for the receipt, possession, and transportation of radioactive wastes which have already been packaged in containers that meet the specifications for containers set forth in the Interstate Commerce Commission regulations. Storage of the containers will be at The Walker Trucking Company Facility located at 1283-1285 East Street, New Britain, Connecticut.

The Commission has found that:

- A. The applicant's equipment and procedures are adequate to protect health and minimize danger to life or property;

- B. The applicant is qualified by training and experience to use the material in such manner as to protect health and minimize danger to life or property;

- C. The application complies with the requirements of the Atomic Energy Act of 1954, as amended, and Title 10, Code of Federal Regulations, and is for a purpose authorized by that act.

The Commission has determined that prior public notice of proposed issuance of the amendment is not required since the amendment does not involve hazard considerations different from those previously evaluated.

Within fifteen (15) days from the date of publication of this notice in the FEDERAL REGISTER, the applicant may file a request for a hearing, and any person whose interest may be affected by this proceeding may file a petition for leave to intervene. Requests for a hearing and petitions to intervene shall be filed in accordance with the provisions of the Commission's regulations (10 CFR Part 2). If a request for a hearing or a petition for leave to intervene is filed within the time prescribed in this notice, the Commission will issue a notice of hearing or an appropriate order.

The text of this amendment is set forth below.

Dated at Bethesda, Md., November 27, 1964.

For the Atomic Energy Commission.

LYALL JOHNSON,
 Acting Director,
 Division of Materials Licensing.

BYPRODUCT, SOURCE AND SPECIAL NUCLEAR MATERIAL LICENSE

[License No. 6-3627-1, Amdt. 2]

In accordance with application dated February 27, 1961, and amendments thereto dated February 21, 1964; April 9, 1964; May 15, 1964; and July 17, 1964, License No. 6-3627-1 is amended in its entirety to read as follows:

Pursuant to the Atomic Energy Act of 1954, as amended, and Title 10, Code of Federal Regulations, Chapter 1, Parts 30, 40, and 70 and subject to the statements and representations contained in the application, a license is hereby issued to The Walker Trucking Company, 1283 East Street, New Britain, Connecticut to receive, possess, transport and store waste byproduct, source and special

nuclear material contained in sealed packages and to dispose of the packaged radioactive wastes by transfer to an authorized land burial site.

This license shall be deemed to contain the conditions specified in section 183 of the Atomic Energy Act of 1954, as amended, and is subject to the provisions of 10 CFR Part 20, "Standards for Protection Against Radiation," all other applicable rules, regulations, orders of the Atomic Energy Commission now or hereafter in effect, and to the following conditions:

1. The licensee shall not possess at any one time more than:

A. 50 curies of byproduct material.

B. 700 pounds of source material.

C. 500 grams of special nuclear material not to exceed 350 grams in any single shipment.

2. Conduct of activities performed under this license shall be by, or under the supervision and in the physical presence of, Robert E. Harris, Reynold L. Hoover or E. T. Borawski.

3. The transportation of AEC-licensed material shall be subject to the applicable regulations of the Interstate Commerce Commission, United States Coast Guard and other agencies of the United States having appropriate jurisdiction, and where such regulations are not applicable shall be in accordance with the following requirements except as specifically provided by the Atomic Energy Commission:

A. *Outside shipping containers.* (1) The containers shall meet any one of the following specifications described in Appendix A attached hereto:

a. Specification 15A, 15B, 12B, 6A, 6B, 17C, 17H, 19A, or 19B, for the containment of radioactivity in amounts not in excess of 2.7 curies; except polonium, 2 curies; or

b. Specification 55 for containment of solid cobalt 60, cesium 137, iridium 192, or gold 198 in amounts not in excess of 300 curies.

(2) There shall be no radioactive contamination on any exterior surface of the container in excess of 500 d/m/100 sq. cm. alpha and 0.1 mrem/hr beta-gamma radiation.

(3) The smallest dimension of the container shall not be less than 4 inches.

(4) The radiation level at any accessible surface of the container shall not exceed 200 mrem/hr.

(5) At one meter from any point on the radioactive source the radiation level shall not exceed 10 mrem/hr.

(6) Containers which contain radioactive material emitting only alpha and/or beta radiation shall contain sufficient shielding to prevent the escape of primary corpuscular radiation to the exterior surface and to reduce the secondary radiation at the surface of the container so that it does not exceed 10 mrem/24 hours at any time during transportation.

B. *Inside containers.* (1) Solid and gaseous radioactive materials shall be packed in suitable inside containers designed to prevent rupture and leakage under conditions incident to transportation.

(2) Liquid radioactive materials must be packed in sealed glass, earthenware, or other suitable containers. The container must be surrounded on all sides by an absorbent material sufficient to absorb the entire liquid contents and be of such nature that its efficiency will not be impaired by chemical reactions with the contents. Where shielding is required the absorbent material must be placed within the shield. If the inside container meets the Specification 2R in Appendix A the absorbent material is not required.

(3) Materials containing radioisotopes of plutonium, americium, polonium, or curium, or the isotope strontium 90, in quantities in excess of 100 microcuries, must be packed in containers which meet Specification 2R in Appendix A.

C. *Shielding.* Inside containers must be completely surrounded with sufficient shielding to meet the requirements of subparagraphs A(4), A(5), and A(6) of this condition. The shield must be so designed that it will not open or break under conditions incident to transportation.

D. *Labeling.* Each outside container label required under § 20.203(f) or 10 CFR Part 20 shall bear the following information:

(1) Total activity in millicuries, or in the case of source and special nuclear material, the total weight;

(2) principal radioisotope;

(3) radiation level at the surface of the container and at one meter from the source; and

(4) the name and address of the licensee.

E. Each vehicle in which licensed material is transported shall be marked or placarded on each side and the rear with lettering at least 3 inches high as follows: "DANGEROUS—RADIOACTIVE MATERIAL."

F. *Accidents.* In the event of an accident involving any vehicle transporting licensed material, immediate steps shall be taken to prevent radioactive exposure of persons and to control contamination.

G. *Exemptions.* Specific approval must be obtained from the Atomic Energy Commission for modification of, or exemption from, the requirements of the license condition. Requests for such approval should be directed to the Chief, Isotopes Branch, Division of Materials Licensing, Atomic Energy Commission, and should contain sufficient information to support such a request.

4. The licensee shall store waste byproduct, source and special nuclear material only at 1283-1285 East Street, New Britain, Connecticut.

5. The licensee shall dispose of waste byproduct, source and special nuclear material only by transfer to authorized land burial sites in the United States.

6. Except as specifically provided otherwise by this license, the licensee shall conduct activities authorized in this license in accordance with the conditions, limitations, and procedures contained in the application dated February 27, 1961, and amendments thereto dated February 21, 1964; April 9, 1964; May 15, 1964; and July 17, 1964.

This amendment is effective as of the date of issuance. The license shall expire two (2) years from the last day of the month in which this amendment is issued.

Date of issuance: November 27, 1964.

For the Atomic Energy Commission.

LYALD JOHNSON,

Acting Director,

Division of Materials Licensing.

[F.R. Doc. 64-12424; Filed, Dec. 4, 1964; 8:45 a.m.]

FEDERAL AVIATION AGENCY

[OE Docket No. 64-EA-9]

MAINE RADIO AND TELEVISION CO.

Determination of No Hazard to Air Navigation

The Federal Aviation Agency has circularized the following proposal for aeronautical comment and has conducted a study (EA-OE-5385) to determine its effect upon the safe and efficient utilization of navigable airspace.

The Maine Radio and Television Company, Portland, Maine, proposes to construct a television antenna structure near East Sebago, Maine, at latitude 43°51'33" N., longitude 70°42'43" W.

The overall height of the proposed structure would be 2,527 feet above mean sea level (1,292 feet above ground).

The proposed structure would be located approximately 14.7 miles southeast of the Eastern Slopes Regional Airport and 9.7 miles southwest of the Naples Seaplane Base. It would exceed the standards as described in § 77.25(c)(1) of the Federal Aviation Regulations as applied to this seaplane base by its entire height. It would be located within the boundaries of VOR Federal airway No. 93 and would require an increase from 3,400 feet to 3,500 feet in the minimum obstruction clearance altitude (MOCA) between Concord, New Hampshire, VOR and Augusta, Maine, VOR.

The aeronautical study disclosed that the increase in MOCA on V93 would have no substantial adverse effect upon instrument flight rules (IFR) operations since the minimum en route altitude on this airway segment is 4,000 feet and there is no plan to reduce it.

The study further disclosed that the proposed structure would have no substantial adverse effect on visual flight rules (VFR) operations since it would not be located in proximity to a commonly used VFR route or in an area where there is a significant volume of VFR traffic.

Therefore, pursuant to the authority delegated to me by the Administrator (§ 77.37 [New]), it is found that the proposed structure would have no substantial adverse effect upon the safe and efficient utilization of navigable airspace and it is hereby determined that the proposed structure would not be a hazard to air navigation provided that it is obstruction marked and lighted in accordance with Agency standards.

This determination is effective and will become final 30 days after the date of issuance unless an appeal is filed under § 77.39 [New] (27 F.R. 10352). If the appeal is denied, the determination will then become final as of the date of the denial or 30 days after the issuance of the determination, whichever is later. Unless otherwise revised or terminated, a final determination hereunder will expire 18 months after its effective date or upon earlier abandonment of the construction proposal (§ 77.41 [New]).

Issued in Washington, D.C., on November 27, 1964.

RALPH H. FLETCHER,

Acting Chief,

Obstruction Evaluation Branch.

[F.R. Doc. 64-12438; Filed, Dec. 4, 1964; 8:46 a.m.]

FEDERAL COMMUNICATIONS COMMISSION

[Docket Nos. 15419, 15420; FCC 64M-1212]

CENTRAL BROADCASTING CORP. AND WCRB, INC.

Order Continuing Hearing

In re applications of Central Broadcasting Corporation, Ware, Massachu-

sets, Docket No. 15419, File No. BPH-4243; WCRB, Inc., Springfield, Massachusetts, Docket No. 15420, File No. BPH-4319; for construction permits.

The Hearing Examiner having under consideration the possible effects of certain pleadings before the Review Board in the above-entitled matter which may obviate the necessity for a hearing, and

It appearing, that, in any event, no useful purpose would be served by convening the hearing now scheduled for December 4, 1964.

It is ordered, This first day of December 1964, on the Hearing Examiner's own motion, that the hearing scheduled for December 4, 1964 is cancelled and the matter continued without day.

Released: December 2, 1964.

FEDERAL COMMUNICATIONS
COMMISSION,
[SEAL] BEN F. WAPLE,
Secretary.

[F.R. Doc. 64-12476; Filed, Dec. 4, 1964;
8:49 a.m.]

[Docket Nos. 15249, 15250; FCC 64M-1206]

**CLEVELAND TELECASTING CORP. AND
SUPERIOR BROADCASTING CORP.**

**Order Scheduling Prehearing
Conference**

In re applications of Cleveland Telecasting Corp., Cleveland, Ohio, Docket No. 15249, File No. BPCT-3191; The Superior Broadcasting Corp., Cleveland, Ohio, Docket No. 15250, File No. BPCT-3243; for construction permits for new television broadcast stations (Channel 65).

The Hearing Examiner having under consideration the request of the Broadcast Bureau, filed on October 29, 1964, for a further prehearing conference in the above-entitled proceeding; and

It appearing, that no comment or other pleading has been filed by either of the applicants relative to such request and the time for response thereto has expired; and

It further appearing, that, as suggested by the counsel for the Broadcast Bureau, a useful purpose would be served by a further prehearing conference in this proceeding;

Accordingly, it is ordered, This 30th day of November 1964, that a further prehearing conference in the above-styled proceeding will be held on December 15, 1964, at 10:00 a.m., in the offices of the Commission in Washington, D.C., for the purpose of scheduling further steps to be taken in the above-styled proceeding.

Released: December 1, 1964.

FEDERAL COMMUNICATIONS
COMMISSION,
[SEAL] BEN F. WAPLE,
Secretary.

[F.R. Doc. 64-12477; Filed, Dec. 4, 1964;
8:49 a.m.]

[Docket No. 14611; FCC 64M-1211]

**PROGRESS BROADCASTING CORP.
(WHOM)**

**Order Scheduling Prehearing
Conference**

In re application of Progress Broadcasting Corporation (WHOM), New York, New York, Docket No. 14611, File No. BP-13915; for construction permit.

Pursuant to verbal request by counsel for the applicant: *It is ordered*, This 1st day of December 1964, that there will be a further prehearing conference in the above-entitled proceeding on December 29, 1964, 10:00 a.m., in the Commission's Offices, Washington, D.C.

Released: December 2, 1964.

FEDERAL COMMUNICATIONS
COMMISSION,
[SEAL] BEN F. WAPLE,
Secretary.

[F.R. Doc. 64-12478; Filed, Dec. 4, 1964;
8:49 a.m.]

[Docket No. 15713; FCC 64M-1208]

TREE BROADCASTING CO.

Order Scheduling Hearing

In re application of Oris Gowen and Howard Edwards d/b as Tree Broadcasting Co., Greensburg, Indiana, Docket No. 15713, File No. BP-15084; for construction permit.

It is ordered, This 30th day of November 1964, that James D. Cunningham shall serve as the presiding officer in the above-entitled proceeding; that the hearings therein shall commence at 10:00 a.m. on January 5, 1965; and that a prehearing conference shall be convened at 9:00 a.m. on December 22, 1964: *And it is further ordered*, That all proceedings shall be held in the Offices of the Commission, Washington, D.C.

Released: December 2, 1964.

FEDERAL COMMUNICATIONS
COMMISSION,
[SEAL] BEN F. WAPLE,
Secretary.

[F.R. Doc. 64-12479; Filed, Dec. 4, 1964;
8:49 a.m.]

[Docket Nos. 15714, 15715; FCC 64M-1205]

**TRINITY BROADCASTING CO. AND
WARNER BROS. PICTURES, INC.**

Order Scheduling Hearing

In re applications of Trinity Broadcasting Company, Fort Worth, Texas, Docket No. 15714, File No. BPCT-3172; Warner Bros. Pictures, Inc., Fort Worth, Texas, Docket No. 15715, File No. BPCT-3272; for construction permit for new television broadcast station (Channel 20).

It is ordered, This 30th day of November 1964, that Chester F. Naumowicz, Jr., shall serve as the presiding officer in the above-entitled proceeding; that the hearings therein shall commence at 10:00 a.m. on January 25, 1965; and that a prehearing conference shall be convened at 10:00 a.m. on December 3, 1964; and: *It is further ordered*, That all proceedings shall be held in the Offices of the Commission, Washington, D.C.

Released: December 1, 1964.

FEDERAL COMMUNICATIONS
COMMISSION,
[SEAL] BEN F. WAPLE,
Secretary.

[F.R. Doc. 64-12480; Filed, Dec. 4, 1964;
8:49 a.m.]

[Docket Nos. 15584, 15585; FCC 64M-1217]

**VAUGHN-HANSEN CO. AND CAPE
CANAVERAL BROADCASTERS, INC.**

Order Continuing Hearing

In re applications of R. A. Vaughn and Thomas R. Hanssen d/b as Vaughn-Hanssen Company, not incorporated, Melbourne, Florida, Docket No. 15584, File No. BP-14921; Cape Canaveral Broadcasters, Incorporated, Eau Gallie, Florida, Docket No. 15585, File No. BP-15570; for construction permits.

It is ordered, On the Hearing Examiner's own motion, that the procedural dates herein are rescheduled as follows:

- (a) Informal exchange from January 4, 1965 to January 25, 1965;
- (b) Formal exchange from January 11, 1965 to February 1, 1965;
- (c) Notification of witnesses from January 20, 1965 to February 10, 1965; and,
- (d) Commencement of hearing from January 25, 1965 to February 15, 1965.

Dated: December 1, 1964.

Released: December 2, 1964.

FEDERAL COMMUNICATIONS
COMMISSION,
[SEAL] BEN F. WAPLE,
Secretary.

[F.R. Doc. 64-12481; Filed, Dec. 4, 1964;
8:49 a.m.]

[Docket No. 15712; FCC 64M-1207]

MELVIN S. WELCH

Order Scheduling Hearing

In the matter of Melvin S. Welch, Stone Mountain, Georgia, Docket No. 15712; order to show cause why the license for radio station KDB-0264 in the citizens radio service should not be revoked.

It is ordered, This 1st day of December 1964, that Jay A. Kyle shall serve as presiding officer in the above-entitled proceeding, and that the hearings therein

shall be convened in Washington, D.C., at 10:00 a.m., January 5, 1965.

Released: December 1, 1964.

FEDERAL COMMUNICATIONS
COMMISSION,
[SEAL] BEN F. WAPLE,
Secretary.

[F.R. Doc. 64-12482; Filed, Dec. 4, 1964;
8:49 a.m.]

FEDERAL MARITIME COMMISSION

CHILEAN LINE, INC., AND PITSTON STEVEDORING CORP.

Notice of Agreement Filed for Approval

Notice is hereby given that the following Agreements have been filed with the Commission for approval pursuant to section 15 of the Shipping Act, 1916, as amended (39 Stat. 733, 75 Stat. 763, 46 U.S.C. 814).

Interested parties may inspect and obtain a copy of the agreement(s) at the Washington office of the Federal Maritime Commission, 1321 H Street NW., Room 301; or may inspect agreements at the offices of the District Managers, New York, N.Y., New Orleans, La., and San Francisco, Calif. Comments with reference to an agreement including a request for hearing, if desired, may be submitted to the Secretary, Federal Maritime Commission, Washington, D.C., 20573, within 20 days after publication of this notice in the FEDERAL REGISTER. A copy of any such statement should also be forwarded to the party filing the agreement (as indicated hereinafter), and the comments should indicate that this has been done.

Notice of agreement filed for approval by:

Kirlin, Campbell & Keating,
120 Broadway,
New York, N.Y.

Agreement No. T-118, as amended by Agreement No. T-602, between Chilean Line, Inc. (Chilean) and Pittston Stevedoring Corporation (Pittston), provides that the parties will perform terminal operations at the Columbia Street pier in New York. Chilean berths its vessels at one side of the pier and permits Pittston to operate from the other side. The agreement provides that Pittston may use the facility to stevedore vessels but Chilean retains the discretion to refuse vessels which Chilean determines will interfere with normal operations, and to select the berthing area for all vessels. Chilean agrees to perform certain services on behalf of Pittston and as compensation will receive a set amount per ton of cargo and per unboxed car. Any vessels which remain at the premises beyond loading or discharging time are assessed an additional daily charge for dockage.

The parties state that Pittston's operation will cost Chilean a certain dollar increase annually which Pittston agrees to attract in new business, based solely on all revenue from dockage and

a certain amount per ton of cargo handled. If Pittston fails to attract this amount annually in new business, it agrees to pay 61.1 percent of the difference to Chilean. Chilean will absorb the remaining percentage. If there is an excess of new business over the set amount, Chilean will pay 61.1 percent of the excess to Pittston and retain the remaining percentage.

Dated: December 1, 1964.

By order of the Federal Maritime Commission.

THOMAS LISI,
Secretary.

[F.R. Doc. 64-12484; Filed, Dec. 4, 1964;
8:49 a.m.]

PORT OF SEATTLE AND MATSON TERMINALS, INC.

Notice of Agreement Filed for Approval

Notice is hereby given that the following Agreements have been filed with the Commission for approval pursuant to section 15 of the Shipping Act, 1916, as amended (39 Stat. 733, 75 Stat. 763, 46 U.S.C. 814).

Interested parties may inspect and obtain a copy of the agreement(s) at the Washington office of the Federal Maritime Commission, 1321 H Street NW., Room 301; or may inspect agreements at the offices of the District Managers, New York, N.Y., New Orleans, La., and San Francisco, Calif. Comments with reference to an agreement including a request for hearing, if desired, may be submitted to the Secretary, Federal Maritime Commission, Washington, D.C., 20573, within 20 days after publication of this notice in the FEDERAL REGISTER. A copy of any such statement should also be forwarded to the party filing the agreement (as indicated hereinafter), and the comments should indicate that this has been done.

Notice of agreement filed for approval by:

Port of Seattle
P.O. Box 1209
Seattle, Wash., 98111

Agreement No. 9015-2, between the Port of Seattle (Port) and Matson Terminals, Inc. (Matson) modifies the basic agreement which provides for a five year lease of a certain portion of Pier 48 and adjacent terminal property in Seattle, Washington, for use as a general steamship terminal and stevedoring and warehousing business. The purpose of the modification is to establish the termination of the agreement as of midnight, December 31, 1964, instead of 90 days after notice by either party.

Dated: December 1, 1964.

By order of the Federal Maritime Commission.

THOMAS LISI,
Secretary.

[F.R. Doc. 64-12485; Filed, Dec. 4, 1964;
8:49 a.m.]

FEDERAL POWER COMMISSION

[Docket No. AR64-1 etc.]

RATE PROCEEDINGS ET AL. Order Prescribing Procedure

NOVEMBER 27, 1964.

With the issuance of the presiding examiner's report on September 18, 1964, of the prehearing conference held July 28, 1964, in Docket No. AR64-1, et al. (Hugoton-Anadarko Area), and Docket No. AR64-2, et al. (Texas Gulf Coast Area), we have before us the question of the next steps that should be appropriately taken in these proceedings and of the method of conducting the two proceedings so as to avoid the needless repetition of the same evidence presented in Docket Nos. AR61-1 (Permian Basin Area) and AR61-2 (Southern Louisiana Area).

In his report the examiner stated that the producers generally took the position that further action in the present dockets should be deferred until the Commission had issued a decision in AR61-1 or AR61-2, that none indicated clearly a willingness to participate in group presentations, and that they were opposed to any consolidation whatsoever of the two proceedings. Nevertheless, the examiner was of the opinion that the Commission should proceed with these cases and provide for the compilation concurrently of separate records in such a way as to avoid the necessity to duplicate cross-examination or rebuttal.

In addition, the examiner would have the Commission authorize the Chief Hearing Examiner and the hearing examiner designated in each of the two proceedings to coordinate and expedite the procedures. He contemplated that the hearing sessions in the two proceedings would be held separately, but where the evidence was identical in each proceeding, the separate hearings should be convened concurrently for the receipt of this evidence.

The examiner also recommended that each order setting these matters for hearing provide for the distribution and service in advance of the evidence to be presented and fix a date before which requests for data collection should be filed. The examiner noted that The Superior Oil Company requested that the staff undertake the collection of data on a broad survey basis from pipeline purchasers and gas distribution companies, but that the staff opposed this request.

The examiner added that his report was purely advisory and did not constitute a ruling or order within the purview of § 1.18(d) of the Commission's rules.

A vigorous protest to the examiner's report was filed on October 5, 1964, by Continental Oil Company, Humble Oil & Refining Company, and Texaco Inc. They contend that the report does come within § 1.18(d) of the rules and should have been circulated in advance. They argue at some length that, in view of the lengthy records already compiled in AR 61-1 and AR61-2, it would be wasteful to proceed with the present proceedings until the earlier proceedings are determined. In any case, scheduling of steps

in the present proceedings should not be carried out without further conference with counsel for the various parties. Placid Oil Company joins in this protest, emphasizing the burdens placed on small producers by several area proceedings progressing at the same time.

In our opinion, the examiner's report of the prehearing conference was not required by § 1.18(d) of our rules to be submitted to the other parties. The examiner did not order the participants to do anything. He described what had taken place at the conference and made certain procedural recommendations. There was no requirement in our rules for submission of such a memorandum to the parties in advance.

We do not agree with the protesting parties that these proceedings should be halted until after we issue our decision in AR61-1 (Permian). The fact that the Commission expects shortly to decide the first of the area proceedings is a good reason for moving forward with the remaining proceedings. To proceed with the area proceedings on a seriatim basis would insure the additional delay that we are all trying to avoid. It is unrealistic and contrary to the public interest to delay these proceedings on the basis of an illusion that somehow a proceeding can be expedited by delaying the hearing. Our experience has been that postponements of hearings rarely dispose of cases and that the only sure road to progress is to proceed with the decision-making process. This we are determined to do.

The examiner's recommendations would be advantageous in eliminating duplicative presentations in these two proceedings, and some of his recommendations can be given effect. Moreover, we think it reasonable to go further and to try to avoid, to the extent possible, the de novo presentation of evidence that has already been presented in AR61-1 and AR61-2.

In the first two pending area rate proceedings, comprehensive evidentiary presentations were made on matters of nationwide significance. The presentations included voluminous case-in-chief and rebuttal testimony and exhibits and lengthy cross-examination of numerous witnesses. The character of the presentations was such that in many instances it is unlikely that their quality and effectiveness could be improved upon in any substantial way by a retrial of such matters in the new area proceedings, which are presently being scheduled for hearing. In addition, the Commission expects to make any necessary findings on such matters in its final decisions in AR61-1 and AR61-2 on the basis of the comprehensive records developed.

Under the circumstances, it would be completely contrary to the efficient administration of the Natural Gas Act and to the concept of area proceedings, as designed, among other things, to save time and money, if the parties were to present the same evidence de novo in each proceeding, even with small additions and improvements, and to repeat the cross-examination. Accordingly, by this order we are instructing the hearing examiners appointed in the present pro-

ceedings to hold joint prehearing conferences before the presentation of evidence and to use every effort at those conferences and at other times to induce the parties to stipulate to evidence or to incorporate evidence by reference from the record in AR61-2 (or from AR61-1, if necessary). Of particular importance in this connection would be matters of nationwide significance relating to the natural-gas industry and not related to the operating characteristics of any particular geographical area. Some examples, listed here by way of illustration, include the following: (1) Economic trend data on a nationwide basis (i.e., the national supply picture, the national demand picture, the trend toward deeper drilling, the contention that deeper drilling is more costly, and the like); (2) the controversy whether there is effective competition in the natural-gas production industry; (3) industry institutional practices and characteristics; (4) rate of return studies applicable to the industry on a nationwide basis.

The Commission is reluctant at this stage to take action which will force incorporation by reference. It is our hope that this will not be necessary, but that the parties will develop procedures for using the material from the previous records where it is feasible to do so. We are instructing the examiners in the proceedings to report back to us if they do not obtain the cooperation of the parties in this respect.

In those cases where there is evidence, particularly of a nationwide character, which is not incorporated by reference from AR61-1 or AR61-2, but is to be presented in both AR64-1 and AR64-2, techniques should be employed as suggested by the July 28, 1964, conference examiner in order to avoid duplicative trials of such matters in each of the two proceedings. Thus, while we shall appoint a separate examiner in each proceeding and provide for the compilation of separate records, we shall instruct the examiners to consider the problem of duplicative presentations at the joint prehearing conferences and to hold joint hearing sessions where this is appropriate. At such initial or at succeeding conferences, the examiners should determine which evidence proposed to be presented is susceptible of presentation in joint hearing sessions and should schedule such sessions for this purpose.

Except where convened jointly, the hearing sessions in the two proceedings should be held separately with the examiner assuming his normal role. Where hearings are convened jointly, the two examiners would rule upon the evidence offered with respect to each proceeding. The records in AR64-1 and AR64-2, however, would be separate records but would each contain the identical transcript of the joint sessions and the exhibits received jointly. These provisions should in no way prevent the examiners in each proceeding from scheduling other separate conferences, where needed, to delineate the issues, to consider the order of presenting the evidence, to provide for group presentations, and to do everything necessary to complete the proceedings as expeditiously as possible.

With respect to The Superior Oil Company's request that the staff undertake the collection of data from pipeline purchasers and gas distributors, we shall leave this matter for rulings by the examiner in each of the proceedings as to relevance and practicality.

Coming to the matter of scheduling the actual hearings, we are met with the difficulty that the cost evidence derived from questionnaires circulated to the producers will probably not be ready before June of 1965. This is true because the collection of the data must be completed; it must be compiled on computer tape; and finally, after appraisal of its significance, it must be presented as exhibits ready for inclusion in the record. The presentation of appropriate rate design evidence would accompany the completion of the parties' direct case. However, all other evidence should be ready at an earlier date. We shall therefore require that proposed evidence on all matters other than cost evidence based on the Commission's questionnaire and rate design evidence in both AR64-1 and AR64-2 be submitted to the examiners and served on the parties by May 15, 1965, and rebuttal evidence by August 2, 1965, and that the first session in each hearing be held on September 14, 1965, with the parties ready to go forward with cross-examination. Whether the first session or any following sessions will be held jointly in the two proceedings shall be directed by the examiners.

With respect to cost evidence derived from the questionnaires and rate design evidence constituting the second phase of these hearings, we shall leave scheduling of prehearing conferences, submittals, and hearing sessions to the examiners.

The Commission orders:

(A) Mr. Max L. Kane and Mr. Dyer J. Taylor duly qualified and appointed hearing examiners, or their successors legally qualified, appointed and designated, are designated to preside at the hearings in Docket Nos. AR64-1 and AR64-2, respectively, including prehearing conferences, and are authorized and directed, in so doing, to exercise all of the functions and authority prescribed by the Administrative Procedure Act and this Commission's rules of practice and procedure.

(B) The hearing examiners appointed in (A) above are instructed to use every effort to induce the parties to stipulate to evidence or to incorporate evidence by reference, including direct evidence, rebuttal and cross-examination, from the records in AR61-1 and AR61-2 instead of making a de novo presentation of the same or similar evidence. On their part, the parties are expected to cooperate in this objective. If they do not do so and progress is not made in incorporating such evidence where it is otherwise feasible, the examiners are directed to report this situation to the Commission with their recommendations.

(C) Separate records shall be compiled in AR64-1 and AR64-2, but in connection with matters not incorporated by reference but proposed for presentation in both AR64-1 and AR64-2, the examiners in both proceedings shall work out procedures under which there will be

avoided, to the extent possible, the separate and duplicative trial in both such proceedings of substantially identical evidentiary presentations on such matters. In order to accomplish this objective, the examiners in AR64-1 and AR64-2 may direct under such circumstances that one set of witnesses and one set of testimony and exhibits should be used for such a presentation in both hearings, and that the cross-examination of such witnesses shall take place at some appropriate stage in a joint hearing session involving all parties in both cases, held before the two examiners sitting en banc, who shall rule on any questions that may arise. The record thus made in any such joint hearing session shall become a part of the record in each of the two separate proceedings.

(D) The examiners in each proceeding shall call joint prehearing conferences at an appropriate time before the presentation of evidence to consider the incorporation of evidence by reference as provided in (B) above, and the holding of joint hearing sessions as provided in (C) above. The examiners in each proceeding are authorized to hold such other conferences as they deem desirable and shall consider and rule upon proposals for the required submission of additional data and questionnaires, proposals for the utilization in evidence of published data, and such other matters as will simplify the issues, will expedite the proceedings, and carry out the objectives of § 1.18(b) of our rules.

(E) Proposed evidence, other than cost evidence derived from the questionnaires circulated to the producers, and rate design evidence shall be submitted to the examiners in AR64-1 and AR64-2 on or before May 15, 1965, and rebuttal evidence by August 2, 1965. The first session in each hearing shall be held on September 14, 1965, and the parties at that time should be ready to go forward with cross-examination.

(F) The examiners in each proceeding are instructed to determine dates for the receipt of evidence derived from the cost questionnaires and evidence on rate design, for the submission of rebuttal evidence on these matters, and for the convening of hearing conferences and hearing sessions.

(G) In all respects other than those set forth herein the examiner in each proceeding shall have complete control of the conduct of the proceedings, the scheduling of hearing conferences and hearing sessions separate or concurrent, and the presentation of evidence.

By the Commission.¹

GORDON M. GRANT,
Acting Secretary.

[F.R. Doc. 64-12455; Filed, Dec. 4, 1964;
8:48 a.m.]

¹ Commissioner Ross's dissenting statement filed as part of the original document.

[Docket No. CP65-133]

ARKANSAS LOUISIANA GAS CO.

Notice of Application

NOVEMBER 30, 1964.

Take notice that on November 9, 1964, Arkansas Louisiana Gas Co. (Applicant), Slattery Building, Shreveport, La., filed in Docket No. CP65-133 a "budget-type" application pursuant to section 7(c) of the Natural Gas Act for a certificate of public convenience and necessity, authorizing the construction and operation of facilities, all as more fully set forth in the application on file with the Commission and open to public inspection.

Specifically, Applicant seeks authorization to construct and operate certain facilities for the connection of additional supplies of gas in new and existing producing fields to Applicant's interstate pipeline systems during the calendar year 1965.

The application proposes total construction of \$3,505,444, with no individual project to exceed \$500,000. Applicant proposes to finance the cost of the subject facilities from funds on hand, from cash generated by operations and from internal sources.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington, D.C., 20426, in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) on or before December 18, 1964.

Take further notice that, pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by sections 7 and 15 of the Natural Gas Act and the Commission's rules of practice and procedure, a hearing will be held without further notice before the Commission on this application if no protest or petition to intervene is filed within the time required herein, if the Commission on its own review of the matter believes that a grant of the certificate is required by the public convenience and necessity. If a protest or petition for leave to intervene is timely filed, or if the Commission on its own motion believes that a formal hearing is required, further notice of such hearing will be duly given.

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

JOSEPH H. GUTRIDE,
Secretary.

[F.R. Doc. 64-12456; Filed, Dec. 4, 1964;
8:48 a.m.]

[Docket No. CP65-140]

CITIES SERVICE GAS CO.

Notice of Application

NOVEMBER 30, 1964.

Take notice that on November 16, 1964, Cities Service Gas Co. (Applicant), Post Office Box 1995, Oklahoma City, Okla.,

filed in Docket No. CP65-140 an application pursuant to section 7(c) of the Natural Gas Act for a certificate of public convenience and necessity authorizing the short-term sale of natural gas to Panhandle Eastern Pipe Line Co. (Panhandle) and the construction and operation of minor pipeline facilities incident thereto, all as more fully set forth in the application on file with the Commission and open to public inspection.

Applicant proposes sales to Panhandle pursuant to an agreement between the parties dated October 9, 1964, under which a total of 20 billion cubic feet of natural gas will be sold over a period of three years. The sale will take place at a point of interconnection in Morton County, Kans. Applicant seeks further authority to construct and operate metering and regulating facilities in connection with said sale.

The application shows that the purpose of the proposed sale arrangement is to assist in reducing the amount of accumulated excess allowables of wells located in the Kansas-Hugoton Field from which Applicant is purchasing gas.

The estimated cost of the facilities is \$8,800, and will be financed with current funds.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington, D.C., 20426, in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) on or before December 18, 1964.

Take further notice that, pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by sections 7 and 15 of the Natural Gas Act and the Commission's rules of practice and procedure, a hearing will be held without further notice before the Commission on this application if no protest or petition to intervene is filed within the time required herein, if the Commission on its own review of the matter believes that a grant of the certificate is required by the public convenience and necessity. If a protest or petition for leave to intervene is timely filed, or if the Commission on its own motion believes that a formal hearing is required, further notice of such hearing will be duly given.

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

JOSEPH H. GUTRIDE,
Secretary.

[F.R. Doc. 64-12457; Filed, Dec. 4, 1964;
8:48 a.m.]

[Docket No. CP65-152]

CITIES SERVICE GAS CO.

Notice of Application

NOVEMBER 30, 1964.

Take notice that on November 23, 1964, Cities Service Gas Co. (Applicant), Post Office Box 1995, Oklahoma City, Okla., filed in Docket No. CP65-152 a "budget-

type" application pursuant to section 7(c) of the Natural Gas Act for a certificate of public convenience and necessity authorizing the construction and operation of facilities, all as more fully set forth in the application on file with the Commission and open to public inspection.

Specifically, Applicant seeks authority to install and operate, during the calendar year 1965, small field compressor units on its gathering laterals in various gas producing fields connected to Applicant's system, in order to take into its system supplies of gas which it has contracted to take from producers in these fields.

The compressor units to be installed will range from 200 to 500 horsepower, and the size and number of compressors units to be installed will vary from field to field.

The total estimated cost of the facilities to be installed will not exceed \$500,000, nor will the cost of compressor units for any single producing field exceed \$200,000. Applicant proposes to finance construction with treasury cash.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington, D.C., 20426, in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) on or before December 21, 1964.

Take further notice that, pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by sections 7 and 15 of the Natural Gas Act and the Commission's rules of practice and procedure, a hearing will be held without further notice before the Commission on this application if no protest or petition to intervene is filed within the time required herein, if the Commission on its own review of the matter believes that a grant of the certificate is required by the public convenience and necessity. If a protest or petition for leave to intervene is timely filed, or if the Commission on its own motion believes that a formal hearing is required, further notice of such hearing will be duly given.

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

JOSEPH H. GUTRIDE,
Secretary.

[F.R. Doc. 64-12458; Filed, Dec. 4, 1964;
8:48 a.m.]

[Project No. 2450]

CONSUMERS POWER CO., COOKE HYDROELECTRIC PROJECT

Notice of Land Withdrawal; Michigan DECEMBER 2, 1964.

Conformable to the provisions of section 24 of the Act of June 10, 1920 (41 Stat. 1063), as amended, notice is hereby given that the land hereinafter described, insofar as title thereto remains in the United States, is included in Project No. 2450 for which completed application for license (Major) was filed with the Commission on October 2, 1964, by the Consumers Power Co. Under said section 24

all lands of the United States lying within the boundary of the project, as delimited on maps, Exhibits, "K" sheets 2 and 3 (F.P.C. Nos. 2450-3 and 4) filed February 28, 1964 and amended "J" and "K" sheet 1 (F.P.C. Nos. 2450-7 and 8) filed October 2, 1964 are, from said date of completion of application (October 2, 1964), reserved from entry, location or other disposal under the laws of the United States until otherwise directed by the Commission or by Congress.

MICHIGAN MERIDIAN

T. 24 N., R. 7 E.,
Sec. 10: SW $\frac{1}{4}$ SW $\frac{1}{4}$ —0.17 acre;
Sec. 10: SE $\frac{1}{4}$ SW $\frac{1}{4}$ —1.26 acres.

The area of the United States land reserved pursuant to the filing of this application is approximately 1.43 acres, all of which is within the Huron National Forest.

Copies of project maps, F.P.C. Nos. 2450-3, 4, 7 and 8, are being transmitted to Geological Survey, Bureau of Land Management and Forest Service.

JOSEPH H. GUTRIDE,
Secretary.

[F.R. Doc. 64-12459; Filed, Dec. 4, 1964;
8:48 a.m.]

[Project No. 2449]

CONSUMERS POWER CO., LOUD PLANT

Notice of Land Withdrawal; Michigan DECEMBER 2, 1964.

Conformable to the provisions of section 24 of the Act of June 10, 1920, as amended, notice is hereby given that the hereinafter described lands, insofar as title thereto remains in the United States, are included in power Project No. 2449 for which completed application for license (major) was filed with the Commission October 2, 1964. Under said section 24 all lands of the United States lying within the boundary of the project, as delimited on maps, Exhibits "K"—sheet 2 (FPC No. 2449-3) filed February 28, 1964, and "J" and "K-1" (FPC Nos. 2449-6 and -7) filed October 2, 1964, in support of the application for license, are from said date of filing (October 2, 1964), reserved from entry, location or other disposal under the laws of the United States until otherwise directed by the Commission or by Congress.

MICHIGAN MERIDIAN

T. 24 N., R. 5 E.,
Sec. 24: NW $\frac{1}{4}$ SE $\frac{1}{4}$ —0.92 acre;
T. 24 N., R. 6 E.,
Sec. 20: SW $\frac{1}{4}$ SE $\frac{1}{4}$ —0.64 acre.

The total area of United States land reserved pursuant to the filing of this application for license is approximately 1.56 acres all of which is within the Huron National Forest.

Copies of project maps, Exhibits "J" and "K", sheets 1 and 2 (FPC Nos. 2449-6, -7 and -3, respectively) are being transmitted to the Geological Survey, Bureau of Land Management and Forest Service.

JOSEPH H. GUTRIDE,
Secretary.

[F.R. Doc. 64-12460; Filed, Dec. 4, 1964;
8:48 a.m.]

[Docket No. CP65-127]

EL PASO NATURAL GAS CO.

Notice of Application

NOVEMBER 30, 1964.

Take notice that on November 5, 1964, El Paso Natural Gas Co. (Applicant), El Paso, Tex., filed in Docket No. CP65-127 a "budget-type" application pursuant to section 7(c) of the Natural Gas Act for a certificate of public convenience and necessity authorizing the construction and operation of facilities and the sale and delivery of natural gas by means thereof by Applicant's Southern Division System, all as more fully set forth in the application on file with the Commission and open to public inspection.

Specifically, Applicant seeks authorization to construct and operate certain facilities for the sale and delivery of natural gas to its existing, authorized Southern Division distributor customers for resale and general distribution to residential, non-residential, and irrigation consumers situated in existing market areas, including rural, unincorporated areas within a franchise or service area of such customers, in the States of Texas, New Mexico, Arizona, and San Juan County, Utah. The application states that such sales and deliveries will not, however, be made to distributor customers for resale and general distribution in those market areas served, or proposed to be served, in whole or in part by another pipeline or in communities not then having natural gas service.

The application further states that such sales and deliveries will not exceed 100,000 Mcf annually through any given facility installed and the gas will not be used or resold for boiler fuel purposes.

The application further states that the proposed facilities will consist of thirty taps, together with standard appurtenances necessary for the operation thereof; twenty-five measuring and regulating stations, together with standard appurtenances necessary for the operation thereof; and three lateral or loop pipelines, together with standard appurtenances necessary for the operation thereof, including measuring and regulating facilities, not to exceed a maximum diameter of 8 $\frac{1}{2}$ inch O.D. and a maximum length of 12 miles.

The total estimated cost of the proposed facilities is not to exceed \$300,000, and will be financed with current working funds.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington, D.C., 20426, in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) on or before December 21, 1964.

Take further notice that, pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by sections 7 and 15 of the Natural Gas Act and the Commission's rules of practice and procedure, a hearing will be held without further notice before the Commission on this application if no protest or petition to intervene is filed within the time required herein, if the Commission on its own review of the matter believes that a grant of the certificate is required by the public

convenience and necessity. If a protest or petition for leave to intervene is timely filed, or if the Commission on its own motion believes that a formal hearing is required, further notice of such hearing will be duly given.

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

JOSEPH H. GUTRIDE,
Secretary.

[F.R. Doc. 64-12461; Filed, Dec. 4, 1964;
8:48 a.m.]

[Docket No. CP65-128]

EL PASO NATURAL GAS CO.

Notice of Application

NOVEMBER 30, 1964.

Take notice that on November 5, 1964, El Paso Natural Gas Co. (Applicant), El Paso, Tex., filed in Docket No. CP65-128 a "budget-type" application pursuant to section 7(c) of the Natural Gas Act for a certificate of public convenience and necessity authorizing the construction and operation of facilities and the sale and delivery of natural gas by means thereof by Applicant's Northwest Division System, all as more fully set forth in the application on file with the Commission and open to public inspection.

Specifically, Applicant seeks authorization to construct and operate certain facilities for the sale and delivery of natural gas to its existing, authorized Northwest Division distributor customers for resale and general distribution to consumers situated in existing market areas, including rural, unincorporated areas within a franchise or service area of such customers, in the States of Colorado, Utah, Wyoming, Idaho, Oregon and Washington. The application states that such sales and deliveries will not, however, be made to distributor customers for resale and general distribution in those market areas served, or proposed to be served, in whole or in part by another pipeline company or in communities not then having natural gas service.

The application further states that such sales and deliveries will not exceed 100,000 Mcf annually through any given facility installed, and the gas will not be used or resold for boiler fuel purposes.

The application further states that the proposed facilities will consist of twenty taps, together with standard appurtenances necessary for the operation thereof; twenty measuring and regulating stations, together with standard appurtenances necessary for the operation thereof; and three lateral or loop pipelines, together with standard appurtenances necessary for the operation thereof, including measuring and regulating facilities, not to exceed a maximum diameter of 8 $\frac{1}{2}$ inch O.D. and a maximum length of 12 miles.

The total estimated cost of the proposed facilities is not to exceed \$300,000, and will be financed with current working funds.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington, D.C., 20426, in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) on or before December 21, 1964.

Take further notice that, pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by sections 7 and 15 of the Natural Gas Act and the Commission's rules of practice and procedure, a hearing will be held without further notice before the Commission on this application if no protest or petition to intervene is filed within the time required herein, if the Commission on its own review of the matter believes that a grant of the certificate is required by the public convenience and necessity. If a protest or petition for leave to intervene is timely filed, or if the Commission on its own motion believes that a formal hearing is required, further notice of such hearing will be duly given.

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

JOSEPH H. GUTRIDE,
Secretary.

[F.R. Doc. 64-12462; Filed, Dec. 4, 1964;
8:48 a.m.]

[Docket No. CP65-153]

EL PASO NATURAL GAS CO.

Notice of Application

NOVEMBER 30, 1964.

Take notice that on November 24, 1964, El Paso Natural Gas Co. (Applicant), El Paso, Tex., filed in Docket No. CP65-153 an application pursuant to section 7(c) of the Natural Gas Act for a certificate of public convenience and necessity authorizing the short-term sale and delivery of natural gas and the construction and operation of facilities, all as more fully set forth in the application on file with the Commission and open to public inspection.

Specifically, Applicant seeks authorization to sell and deliver to Northern Natural Gas Co. (Northern), on an exchange basis, such gas as may be delivered by Colorado Interstate Gas Co. (Colorado) to Northern at the existing interconnection of Colorado's facilities with the facilities of Northern in Moore County, Tex., for Applicant's account.

Applicant seeks further authorization to construct and operate a tap and side-gate valve situated on Applicant's 18-inch O.D. Panoma-Dumas pipeline at the point of intersection thereof with Colorado's 20-inch O.D. Fourway Kit Carson pipeline, for the purpose of receiving gas from Colorado.

The application states that the above authorizations are sought pursuant to a Letter Agreement between Applicant and Colorado, dated November 9, 1964, under which Colorado will sell and deliver and Applicant will purchase and receive, for a term continuing through February 29, 1968, such daily quantities of gas as

Colorado may have available and Applicant may request.

The estimated cost of Applicant's facilities is \$2,300, and will be financed with current funds.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington, D.C., 20426, in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) on or before December 21, 1964.

Take further notice that, pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by sections 7 and 15 of the Natural Gas Act and the Commission's rules of practice and procedure, a hearing will be held without further notice before the Commission on this application if no protest or petition to intervene is filed within the time required herein, if the Commission on its own review of the matter believes that a grant of the certificate is required by the public convenience and necessity. If a protest or petition for leave to intervene is timely filed, or if the Commission on its own motion believes that a formal hearing is required, further notice of such hearing will be duly given.

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

JOSEPH H. GUTRIDE,
Secretary.

[F.R. Doc. 64-12463; Filed, Dec. 4, 1964;
8:48 a.m.]

[Docket No. CP65-147]

NORTHERN NATURAL GAS CO.

Notice of Application

NOVEMBER 30, 1964.

Take notice that on November 20, 1964, Northern Natural Gas Co., 2223 Dodge Street, Omaha, Nebr., filed in Docket No. CP65-147 an application pursuant to section 7 of the Natural Gas Act for a certificate of public convenience and necessity authorizing Applicant to provide firm natural gas service, through its Peoples Natural Gas Division (Peoples) to Clinton Engines Corp. (Clinton) and John Deere Dubuque Tractor Works of Deere and Co. (John Deere), all as more fully set forth in the application on file with the Commission and open to public inspection.

Specifically, Applicant requests authorization to provide firm volumes of natural gas, through its Peoples Division, to Clinton and John Deere at their manufacturing plants located at Maquoketa and Dubuque, Iowa, respectively, pursuant to agreements between Applicant and the respective parties, dated August 14, 1964 and October 22, 1964, respectively.

The application states that authorization to provide the firm volumes is sought because of the provisions of Paragraph 6 of Applicant's Rate Schedule R-3, as contained in its presently effective FPC Gas Tariff.

Peoples is presently serving both plants on an interruptible basis.

Deliveries are estimated as follows:

	Clinton	John Deere
Annual (Mcf).....	156,000	173,000
Peak day (Mcf).....	450	500

of Las Vegas, New Mexico, for further transportation to Las Vegas (City and Town). Annual and peak day requirements for three initial years are stated to be:

	1965	1966	1967
Annual.....	667,073	721,508	765,234
	1964-65	1965-66	1966-67
Peak day.....	4,200	6,000	6,490

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington, D.C., 20426, in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) on or before December 21, 1964.

Take further notice that, pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by sections 7 and 15 of the Natural Gas Act and the Commission's rules of practice and procedure, a hearing will be held without further notice before the Commission on this application if no protest or petition to intervene is filed within the time required herein, if the Commission on its own review of the matter believes that a grant of the certificate is required by the public convenience and necessity. If a protest or petition for leave to intervene is timely filed, or if the Commission on its own motion believes that a formal hearing is required, further notice of such hearing will be duly given.

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

JOSEPH H. GUTRIDE,
Secretary.

[F.R. Doc. 64-12464; Filed, Dec. 4, 1964; 8:48 a.m.]

[Docket No. CP65-101]

RATON NATURAL GAS CO.

Notice of Application

NOVEMBER 30, 1964.

Take notice that on October 13, 1964, Raton Natural Gas Co. (Applicant), 1115 South Second Street, Raton, N. Mex., filed an application in Docket No. CP65-101, pursuant to section 7(c) of the Natural Gas Act for a certificate of public convenience and necessity authorizing the construction and operation of a meter station on the outskirts of the City of Raton, N. Mex., and the sale and delivery of natural gas to the San Morcol Pipeline, Inc. (San Morcol) for resale, all as more fully set forth in the application on file with the Commission and open to public inspection.

Applicant proposes to sell and deliver natural gas to San Morcol for resale to the communities of Maxwell, Springer, Wagon Mound and Las Vegas. San Morcol proposes to construct and operate approximately 50 miles of 8-inch transmission pipeline extending from the point of connection with Applicant to a point near Colmor, New Mexico, at which point natural gas will be delivered into a proposed 50 miles of 8-inch pipeline to be constructed and operated by the City

Applicant proposes to make the sale to San Morcol under its proposed CD-1 Rate Schedule to be filed with the Commission upon the granting of certificate authorization. The rate schedule provides for a demand charge of \$1.10 per Mcf and a commodity charge of 22.5 cents per Mcf, and for an interruptible service under a proposed Rate Schedule I-1 at a rate of 26 cents per Mcf.

Applicant was authorized in Docket No. CP62-131 to construct and operate approximately 20.5 miles of 8-inch line extending from a point of connection with Colorado Interstate Gas Company's (CIG) facilities at Trinidad, Colo., to Raton, New Mexico.

The cost of the proposed meter station at Raton is estimated at \$7,490, and will be paid for from cash on hand.

This matter is one that should be disposed of as promptly as possible under the applicable rules and regulations and to that end:

Take further notice that preliminary staff analysis has indicated that there are no problems which would warrant a recommendation that the Commission designate this application for formal hearing before an examiner and that, pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by sections 7 and 15 of the Natural Gas Act, and the Commission's rules of practice and procedure, a hearing may be held without further notice before the Commission on this application provided no protest or petition to intervene is filed within the time required herein. Where a protest or petition for leave to intervene is timely filed, or where the Commission on its own motion believes that a formal hearing is required, further notice of such hearing will be duly given.

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

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington, D.C., 20426, in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) on or before December 17, 1964.

JOSEPH H. GUTRIDE,
Secretary.

[F.R. Doc. 64-12465; Filed, Dec. 4, 1964; 8:48 a.m.]

[Docket No. CP65-148]

TRANSWESTERN PIPELINE CO.

Notice of Application

NOVEMBER 30, 1964.

Take notice that on November 23, 1964, Transwestern Pipeline Co., First

City National Bank Building, Houston, Tex., filed in Docket No. CP65-148 an application pursuant to section 7(c) of the Natural Gas Act for a certificate of public convenience and necessity authorizing the construction and operation of certain facilities and the sale of natural gas, all as more fully set forth in the application on file with the Commission and open to public inspection.

Specifically, Applicant seeks to construct and operate a 6-inch tap valve and appurtenant facilities, to be located at the point where Applicant's existing 10-inch Mocane lateral crosses the 26-inch Oklahoma-Hugoton line of Cities Service Gas Co. (Cities Service).

Applicant seeks further authorization to sell such volumes of natural gas to Cities Service as Applicant may have available, up to 50,000 Mcf per day, pursuant to an agreement between the parties dated November 6, 1964. The application states that the proposed sales are to extend for a period ending six months after the date of first deliveries under said agreement, or after the date Applicant is ready to commence deliveries pursuant to authorization issued in Docket No. CP64-104, whichever is earlier.

The estimated cost of the proposed facilities is \$1,860, which Applicant proposes to finance with funds made available from company operations.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington, D.C., 20426, in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) on or before December 21, 1964.

Take further notice that, pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by sections 7 and 15 of the Natural Gas Act and the Commission's rules of practice and procedure, a hearing will be held without further notice before the Commission on this application if no protest or petition to intervene is filed within the time required herein, if the Commission on its own review of the matter believes that a grant of the certificate is required by the public convenience and necessity. If a protest or petition for leave to intervene is timely filed, or if the Commission on its own motion believes that a formal hearing is required, further notice of such hearing will be duly given.

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

JOSEPH H. GUTRIDE,
Secretary.

[F.R. Doc. 64-12466; Filed, Dec. 4, 1964; 8:48 a.m.]

[Docket No. CP65-125]

UNITED GAS PIPE LINE CO.

Notice of Application

NOVEMBER 30, 1964.

Take notice that on November 5, 1964, United Gas Pipe Line Co. (Applicant), 1525 Fairfield Avenue, Shreveport, La., filed in Docket No. CP65-125 an applica-

¹ Application filed by San Morcol Pipeline, Inc., on October 13, 1964, in Docket No. CP65-100 pursuant to section 1(c) of the Natural Gas Act for an exemption from the provisions of the Act over its 8-inch line from Raton to Colmor, N. Mex.

tion pursuant to section 7(c) of the Natural Gas Act for a certificate of public convenience and necessity authorizing the construction and operation of certain facilities in Dallas County, Tex., all as more fully set forth in the application on file with the Commission and open to public inspection.

Specifically, Applicant proposes to construct and operate approximately .13 mile of 4½-inch pipe line, a sales meter station and appurtenant facilities for the sale of natural gas to the Ruberoid Co. (Ruberoid) to be used in connection with Ruberoid's roofing manufacturing plant located at Dallas, Tex.

The estimated initial three year period of peak day and annual deliveries to Ruberoid are stated to be:

	First year	Second year	Third year
Annual (Mcf)....	\$92,000	\$92,000	\$92,000
Peak day (Mcf)...	2,000	2,000	2,000

The estimated cost of the facilities is \$9,375, and will be financed with current working funds.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington, D.C., 20426, in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) on or before December 18, 1964.

Take further notice that, pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by sections 7 and 15 of the Natural Gas Act and the Commission's rules of practice and procedure, a hearing will be held without further notice before the Commission on this application if no protest or petition to intervene is filed within the time required herein, if the Commission on its own review of the matter believes that an order is required by the public convenience and necessity. If a protest or petition for leave to intervene is timely filed, or if the Commission on its own motion believes that a formal hearing is required, further notice of such hearing will be duly given.

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

JOSEPH H. GUTRIDE,
Secretary.

[F.R. Doc. 64-12467; Filed, Dec. 4, 1964;
8:48 a.m.]

[Docket No. G-9980, etc.]

ATLANTIC REFINING CO.

Notice of Applications

NOVEMBER 30, 1964.

Take notice that The Atlantic Refining Co. (Applicant) filed in each of the aforementioned dockets an application pursuant to section 7(c) of the Natural Gas Act for a certificate of public convenience and necessity authorizing the sale for resale and delivery of natural gas in interstate commerce or to amend orders of the Commission issuing certificates by adding thereto authorization

to sell natural gas from additional acreage, all as more fully set forth in the applications which are on file with the Commission and open to public inspection.

The details of each application are set forth in the Appendix below. In each case the Commission has issued a temporary certificate to Applicant and has accepted the related rate schedule for filing. The prices set forth in the Appendix below are those approved by the Commission in a settlement order issued October 8, 1964, in Docket No. G-9283, et al.

Take further notice that, pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by sections 7 and 15 of the Natural Gas Act, and the Commission's rules of practice and proce-

dures, a hearing will be held without further notice before the Commission on all applications in which no protest or petition to intervene is filed within the time required herein. Where a protest or petition for leave to intervene is timely filed, further notice of a hearing will be duly given.

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

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington, D.C., 20426, in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) on or before December 24, 1964.

JOSEPH H. GUTRIDE,
Secretary.

APPENDIX

Docket No.	Filing date	Related rate schedule	Purchaser	Location	Price (cents per Mcf) at 14.65 p.s.i.a.
G-9980.....	7- 6-50	133 1 Supplement	Natural Gas Pipeline Co. of America.	Guymon-Hugoton Field, Texas and Beaver Counties, Okla.	16.0
CI60-459.....	4-11-60	215	Tennessee Gas Transmission Co.	Englehart Field, Colorado County, Tex.	16.0
CI61-291.....	8-25-60 8-20-61	219 219 1 Supplement	Transwestern Pipeline Co.	Northeast Elmwood and southeast Griggs Fields, Cimarron and Beaver Counties, Okla.	17.0
CI61-482.....	10- 7-60	224	Natural Gas Pipeline Co. of America.	Northeast Thompsonville Field, Webb and Jim Hogg Counties, Tex.	15.0
CI63-1400....	6- 6-63	273	Panhandle Eastern Pipe Line Co.	Northwest Midwell Field, Cimarron County, Okla.	17.0

* Application to sell natural gas from additional acreage.

* Plus B.t.u. adjustment.

[F.R. Doc. 64-12470; Filed, Dec. 4, 1964; 8:48 a.m.]

INTERAGENCY TEXTILE ADMINISTRATIVE COMMITTEE

CERTAIN COTTON TEXTILE PRODUCTS PRODUCED OR MANUFACTURED IN POLAND

Limitation on Entry or Withdrawal From Warehouse

DECEMBER 1, 1964.

On November 27, 1964, the United States Government, in furtherance of the objectives of, and under the terms of, the Long Term Arrangement Regarding International Trade in Cotton Textiles done at Geneva on February 9, 1962, including Article 6 relating to non-participants, informed the Government of Poland that, pending consultations between Poland and the United States regarding trade in cotton textiles, it was renewing for an additional twelve-month period, through December 3, 1965, the arrangements in effect between the two governments on the export of cotton textile products in Categories 19, 26, 28 and 34 produced or manufactured in Poland.

There is published below a letter of December 1, 1964, from the Chairman, President's Cabinet Textile Advisory Committee, to the Commissioner of Customs, directing that the amount in Cate-

gories 19, 26, 28 and 34 of cotton textile products produced or manufactured in Poland which may be entered, or withdrawn from warehouse, for consumption in the United States from December 4, 1964, through December 3, 1965, be limited to designated levels.

THOMAS JEFF DAVIS,
Acting Chairman, Interagency Textile Administrative Committee, and Deputy to the Secretary of Commerce for Textile Programs.

THE SECRETARY OF COMMERCE

PRESIDENT'S CABINET TEXTILE ADVISORY COMMITTEE

Washington 25, D.C.
DECEMBER 1, 1964.

COMMISSIONER OF CUSTOMS,
DEPARTMENT OF THE TREASURY,
Washington, D.C.

DEAR MR. COMMISSIONER: Under the terms of the Long Term Arrangement Regarding International Trade in Cotton Textiles done at Geneva on February 9, 1962, including Article 6 relating to non-participants, and in accordance with the procedures outlined in Executive Order 11052 of September 28, 1962, you are directed to prohibit, effective December 4, 1964, and for the twelve-month period extending through December 3, 1965, entry into the United States for consumption, and withdrawal from warehouse for consumption, of cotton textile products in Categories 19, 26, 28 and 34 produced or manufactured in Poland, in excess of the following levels of restraint:

Category:	12-month level of restraint
19-----	625,000 square yards.
26-----	100,000 square yards.
28-----	112,500 units.
34-----	63,000 units.

In carrying out this directive, entries of cotton textile products in Categories 19, 26, 28 and 34, produced or manufactured in Poland, which have been exported to the United States from Poland prior to December 4, 1964, shall to the extent of any unfilled balance, be charged against the level of restraint established for such goods during the period December 4, 1963, through December 3, 1964. In the event that this level has been exhausted by previous entries, such goods shall be charged against the level established under the present directive.

A detailed description of the listed categories in terms of T.S.U.S.A. numbers was published in the FEDERAL REGISTER on October 1, 1963 (28 F.R. 10551) and amendments thereto on March 24, 1964 (29 F.R. 3679).

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

The actions taken with respect to the Government of Poland and with respect to imports of cotton textile products from Poland have been determined by the President's Cabinet Textile Advisory Committee to involve foreign affairs functions of the United States. Therefore, the directions to the Commissioner of Customs, being necessary to the implementation of such actions, fall within the foreign affairs exception to the notice provisions of section 4 of the Administrative Procedure Act. This letter will be published in the FEDERAL REGISTER.

Sincerely yours,

Secretary of Commerce, and Chairman, President's Cabinet Textile Advisory Committee.

[F.R. Doc. 64-12471; Filed, Dec. 4, 1964; 8:48 a.m.]

SECURITIES AND EXCHANGE COMMISSION

[File No. 31-441]

GENESEEE VALLEY GAS CO., INC.

Notice of Filing of Application for Order Revoking Exemption

November 30, 1964.

Notice is hereby given that Genesee Valley Gas Co., Inc. ("Genesee"), 56 Main Street, Genesee, N.Y., an exempt holding company, has filed an application, pursuant to section 3(c) of the Public Utility Holding Company Act of 1935 ("Act"), for an order revoking the exemption granted it by our order issued August 2, 1938 (Genesee Valley Gas Company, Inc., 3 S.E.C. 672), pursuant to section 3(a) (1) of the Act, on the ground that the circumstances which gave rise to such order no longer exist. All interested persons are referred to the application on file at the office of the Commission for a statement of the facts set forth as the basis for the application, which are summarized below:

At the time its exemption was granted, Genesee had two direct and one indirect gas utility subsidiary companies, i.e., The Pavilion Natural Gas Co. ("Pa-

villon"), Churchville Oil and Natural Gas Co. ("Churchville") and Valley Gas Corp. ("Valley"), all New York corporations; and one nonutility subsidiary company, Putnam Natural Gas Co. ("Putnam"), engaged in producing and selling natural gas at wholesale. Since 1938, Churchville has been dissolved and Putnam has been sold; and Genesee's only substantial asset now consists of the outstanding common stock of Pavilion, which, in turn, owns the outstanding common stock of Valley.

All of Genesee's bonds, debentures, and preferred stock which were outstanding in 1938 have been retired or otherwise eliminated, and Genesee's presently outstanding securities consist solely of 22,655 shares of \$1 par value common stock. The retirement of Genesee's bonds removed a restriction, imposed by the related bond indenture, against direct financing by its subsidiary companies, and since 1954 Pavilion has financed its own and Valley's capital requirements by means of retained earnings and through the sale to institutional investors of first mortgage bonds, presently outstanding in the aggregate principal amount of \$489,000. Pavilion also has outstanding 25,000 shares of common stock with a par value of \$13.20 per share, all owned by Genesee; Valley's only outstanding securities consist of 50 shares of common stock, all owned by Pavilion. At December 31, 1963, the consolidated assets of Pavilion and Valley amounted to \$1,822,358, after reserves for depreciation.

Genesee states further that for some years its activities have been limited to the receipt of dividends from Pavilion, the payment of dividends to Genesee's stockholders, the filing of required reports and returns, and the payment of its income and other taxes and fees; that it is not now serving, and will not hereafter serve, any useful purpose with respect to the operations of Pavilion and Valley; and that the circumstances under which the Commission's order of August 2, 1938, was issued no longer exist. Accordingly, Genesee requests that its exemption be revoked in order that it may register under the Act and submit, pursuant to section 11(e) thereof, a plan pursuant to which it will cease to be a holding company with respect to its public-utility subsidiary companies in compliance with the simplification standards of section 11(b) (2) of the Act.

Notice is further given that any interested person may, on or before December 21, 1964, request in writing that a hearing be held in respect of the application, stating the nature of his interest, the reasons for the request, and the issues of law or fact which he desires to controvert; or he may request that he be notified should the Commission order a hearing in respect of the application. Any such request should be addressed: Secretary, Securities and Exchange Commission, Washington, D.C., 20549. A copy of such request should be served personally or by mail (airmail if the person being served is located more than 500 miles from the point of mailing) upon applicant at the above-stated address, and proof of service (by affidavit or, in case of an attorney at law, by

certificate) should be filed contemporaneously with the request. At any time after said date the application as filed or as it may be amended, may be granted or the Commission may take such other action as it deems appropriate.

By the Commission.

[SEAL]

NELLYE A. THORSEN,
Assistant Secretary.

[F.R. Doc. 64-12440; Filed, Dec. 4, 1964; 8:46 a.m.]

[File No. 2-21774]

HOUSEHOLD FINANCE CORP.

Notice of Application and Opportunity for Hearing

NOVEMBER, 30, 1964.

Notice is hereby given that Household Finance Corp. (Company) has filed an application under clause (ii) of section 310(b) (1) of the Trust Indenture Act of 1939 for a finding by the Commission that trusteeship of The First National Bank of Chicago ("First National Bank") under an Indenture dated as of September 1, 1953 (1953 Indenture), and under an Indenture dated October 15, 1960 (1960 Indenture), which were heretofore qualified under the Act, and trusteeship by First National Bank under a proposed indenture to be dated as of November 1, 1964 (1964 Indenture), not to be qualified under the Act, is not so likely to involve a material conflict of interest as to make it necessary in the public interest or for the protection of investors to disqualify said Trustee from acting as such under the 1953 Indenture, the 1960 Indenture, and the 1964 Indenture.

Section 310(b) of the Act, which is included in section 7.08 of the 1953 Indenture and 6.08 of the 1960 Indenture, provides in part that if an indenture trustee under an indenture qualified under the Act has or shall acquire any conflicting interest (as defined in the section), it shall, within ninety days after ascertaining that it has such conflicting interest, either eliminate such conflicting interest or resign. Subsection (1) of section 310(b) provides, with certain exceptions stated therein, that a trustee is deemed to have a conflicting interest if it is acting as trustee under a qualified indenture of an issuer and becomes trustee under another indenture of the same issuer. However, pursuant to clause (ii) of subsection (1), an issuer may sustain the burden of proving, on application to the Commission and after opportunity for hearing hereon, that trusteeship under a qualified indenture and another indenture is not so likely to involve a material conflict of interest as to make it necessary in the public interest or for the protection of investors to disqualify such trustee from acting as trustee under one of such indentures.

The Company alleges that:

1. It proposes to issue \$85,000,000 aggregate principal amount of 4 3/4% Debentures due January 1, 1989, under the 1964 Indenture under which First National Bank is named indenture trustee, and to sell the new debentures to a limited number of institutional investors, which will purchase the debentures for investment

and not with a view to distribution, as a result of which the securities will be exempt from the registration requirements of the Securities Act of 1933 and the 1964 Indenture will be exempt from qualification under the Trust Indenture Act of 1939;

2. The company has outstanding \$15,000,000 principal amount of fifteen-year 4½ percent debentures due 1968, issued under the 1953 Indenture dated as of September 1, 1953 under which First National Bank is trustee. Debentures issued under the 1953 Debenture were registered under the Securities Act of 1933 and the 1953 Indenture was qualified under the Trust Indenture Act of 1939;

3. The company also has outstanding \$50,000,000 principal amount of its 4½ percent Debentures due 1981, issued under the 1960 Indenture dated as of October 15, 1960, under which First National Bank is trustee. Debentures issued under the 1960 Indenture were registered under the Securities Act of 1933 and the 1960 Indenture was qualified under the Trust Indenture Act of 1939;

4. Each indenture referred to herein is wholly unsecured and the company is not in default under any such indentures.

5. The 1953 Indenture provides for debentures of two maturities while the 1960 and 1964 Indentures provide for debentures of one maturity. Except as to the foregoing and the differences as to amounts, dates, interest rates, redemption, and other procedural differences, most of the provisions of the three indentures are substantially alike. The definition of "quick assets" in the 1953 and 1960 Indenture has been changed to a definition of "Aggregate Assets" in the 1964 Indenture. Subordinated indebtedness of the company has been excluded from the definition of "liabilities" in the 1964 Indenture;

6. None of the provisions of the 1953, 1960 and 1964 Indentures are likely to involve a material conflict of interest in the trusteeship thereof.

For a more detailed statement of the matters of fact and law asserted, all persons are referred to said application which is on file in the offices of the Commission at 425 Second Street NW., Washington, D.C.

Notice is further given that an order granting the application may be issued by the Commission at any time on or after December 23, 1964, unless prior thereto a hearing upon the application is ordered by the Commission, as provided in clause (H) of section 310(b)(1) of the Trust Indenture Act of 1939. Any interested person may, not later than 5:30 p.m., e.s.t., on December 21, 1964, in writing, submit to the Commission his views or any additional facts bearing upon this application or the desirability of a hearing thereon. Any such communication or request should be addressed: Secretary, Securities and Exchange Commission, 425 Second Street NW., Washington 25, D.C., and should state briefly the nature of the interest of the person submitting such information or requesting a hearing, the reasons for such request, and the issues of fact and law raised by the application which he desires to controvert.

For the Commission (Pursuant to delegated authority).

[SEAL]

NELLYE A. THORSEN,
Assistant Secretary.

[F.R. Doc. 64-12441; Filed, Dec. 4, 1964;
8:46 a.m.]

[File No. 70-4243]

JERSEY CENTRAL POWER & LIGHT CO.

Notice of Filing of Declaration Regarding Proposed Sale of an Interest in Generating Station

DECEMBER 1, 1964.

Notice is hereby given that Jersey Central Power & Light Co. ("Jersey Central"), Madison Avenue at Punch Bowl Road, Morristown, N.J., 07960, an electric utility subsidiary company of General Public Utilities Corp., a registered holding company, has filed a declaration, pursuant to the Public Utility Holding Company Act of 1935 ("Act"), and has designated section 12(d) of the Act and Rule 44 thereunder as applicable to the transaction therein proposed. All interested persons are referred to the declaration on file at the office of the Commission for a statement of the proposed transaction, which is summarized as follows:

Jersey Central is the owner of an undivided 33.33 percent interest in certain land, land rights, engineering designs, preliminary construction work, equipment in the process of fabrication, contracts and related property and interests acquired or in the process of acquisition, for a steam electric generating station, known as the Keystone Generating Station ("Keystone"), which is in the process of design, construction and installation near Johnstown, Pennsylvania. Jersey Central proposes, not later than December 31, 1965, to sell and transfer to Public Service Electric and Gas Co. ("Public Service"), a nonaffiliated company, approximately one-half (i.e., a 16.66 percent undivided interest in the whole) of such 33.33 percent undivided interest in Keystone, leaving Jersey Central with an undivided interest of 16.67 percent therein. The price to be paid to Jersey Central by Public Service in cash is an amount equal to Jersey Central's cost, as at the date of transfer, of the interest being conveyed. Such cost as at November 30, 1964, plus interest during construction to January 15, 1965, is estimated to be \$1,459,000. The transfer may be made in several installments as may be best suited to the status of the title to the property being transferred.

Keystone is to be jointly owned by seven nonaffiliated electric utility companies (including Jersey Central and Public Service) as tenants in common, each of which is to share in the output of the station in proportion to its respective undivided interest.

The declaration states that the Board of Public Utility Commissioners of New Jersey and the Pennsylvania Public Utility Commission have jurisdiction over the proposed transfers of assets to Public Service and that applications to said Commissions, and orders thereof

approving the transactions, are to be supplied for the record by amendment. The fees and expenses to be incurred by Jersey Central are also to be supplied by amendment.

Notice is further given that any interested person may, not later than December 23, 1964, request in writing that a hearing be held in respect of such matter, stating the nature of his interest, the reasons for such request, and the issues of law or fact which he desires to controvert; or he may request that he be notified should the Commission order a hearing thereon. Any such request should be addressed: Secretary, Securities and Exchange Commission, Washington, D.C., 20549. A copy of such request should be served personally or by mail (air mail if the person being served is located more than 500 miles from the point of mailing) upon declarant at the above-noted address, and proof of service (by affidavit or, in case of an attorney at law, by certificate) should be filed contemporaneously with the request. At any time after said date, the declaration, as filed or as it may be amended, may be permitted to become effective, as provided in Rule 23 of the general rules and regulations promulgated under the Act or the Commission may grant exemption from such rules as provided in Rules 20(a) and 100 thereof or take such other action as it may deem appropriate.

For the Commission (pursuant to delegated authority).

[SEAL]

NELLYE A. THORSEN,
Assistant Secretary.

[F.R. Doc. 64-12442; Filed, Dec. 4, 1964;
8:46 a.m.]

SMALL BUSINESS ADMINISTRATION

[Declaration of Disaster Area 495]

OKLAHOMA

Declaration of Disaster Area

Whereas, it has been reported that during the month of November 1964, because of the effects of certain disasters, damage resulted to residences and business property located in Grant and Kay Counties in the State of Oklahoma;

Whereas, the Small Business Administration has investigated and has received other reports of investigations of conditions in the areas affected;

Whereas, after reading and evaluating reports of such conditions, I find that the conditions in such areas constitute a catastrophe within the purview of the Small Business Act, as amended.

Now, therefore, as Executive Administrator of the Small Business Administration, I hereby determine that:

1. Applications for disaster loans under the provisions of section 7(b)(1) of the Small Business Act, as amended, may be received and considered by the Offices below indicated from persons or firms whose property, situated in the aforesaid Counties and areas adjacent thereto, suffered damage or destruction resulting from floods and accompanying

conditions occurring on or about November 18, 1964.

OFFICES

Small Business Administration Regional Office, 1025 Elm Street, Dallas, Tex.
Small Business Administration Branch Office, 3d and Robinson Streets, Oklahoma City, Okla.

2. A temporary field office will be established in Blackwell, Oklahoma, address to be announced locally.

3. Applications for disaster loans under the authority of this Declaration will not be accepted subsequent to May 31, 1965.

Dated: November 20, 1964.

Ross D. DAVIS,
Executive Administrator.

[F.R. Doc. 64-12425; Filed, Dec. 4, 1964;
8:45 a.m.]

INTERSTATE COMMERCE COMMISSION

[Notice 1087]

MOTOR CARRIER TRANSFER PROCEEDINGS

DECEMBER 2, 1964.

Synopses of orders entered pursuant to section 212(b) of the Interstate Commerce Act, and rules and regulations prescribed thereunder (49 CFR Part 179), appear below:

As provided in the Commission's special rules of practice any interested person may file a petition seeking reconsideration of the following numbered proceedings within 20 days from the date of publication of this notice. Pursuant to section 17(8) of the Interstate Commerce Act, the filing of such a petition will postpone the effective date of the order in that proceeding pending its disposition. The matters relied upon by petitioners must be specified in their petitions with particularity.

No. MC-FC 67160. By order of November 27, 1964, the Transfer Board approved the transfer to Medway Trucking Corporation, Philadelphia, Pa., of Certificate in No. MC 11650, issued June 24, 1959, to Dominick Pardo, doing business as Dom's Motor Express, Philadelphia, Pa., authorizing the transportation of: Soap chemicals and textile and lubricating oils, in containers, from Philadelphia, Pa., to New York, N.Y., and Bayonne, Beverly, and Camden, N.J. Raymond A. Thistle, Jr., Suite 1408-09, 1500 Walnut Street, Philadelphia 2, Pa., attorney for applicants.

No. MC-FC 67289. By order of November 27, 1964, the Transfer Board approved the transfer to Salmo Transport Ltd., Salmo, British Columbia, Canada, of the operating rights in Certificates Nos. MC 114126 and MC 114126 Sub 2, issued February 11, 1955, and September 20, 1962, respectively, to Associated Enterprises Ltd., Salmo, British Columbia, Canada, authorizing the transportation,

over irregular routes, of cement and soda ash, from Metaline Falls, Wash., to the United States-Canada international boundary line at or near Nelway, British Columbia, Canada, and ore concentrates, in bulk, from ports of entry on the United States-Canada boundary line at or near Oroville, Ferry, Danville, Laurier, Northport, and Metaline Falls, Wash., and Port Hill and Eastport, Idaho, to Tacoma, Wash., and Kellogg, Idaho. Joseph L. Thomas, Old National Bank Building, Spokane 1, Wash., attorney for applicants.

No. MC-FC 67310. By order of November 27, 1964, the Transfer Board approved the transfer to Coronado Rapid Transfer, Inc., San Diego, Calif., of the Certificate of Registration in No. MC 121227 Sub 1, issued March 9, 1964, to Robert M. Scully and Kathleen A. Scully, a partnership, doing business as Coronado Rapid Transfer, San Diego, Calif., authorizing transportation in interstate and foreign commerce corresponding to the grant of prescriptive operative rights stated in Decision No. 22090, and transferred to the partnership in Decision No. 62904 by the Public Utilities Commission of California. David S. Folsom, 233 A Street, Room 1211, San Diego 1, Calif., attorney for applicants.

No. MC-FC 67320. By order of November 25, 1964, the Transfer Board approved the transfer to M. C. Garment Delivery, a corporation, Hasbrouck Heights, N.J., of the operating rights in Certificate No. MC 63992, issued March 22, 1955, to John Malta, doing business as M. C. Garment Delivery, Hasbrouck Heights, N.J., authorizing the transportation, over irregular routes, of wearing apparel, and cut and uncut goods, trimmings, clips, clasps, and other articles, when to be utilized in the manufacture of wearing apparel, between New York, N.Y., on the one hand, and, on the other, points in Hudson, Essex, Union, Middlesex, and Monmouth Counties, N.J., and of women's and children's garments, and cut and uncut goods, trimmings, and other articles used in the manufacture of such garments, between New York, N.Y., on the one hand, and, on the other, Summit and East Newark, N.J. Herman B. J. Weckstein, 1060 Broad Street, Newark, N.J., attorney for applicants.

No. MC-FC 67322. By order of November 25, 1964, the Transfer Board approved the transfer to Givens Transfer Company, Inc., Savannah, Ga., of Certificate No. MC 1840, issued July 20, 1949 to L. T. Givens, Jr., doing business as Givens Storage Company, Savannah, Ga., authorizing the transportation of household goods, over irregular routes, between Savannah, Ga., and points in Georgia within 50 miles of Savannah, on the one hand, and, on the other, points in Georgia, South Carolina, and Florida. L. T. Givens, Jr., 127 East Broad Street, Savannah, Ga., representative for applicants.

No. MC-FC 67326. By order of November 27, 1964, the Transfer Board approved the transfer to Medway Trucking Corporation, Philadelphia, Pa., of Cer-

tificate in No. MC 59871, issued October 5, 1950, to Joseph B. Tiernan, Jr., and Francis Tiernan, a partnership, doing business as Joseph Tiernan, Philadelphia, Pa., authorizing the transportation of: Radios and television sets, incidental parts, batteries and supplies and electrical equipment, between points in Philadelphia County, Pa., and, between Philadelphia, Pa., on the one hand, and, on the other, Wilmington and Dover, Del., Newark, Perth Amboy, Elizabeth, Trenton, Hammonton, Edgewater, Atlantic City, and Camden, N.J., and points in the New York, N.Y., Commercial Zone. Raymond A. Thistle, Jr., Suite 1408-09, 1500 Walnut Street, Philadelphia 2, Pa., attorney for applicants.

No. MC-FC 67328. By order of November 25, 1964, the Transfer Board approved the transfer to Jenkins Trucking, Inc., Miami, Fla., of Certificate No. MC 117890, issued November 4, 1964, to Arthur G. Jenkins, doing business as Jenkins Trucking, Miami, Fla., authorizing the transportation of bananas, over irregular routes, from Miami and Tampa, Fla., to points in Florida, Alabama, Georgia, South Carolina, North Carolina, Tennessee, Kentucky, Indiana and Ohio. John T. Bond, 1955 Northwest 17th Avenue, Miami, Fla., 33125, representative for applicants.

No. MC-FC 67373. By order of November 25, 1964, the Transfer Board approved the transfer to Eugene Stone, Cleveland, Ohio, of the operating rights issued by the Commission, March 11, 1963, under Permit No. MC 124539, to Clarence C. Crowthers, Brecksville, Ohio, authorizing the transportation, over irregular routes, of such equipment, materials and supplies as are usually dealt in by gasoline and oil service stations, except liquid commodities in bulk, equipment and supplies, used by oil refineries, petroleum products, in packages, sold to consumers of such products, in semitrailers, supplied by shipper; and frozen foods, and supplies, used in the dispensing and serving of frozen food at oil and gasoline service stations in shipper supplied semitrailers equipped with mechanical refrigeration, between points in Ohio, on the one hand, and, on the other, points in Pennsylvania, New York, and the lower peninsula of Michigan. Richard H. Brandon, c/o Sanborn, Brandon and Evans, 79 East State Street, Columbus 15, Ohio, attorneys for applicants.

No. MC-FC 67383. By order of November 25, 1964, the Transfer Board approved the transfer to Pacific & Atlantic Trucking Co., Inc., New Providence, N.J., of the operating rights in Permit No. MC 2194, issued January 24, 1942, to Harry Shaffer, Hillside, N.J., authorizing the transportation, over irregular routes, of groceries and grocery supplies, from Newark, N.J., to points in Nassau, Orange, Rockland, Sullivan, Ulster, and Westchester Counties, N.Y., between New York, N.Y., and Newark, N.J.; and between Philadelphia, Pa., on the one hand, and, on the other, Camden, Trenton, and

Newark, N.J. Hylan Cooper, 450 Seventh Avenue, New York, N.Y., 10001.

[SEAL]

HAROLD D. MCCOY,
Secretary.

[F.R. Doc. 64-12446; Filed, Dec. 4, 1964;
8:46 a.m.]

[Rev. S.O. 562; Taylor's I.C.C. Order 177,
Amdt. 1]

**MISSOURI-KANSAS-TEXAS
RAILROAD CO.**

Rerouting of Traffic

Upon further consideration of Taylor's I.C.C. Order No. 177 (Missouri-Kansas-Texas Railroad Company) and good cause appearing therefor:

It is ordered, That,

Taylor's I.C.C. Order No. 177 be, and it is hereby, amended by substituting the following paragraph (g) for paragraph (g) thereof:

(g) *Expiration date.* This order shall expire at 11:59 p.m., December 31, 1964, unless otherwise modified, changed, suspended or annulled.

It is further ordered, That this amendment shall become effective at 11:59 p.m., December 2, 1964, and that this order shall be served upon the Association of American Railroads, Car Service Division, as agent of all railroads subscribing to the car service and per diem agreement under the terms of that agreement, and by filing it with the Director, Office of the Federal Register.

Issued at Washington, D.C., December 1, 1964.

INTERSTATE COMMERCE,
COMMISSION,
CHARLES W. TAYLOR,
Agent.

[SEAL]

[F.R. Doc. 64-12447; Filed, Dec. 4, 1964;
8:46 a.m.]

[S.O. 947; Second Revised Taylor's Car Distribution Order 11]

**LEHIGH VALLEY RAILROAD CO. AND
NORFOLK AND WESTERN RAIL-
WAY CO.**

Shortage of Freight Cars

Pursuant to section 1 (15) and (17) of the Interstate Commerce Act and authority vested in me by paragraph (5) (b) of Interstate Commerce Commission Service Order No. 947 (28 F.R. 12127, 29 F.R. 6014, and 29 F.R. 9670).

I find that there continues to exist a shortage of freight cars in certain areas because of inequitable distribution and, because of such emergency, notice and public procedure on this order would be impracticable and contrary to the public interest, and this order shall be made effective upon less than 30 days' notice.

Therefore, it is ordered, That,

(a) The Lehigh Valley Railroad Company shall deliver to the Norfolk and Western Railway Company a daily average of 40 plain serviceable box cars inside length less than 44'8".

(b) Cars received by the Norfolk and Western Railway Company under this order will be delivered to the Chicago, Burlington & Quincy Railroad Company.

It is further ordered, That the Lehigh Valley Railroad Company shall prepare empty car cards, tickets or movement slips for all cars delivered to the Norfolk and Western Railway Company. Such cards, tickets or slips to accompany cars and be delivered with cars to the Chicago, Burlington & Quincy Railroad Company.

(c) *Effective date:* This order shall become effective at 12:01 a.m. December 3, 1964.

(d) *Expiration date:* This order shall expire at 11:59 p.m. December 8, 1964, unless otherwise ordered.

It is further ordered, That this order shall be served upon the Association of American Railroads, Car Service Division, as Agent of all railroads subscribing to the car service and per diem agreement under the terms of that agreement and by filing it with the Director, Office of the Federal Register.

Issued at Washington, D.C., December 1, 1964.

INTERSTATE COMMERCE,
COMMISSION,
CHARLES W. TAYLOR,
Agent.

[SEAL]

[F.R. Doc. 64-12448; Filed, Dec. 4, 1964;
8:46 a.m.]

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Announcing first
5-year Cumulation

**UNITED STATES
STATUTES AT LARGE**

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